

Registered number: 03346676  
Charity number: 1069204

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**SOS CHILDREN'S VILLAGES UK**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

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**SOS CHILDREN'S VILLAGES UK**

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SOS CHILDREN'S VILLAGES UK

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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<b>Trustees</b>	Mary Cockcroft, Chairman Michael Brewer Earl of St Andrews, Lord George Philip Nicholas Windsor Ayesha Khan Graham Budd Matthew de Villiers Thomas Bauer (appointed 1 April 2014)
<b>Company registered number</b>	03346676
<b>Charity registered number</b>	1069204
<b>Registered office</b>	Terrington House 13-15 Hills Road Cambridge CB2 1NL
<b>Company secretary</b>	Mrs Linda Price
<b>Chief executive officer</b>	Mr Simon Etherington, OBE
<b>Independent auditors</b>	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
<b>Bankers</b>	Barclays Bank Plc 28 Chesterton Road Cambridge CB4 3AZ  CAF CASH Ltd Kings Hill West Malling Kent ME19 4TA
<b>Solicitors</b>	Pinsent Masons LLP 30 Crown Place Earl Place LONDON EC2A 4ES
<b>Patron</b>	The Countess Mountbatten of Burma CBE CD JP DL
<b>President</b>	Dame Mary Richardson DBE

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**SOS CHILDREN'S VILLAGES UK**

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**LETTER FROM THE CHAIR OF SOS CHILDREN'S VILLAGES UK  
FOR THE YEAR ENDED 31 DECEMBER 2014**

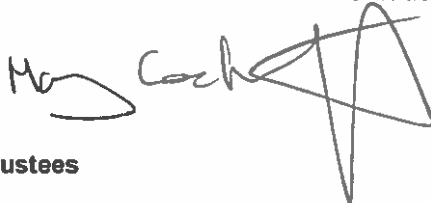
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Welcome to the 2014 Annual Report of SOS Children's Villages UK. 2014 was a year of transition, as the charity begins laying the foundations for future growth. Despite considerable restructuring (with its attendant turbulence), income remained stable. This is a testament to the loyalty of our UK supporters, and the hard work, dedication and professionalism of the UK team.

In March 2014, the team were glad to welcome Siddhartha Kaul, the president of SOS Children's Villages International. President Kaul was delighted to meet UK staff, as well as two people who had grown up in a Children's Village in Sri Lanka. He was also pleased to visit three of our senior corporate partners, to thank them for the financial support, staff engagement and expertise they have given to SOS Children's Villages to help youngsters and communities worldwide.

Another highlight of the year was the visit to Cambridge by Richard Pichler, the Chief Executive Officer/Secretary General of SOS Children's Villages International. After discussing with staff and Trustees the challenges and opportunities presented by the charity market, Richard pledged the support of our international colleagues in assisting the UK to achieve its target of reaching more children and young people in the future. As a former SOS child himself, Richard is a testament to how the loving support of an SOS family can help individuals flourish and take their place in society. We found his visit truly inspirational.

Thank you to all our UK supporters for your ongoing commitment. Your faithfulness and generosity continue to transform the lives of some of the most vulnerable children across the globe, helping to ensure they grow up in a loving family and are in their own turn able to fulfil their own ambitions in life.



**Mary Cockcroft**  
Chairman of the Board of Trustees

Date

13/5/15

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## SOS CHILDREN'S VILLAGES UK

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### OVERVIEW OF SOS CHILDREN'S VILLAGES UK FROM THE CHIEF EXECUTIVE FOR THE YEAR ENDED 31 DECEMBER 2014

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SOS Children's Villages is a global charity working to give vulnerable children and orphans a stable and positive family life in 125 countries.

As part of an international federation of 133 SOS Member Associations, SOS Children's Villages UK provides funding to SOS programmes worldwide. Africa is a particular focus, since the UK has fundraising responsibility for projects in The Gambia and Zambia; two of the continent's least-developed nations.

#### **Our vision and mission**

Our vision is for every child to grow up with love, respect and security.

Together with our international Member Association colleagues, we work towards:

- protection of children and their families
- advancement of education
- advancement of health and the saving of lives
- advancement of children's rights
- care and protection of children in emergency situations.

In taking action for children, we work as an independent non-governmental social development organisation. We are active in countries and communities around the world to improve the well-being of children and create sustainable livelihoods for their families, respecting different religions and cultures.

Working in the spirit of the United Nations Convention on the Rights of the Child, we promote and endorse these rights. As part of this work, we support the implementation of the UN Guidelines for the Alternative Care of Children, guidelines we helped to draw up. We also have special consultative status with the Economic and Social Council (ECOSOC) of the United Nations (UN) and work closely with the European Union and the Council of Europe to help improve conditions for children and young people without parental care.

#### **Our work**

With no programmes in the UK, our raison d'être is fundraising. The unique history of the United Kingdom, with its cultural links to many parts of the globe, combined with the affluence (both individual and commercial) and political importance of the UK (London in particular), position us well to be a net contributor to, and full participant in, SOS Children's Villages International. All our efforts are therefore directed at raising money and other resources to support the programmes of our international organisation in countries worldwide, in line with our donor's wishes.

#### **Our goals**

By 2025, SOS Children's Villages UK plans to be one of the top five organisations in the child sponsorship charity sector in the UK. This means we have to be well known and respected for our credible contributions to the well-being of orphans and abandoned children, and their rights.

We will achieve this goal through the development of all areas of fundraising, such as individual giving, trusts & foundations, institutional grant-making bodies and corporate partnerships. This will give us a balanced portfolio of fundraising sources, and thus build resilience against an overreliance on a particular channel. In addition, this approach will provide greater sustainability for our work – a vital pre-requisite considering the time span and breadth of care involved in each child's upbringing within the SOS model.

A particular priority for SOS Children's Villages UK is to continue to financially support the work of the first UK-established Village in Basse, The Gambia, as well as the recently established village in Chipata, Zambia. These Villages are principally supported through the generous contributions of UK donors and partners.

- In 2014, 60,000 children were being looked after in SOS families and there were 20,000 young people in our youth homes.
- Our community programmes supported 360,000 children and adults.

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## SOS CHILDREN'S VILLAGES UK

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### OVERVIEW OF SOS CHILDREN'S VILLAGES UK FROM THE CHIEF EXECUTIVE FOR THE YEAR ENDED 31 DECEMBER 2014

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- Our nurseries, schools and vocational training centres provided education to 135,000 children and young people.
- Our medical centres provided 850,000 individual services or treatments to adults and children and longer-term support, such as hospital stays, amounting to 68,000 days of care.
- Our emergency programmes provided 830,000 single services and help which amounted to more than 120,000 days of support.

#### **Our priorities**

2014 was a challenging year for the charity. Though the UK economy has recovered from its sharp downturn in terms of gross domestic product, wages remain depressed and high costs have led to a general decline in living standards. With average incomes lower than in 2007 – a typical UK worker has lost around GBP 2,000 per year – individual charitable giving remains depressed (based on a survey of 3,000 UK adults conducted by the Charities Aid Foundation).

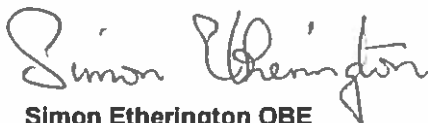
With many UK donors continuing to feel the pressure on their finances, there has been an overall decline in the UK market for sponsorships. Despite this, SOS Children's Villages UK managed to grow its total number of sponsorships, reaching our 10,000th international sponsorship in October 2014. We believe this achievement was due to our online expertise and website presence, which continues to help us reach new sponsors cost effectively, as well as the unique and compelling manner in which SOS delivers support to vulnerable children.

With regards to individual giving, we also remain grateful to our committed givers who send us regular monthly or yearly donations, as well as to our many UK fundraisers. These supporters take on a variety of challenges such as marathons and cross-border cycle rides, or raise money for us through a range of events such as parties, exhibitions and concerts. One group of fundraisers, the Cambridge Supporters Group, has realised their goal of raising £100,000. Legacy gifts also continue to remain an important source of individual giving for SOS Children's Villages UK, contributing more than £186,000 in 2014.

As part of our growth strategy over the next five years, we aim to put an increased focus on giving through other channels, such as trusts & foundations and institutional organisations, as well as on strengthening relationships with key individual supporters.

SOS Children's Villages UK continues to benefit from its partnerships with large corporate sponsors such as HSBC and SThree. These corporate partners not only support specific SOS programmes, they encourage their employees to take out individual sponsorships with us.

I invite you to read the following pages of this report, which outlines how our income was derived in 2014 and provides examples of how this generous support from our UK donors continues to transform lives.



**Simon Etherington OBE  
Chief Executive Officer  
SOS Children's Villages UK**

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## SOS CHILDREN'S VILLAGES UK

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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#### Case studies

##### **Our support for children in Basse, The Gambia**

The Gambia is one of the world's poorest countries, with around a third of the population living on less than 1.25 dollars a day. Rates of poverty are particularly high in the east of the country. Basse is the main town in the easternmost Upper River region. Poverty here causes a wide range of health and social problems, which can have a devastating impact on children.

Since healthcare and nutrition are so poor, many children lose parents in this part of The Gambia. The SOS Children's Village currently provides a loving home and family to 110 children who found themselves with no one able to look after them. There are 12 amazing SOS mothers caring for these children, as well as 9 'aunties' who give extra help or look after the youngsters when mothers take a well-earned day off.

Early education provides children with the building blocks for successful learning later on. Our SOS Nursery in Basse has 130 pupils from both the Village and the wider community and ensures youngsters receive the very best educational grounding.

The SOS Primary School in Basse provides a high-quality education to 239 children, 79 from the Village and 160 from the community. Demand for places is high and priority is given to children from vulnerable backgrounds, children such as Khadijatou (pictured). After her mother died, Khadijatou's herdsman father struggled to support his daughter's education. With SOS support, Khadijatou remains in school and is consistently top of her class.

SOS staff are hoping Khadijatou will follow in the footsteps of Adamature, who lives at the SOS Children's Village. Adamature (pictured on the left of the photo behind her SOS mother and two SOS siblings) did really well in her exams and is the first SOS Village girl to go on to secondary education. Amadou Barry, the Village Director, has encouraged Adamature all along her educational journey.

Mr Barry is pleased and proud to describe how all the "timely" help provided to children and families in Basse thanks to the generous support of UK donors has "rescued so many lives". SOS Children's Villages is equally proud of the fact that with the funding from our UK donors, we have been able to support not only individual children, but the whole community, leading to lives which are emotionally, socially and economically more secure and provide the foundation for a brighter future for Basse and its citizens.

##### **Emergency appeal to help Ebola-affected countries**

Since the start of the Ebola outbreak in March 2014, the World Health Organisation estimates more than 10,000 people have died in Liberia, Guinea and Sierra Leone. Due to the contagious nature of the disease, it has been common for several members of one family to contract and die from the virus. This has meant thousands of children have lost one or both of their parents, as well as many members of their extended family.

In late October 2014, an Ebola appeal was sent out to our UK SOS supporters. Thanks to the generosity of our UK donors, this appeal raised over £65,000.

Initially, SOS Children's Villages focused its support on emergency response programmes in the affected countries. For example, in Liberia, the SOS Medical Centre in Monrovia has been operating to provide round-the-clock healthcare in the capital. Here, medical support has been made available to families in Monrovia for non-Ebola-related conditions, relieving the burden on Liberia's overwhelmed services and the Ebola treatment centres.

As the number of deaths falls and the emergency programmes reduce in scale, money raised by supporters will be used to help alleviate the long-term effects of the disease. For example, in Sierra Leone, children affected by Ebola have been looked after at Interim Care Centres, where SOS Children's Villages has been working to reunite families. Here, SOS staff are finding that in certain cases there is no-one left who are able to care for youngsters in the longer-term and these children are now being placed with an SOS family.

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## SOS CHILDREN'S VILLAGES UK

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

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Charles, aged 18 months, lost both of his parents to Ebola in August 2013. One week later, the deadly virus claimed the lives of Charles's three brothers, one of his sisters and his uncle and auntie. "We lost eight of our family members," says 23-year-old Mabinty, one of Charles's sisters. Unfortunately, Charles's surviving relatives were not able to care for him. In January 2015, Charles (pictured opposite) was therefore given a new start in life. Along with three other orphaned youngsters, he was welcomed into the SOS Children's Village at Makeni. On the day of their arrival, SOS mothers and their families gathered to give a warm reception and sing welcome songs.

All four children – Charles, Larnia, Kadia and Rania – will be cared for by SOS mother Mabinty Mansaray. "I was excited to receive the children with an open heart. I will give them the best care and protection they deserve." The two other SOS Children's Villages in Sierra Leone –Freetown and Bo – will also be taking in Ebola orphans.

#### **The work of SOS Children's Villages around the world**

**We believe that every child should belong to a family and grow with love, respect and security.**

The **family** is the heart of society. Within a family, each child is protected and enjoys a sense of belonging. Here, children learn values, share responsibilities and form life-long relationships. A family environment gives them a solid foundation on which to build their lives.

Through **love** and acceptance, confidence is built. Children learn to trust and believe in themselves and others. With this self-assurance, each child can fulfil his or her potential.

Each child's voice is heard and taken seriously. Children participate in making decisions that affect their lives and are guided to take a leading role in their own development. Children grow with **respect** and dignity as cherished members of their family and society.

Children are protected from abuse, neglect and exploitation, and need **security** during natural disasters and war. Children should have shelter, food, health care and education. These are the basic requirements for the sound development of all children.

#### **Our target group**

At the heart of our work is the child at risk. SOS Children's Villages helps to create or support a family environment in which vulnerable children – those affected by poverty, disease, conflict and natural disasters – can grow up safely and with a feeling of security and belonging.

We focus on each child's care, education and health. Our programmes include nurseries, schools, vocational training centres, medical centres and social centres, which are used by the whole community.

#### **The way we work**

Since SOS Children's Villages is active all over the globe and within a wide range of cultures, our work in any location begins with each national member association. Staffed by locals, each national association is responsible for SOS Children's Villages in their country and for conducting research into the needs of children in their communities. By identifying gaps in the provision of care already available, a Child Rights Situation Analysis informs next steps and sets out relationships with local organisations and all relevant stakeholders.

#### **Our care**

Our community programmes work with disadvantaged families in order to prevent crises that can lead to family breakdown, child neglect and abandonment. We offer various forms of support to strengthen and stabilise struggling families, including vocational training, adult education, the development of community-based self-help groups, and resilience and emergency relief programmes. Our community programmes help to build up the skills and capacity of birth families, so that children can grow up with the protection, respect and support of their care-givers.



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## SOS CHILDREN'S VILLAGES UK

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

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Where children have no one to care for them or cannot remain with their biological family, we support foster families or build SOS families who provide stable and consistent care. SOS families are headed by an SOS mother/parent, a professionally trained care-giver, who creates a nurturing and secure home. When possible, biological brothers and sisters are kept together in one SOS family; we believe siblings should be together so they can develop lifelong emotional attachments. Our youth homes allow us to continue supporting children until they are ready to become independent adults. As well as long-term family-based care systems, in certain locations we can also offer short-term care for children in times of crisis.

SOS Children's Villages respects the origin, culture and religion of each individual child. At the same time, children are encouraged to learn about, understand and respect the opinions and beliefs of others.

#### **Education**

We believe that through quality education, the cycle of exclusion, poverty, domestic violence and family breakdown can be broken. SOS Children's Villages operates nursery schools, day-care centres, schools and vocational training centres and promotes quality education together with partners such as local state schools.

#### **Health**

SOS Children's Villages supports communities to develop the health infrastructures they need and our medical centres provide individualised care. In underdeveloped areas, our medical centres sometimes specialise in the care of women and children.

#### **Emergencies**

In situations of crisis, war and disaster, children in particular require specific protection and care. Responding to crises, we work with our well-established local member associations and their existing infrastructure, so when children and families need urgent assistance, SOS Children's Villages is in a strong position to respond promptly.

#### **Working in partnership....**

##### **...with families**

SOS Children's Villages believes that children and their families hold within them the potential for their own development and we see ourselves as a supportive partner in this. Using a family development planning process, we work together with each family to assess gaps in their ability to care for their children. We can then invest time, training and support to enable each family to achieve self-sufficiency.

##### **...with local groups and organisations**

We form agreements with a range of local organisations who help support our work and anchor our programmes within the community. Such partners can be community-based organisations, self-help groups, local NGOs or local authorities. We work with these bodies to form a community development plan.

##### **...with local schools, hospitals and other service providers**

Where there is inadequate provision of health and education services, we operate SOS facilities such as medical centres, nurseries and schools. However, where local or state-funded bodies offer a good level of provision in the community, we help children and their families access existing services.

##### **...with donors and funding partnerships**

SOS Children's Villages seeks support from a wide range of organisations, agencies, institutions, trusts/foundations, private individuals and corporations to fund its programmes, as well as to provide other kinds of resources or assistance.

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## SOS CHILDREN'S VILLAGES UK

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

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#### **...with international organisations**

SOS Children's Villages has special consultative status with the Economic and Social Council (ECOSOC) of the United Nations (UN). We also work closely with the European Union and the Council of Europe to help improve conditions for children and young people without parental care.

SOS Children's Villages is a full member of the NGO Group for the Convention on the Rights of the Child, a coalition of international NGOs, which works to facilitate the implementation of the United Nations Convention on the Rights of the Child. SOS Children's Villages co-convenes the Working Group on Children without Parental Care which promotes and supports the implementation of the UN Guidelines for the Alternative Care of Children, which we helped draw up. We are currently a member of the governing board of the NGO Committee of UNICEF, and SOS Children's Villages International co-chairs the committee's Working Group on Children without Parental Care.

#### **Structure, Governance and Management of SOS Children's Villages UK**

##### **Organisation**

SOS Children UK was established in 1968 as an unincorporated charitable trust and as a members limited liability company in 1997. On 1 January 1999, the charitable company took over the assets and liabilities of the unincorporated charitable trust. The company is constituted at 7 April 1997 and is a registered charity (number 1069204).

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

SOS Children's Villages UK is governed by a Board of Trustees, made up currently of seven members. Trustees are appointed for a term of three years or until the end of the year of their seventieth birthday, whichever is earlier, and may be re-elected. Trustees are invited to attend induction and training courses and we regularly review the composition of the Board to identify potential vacancies and the need for particular skills. New trustees are sought to replace resigning trustees. The Board actively seeks to ensure that trustees encompass a broad diversity of skills and background.

The Board met four times in 2014 and will continue to meet at least four times per year in the future.

##### **Charitable Objects**

The objects of the charity are set out in the Memorandum of Association. In summary these are for the advancement of education, the relief of poverty and the promotion of good health of vulnerable children, particularly but not exclusively by the establishment and maintenance throughout the world of SOS Children's Villages and the education of children and young persons from SOS Children's Villages.

##### **Managing Risk**

Key risks within SOS Children's Villages UK have been reviewed by Management and the Trustees and evaluated in relation to their likelihood and possible impact on our service and reputation. The types of risk under evaluation comprise governance, financial, compliance and operational and are further broken down into individual risk categories. Any mitigating actions or control procedures are then undertaken and this helps ensure that we are paying due attention to the stability of the charity. Some of the measures we have in place to manage our risk include suitable insurance cover, constant review of our finances and security relating to our IT systems and data. Our risk register is regularly reviewed to ensure it is kept up to date and remains a relevant working document.

##### **Public Benefit**

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit which addresses the need for all charities' aims to be, demonstrably, for the public benefit.

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## SOS CHILDREN'S VILLAGES UK

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

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SOS Children's Villages UK's objectives are to work for the good of children at risk, and to be part of a global movement for real change to the lives of vulnerable children and families. Our role in the UK is to raise the profile of the international work of SOS Children's Villages within the UK in order to make a growing contribution to the work we do in ensuring care and protection for children in need and at risk.

We work with the poorest of the poor and people facing extreme inequality. SOS Children's Villages is there for all and does not exclude any child on the grounds of race, religion, gender, sexuality or social position.

#### Financial position of SOS Children's Villages UK

##### Financial Health

Total income in 2014 was similar to 2013 during a year of restructuring for the charity. We remain very grateful to our supporters for their ongoing commitment to our work and the interest shown in helping people in real need. As a consequence of the restructuring activities, our unrestricted funds balance remains largely unchanged. However, the Trustees remain confident that the charity, and income, will grow once this work is complete and thereby achieve its goals of financially supporting more beneficiaries of SOS Children's Villages' worldwide programmes.

##### Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

##### Reserves Policy

Our restricted reserves are high because these are mainly being retained for capital project costs which are called off when the funds are required. We seek to maintain a level of unrestricted reserves adequate to cover four to six months of UK operating costs. Our current unrestricted reserves target is £700k. At 31 December 2014, other unrestricted charitable funds stood at £433k. As at 31 December 2014, the restricted funds of the charity totalled £2.832m which are held for the purposes as set out in note 17.

#### Trustees' Responsibilities Statement

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

Company and Charity Law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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**SOS CHILDREN'S VILLAGES UK**

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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

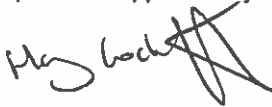
**Provision of information to auditors**

So far as each of the Trustees is aware at the time the report is approved:

- 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.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 15/5/15 and signed on their behalf by:



**Mary Cockcroft, Chairman**

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## SOS CHILDREN'S VILLAGES UK

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOS CHILDREN'S VILLAGES UK

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We have audited the financial statements of SOS Children's Villages UK for the year ended 31 December 2014 which comprise the group Statement of Financial Activities, the group and company Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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, section 151 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state 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 opinion we have formed.

#### RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report to you in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements 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 FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent 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 financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2014 and of the group's 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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**SOS CHILDREN'S VILLAGES UK**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOS CHILDREN'S VILLAGES UK**

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**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 financial statements are prepared is consistent with the financial statements.

**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 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Group Strategic Report or in preparing the Trustees' Report.



Kelly Bretherick (Senior Statutory Auditor)

for and on behalf of

**Peters Elworthy & Moore**

Chartered Accountants  
Statutory Auditors

---

Salisbury House  
Station Road  
Cambridge  
CB1 2LA  
5 June 2015

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**SOS CHILDREN'S VILLAGES UK**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating Income and Expenditure Account)  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	2	4,321,473	1,206,848	5,528,321	5,687,381
Activities for generating funds	3	81,964	9,575	91,539	165,561
Investment income	4	-	11,677	11,677	30,259
<b>TOTAL INCOMING RESOURCES</b>		<b>4,403,437</b>	<b>1,228,100</b>	<b>5,631,537</b>	<b>5,883,201</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds:					
Costs of generating voluntary income	5	-	698,979	698,979	759,162
Charitable activities	7	4,072,908	542,380	4,615,288	4,826,977
Governance costs	8	-	68,671	68,671	94,271
<b>TOTAL RESOURCES EXPENDED</b>	9	<b>4,072,908</b>	<b>1,310,030</b>	<b>5,382,938</b>	<b>5,680,410</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>330,529</b>	<b>(81,930)</b>	<b>248,599</b>	<b>202,791</b>
Transfers between Funds	16	(114,861)	114,861	-	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>215,668</b>	<b>32,931</b>	<b>248,599</b>	<b>202,791</b>
Total funds at 1 January 2014		2,616,686	401,007	3,017,693	2,814,902
<b>TOTAL FUNDS AT 31 DECEMBER 2014</b>		<b>2,832,354</b>	<b>433,938</b>	<b>3,266,292</b>	<b>3,017,693</b>

The notes on pages 16 to 28 form part of these financial statements.

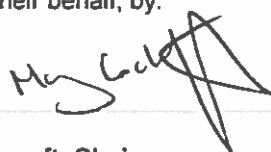
**SOS CHILDREN'S VILLAGES UK**  
**REGISTERED NUMBER: 03346676**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2014**

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible assets	12		36,384		38,478
<b>CURRENT ASSETS</b>					
Debtors	14	304,630		291,942	
Cash at bank and in hand		4,086,779		3,846,150	
		<u>4,391,409</u>		<u>4,138,092</u>	
<b>CREDITORS: amounts falling due within one year</b>	15	<u>(1,161,501)</u>		<u>(1,158,877)</u>	
<b>NET CURRENT ASSETS</b>			<u>3,229,908</u>		<u>2,979,215</u>
<b>NET ASSETS</b>			<u>3,266,292</u>		<u>3,017,693</u>
<b>CHARITY FUNDS</b>					
Restricted funds	16		2,832,354		2,616,686
Unrestricted funds	16		433,938		401,007
<b>TOTAL FUNDS</b>			<u>3,266,292</u>		<u>3,017,693</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the Trustees on 15/5/15 and signed on their behalf, by:



**Mary Cockcroft, Chairman**

The notes on pages 16 to 28 form part of these financial statements.



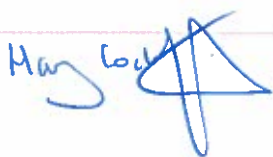
**SOS CHILDREN'S VILLAGES UK**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 03346676**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2014**

	Note	£	2014 £	£	2013 £
Tangible assets	12		36,384		38,478
<b>CURRENT ASSETS</b>					
Debtors	14	304,630		291,942	
Cash at bank and in hand		4,074,969		3,836,248	
		<u>4,379,599</u>		<u>4,128,190</u>	
<b>CREDITORS: amounts falling due within one year</b>					
	15	<u>(1,161,501)</u>		<u>(1,158,877)</u>	
<b>NET CURRENT ASSETS</b>			<u>3,218,098</u>		2,969,313
<b>NET ASSETS</b>			<u>3,254,482</u>		<u>3,007,791</u>
<b>CHARITY FUNDS</b>					
Restricted funds	16		2,820,544		2,606,784
Unrestricted funds	16		433,938		401,007
<b>TOTAL FUNDS</b>			<u>3,254,482</u>		<u>3,007,791</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the Trustees on 15/5/15 and signed on their behalf, by:



**Mary Cockcroft, Chairman**

The notes on pages 16 to 29 form part of these financial statements.

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## SOS CHILDREN'S VILLAGES UK

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

##### 1.2 COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

##### 1.3 CASH FLOW

The financial statements do not include a Consolidated Cash Flow Statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

##### 1.4 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of SOS Children's Villages UK and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

##### 1.5 FUND ACCOUNTING

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

##### 1.6 INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the company being notified of an impending distribution or the legacy being received.

Grants are included as incoming resources when these are received / receivable.

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SOS CHILDREN'S VILLAGES UK

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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**1. ACCOUNTING POLICIES (continued)**

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**1.7 RESOURCES EXPENDED**

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

**1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	-	not depreciated
Fixtures & fittings	-	3 years straight line / 20% reducing balance

**1.9 INVESTMENTS**

Investments are stated at market value at the balance sheet date less provisions for impairment. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

**1.10 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

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**SOS CHILDREN'S VILLAGES UK**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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**1. ACCOUNTING POLICIES (continued)**

**1.11 FOREIGN CURRENCIES**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

**1.12 PENSIONS**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 30 September 2011.

**1.13 SPONSORSHIP ACCOUNT**

Sponsorship income is remitted to SOS Kinderdorf International in Austria on a six monthly basis. Interest earned and income tax recoverable on these funds are treated as unrestricted income unless otherwise specified by the donor.

**1.14 GIFTS IN KIND**

An estimated value for gifts of donated medical goods is included in special projects income and direct charitable expenditure. The value is determined by a multiple of freight costs incurred in shipping them to projects.

The value of services donated are included at a value equivalent to that which the charity would ordinarily incur on these services.

Donated assets are capitalised at a value equivalent to market value at the date of donation.

**1.15 IRRECOVERABLE VAT**

Irrecoverable input VAT, is shown within sundry expenditure.

**SOS CHILDREN'S VILLAGES UK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**2. VOLUNTARY INCOME**

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Gifts and donations	4,255,318	391,209	4,646,527	4,703,460
Legacies	4,250	182,228	186,478	219,393
Grants receivable	61,905	-	61,905	64,423
Income tax recoverable	-	591,623	591,623	631,061
Donated goods and services	-	41,788	41,788	69,044
	<u>4,321,473</u>	<u>1,206,848</u>	<u>5,528,321</u>	<u>5,687,381</u>

**3. FUNDRAISING INCOME**

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Supporters groups	81,964	9,575	91,539	165,561
	<u>81,964</u>	<u>9,575</u>	<u>91,539</u>	<u>165,561</u>

**4. INVESTMENT INCOME**

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Rent receivable	-	925	925	925
Bank interest receivable	-	10,752	10,752	29,334
	<u>-</u>	<u>11,677</u>	<u>11,677</u>	<u>30,259</u>

**SOS CHILDREN'S VILLAGES UK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**5. COSTS OF GENERATING VOLUNTARY INCOME**

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Fundraising costs	-	54,255	54,255	85,033
Legacy costs	-	256	256	5,777
Staff travel	-	11,652	11,652	10,939
Rent and rates	-	89,820	89,820	77,976
Insurance	-	4,379	4,379	3,425
Light and heat	-	1,721	1,721	1,704
Telephone and fax	-	1,301	1,301	2,265
Printing, postage and stationery	-	17,390	17,390	16,393
Computer costs	-	125,321	125,321	92,787
Sundry	-	19,554	19,554	36,917
Bank charges	-	8,809	8,809	9,519
Subscriptions and training	-	3,599	3,599	7,721
Professional fees	-	3,446	3,446	2,775
Loss/(gain) on foreign exchange	-	(11,270)	(11,270)	3,693
Repairs and renewals	-	505	505	1,516
Projects management	-	33,482	33,482	52,059
Recruitment	-	4,550	4,550	8,077
Hong Kong Friends of SOS Children's Villages	-	1,131	1,131	17,704
Staff costs	-	327,843	327,843	320,650
Depreciation	-	1,235	1,235	2,232
	<u>-</u>	<u>698,979</u>	<u>698,979</u>	<u>759,162</u>

**SOS CHILDREN'S VILLAGES UK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**6. EXPENDITURE BY CHARITABLE ACTIVITY**

**SUMMARY BY FUND TYPE**

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Sponsorship and support of orphans and children's villages (note 7)	4,072,908	542,380	4,615,288	4,826,977

**SUMMARY BY EXPENDITURE TYPE**

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	Total 2013 £
Sponsorship and support of orphans and children's villages	228,065	859	4,386,364	4,615,288	4,826,977

**7. CHARITABLE ACTIVITIES**

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Communications	-	37,742	37,742	59,154
Staff travel	-	8,105	8,105	7,609
Rent and rates	-	62,483	62,483	54,245
Insurance	-	3,047	3,047	2,384
Light and heat	-	1,197	1,197	1,185
Telephone and fax	-	905	905	1,576
Postage, printing and stationery	-	12,097	12,097	11,405
Computer costs	-	87,180	87,180	64,548
Sundry	82	16,768	16,850	31,299
Bank charges	33	6,128	6,161	6,622
Subscriptions	-	2,503	2,503	5,370
Loss on foreign exchange	(624)	(14,512)	(15,136)	2,886
Sponsorships	2,178,135	-	2,178,135	2,148,318
Project expenditure	1,895,282	-	1,895,282	2,066,602
Repairs and renewals	-	352	352	1,055
Project management	-	86,453	86,453	134,421
Professional fees	-	1,579	1,579	1,931
Our Africa expenses	-	1,429	1,429	1,752
Wages & salaries	-	228,065	228,065	223,062
Depreciation	-	859	859	1,553
<b>Total</b>	<b>4,072,908</b>	<b>542,380</b>	<b>4,615,288</b>	<b>4,826,977</b>

SOS CHILDREN'S VILLAGES UK

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

8. GOVERNANCE COSTS

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Auditors' remuneration	-	7,775	7,775	7,775
Projects management	-	46,642	46,642	72,520
Trustees expenses	-	-	-	34
Staff costs	-	14,254	14,254	13,942
	<u>-</u>	<u>68,671</u>	<u>68,671</u>	<u>94,271</u>

9. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	Total 2013 £
Costs of generating voluntary income	327,843	1,235	369,901	698,979	759,162
<b>COSTS OF GENERATING FUNDS</b>	<u>327,843</u>	<u>1,235</u>	<u>369,901</u>	<u>698,979</u>	<u>759,162</u>
Sponsorship and support of orphans and children's villages	228,065	859	4,386,364	4,615,288	4,826,661
Governance	14,254	-	54,417	68,671	94,271
	<u>570,162</u>	<u>2,094</u>	<u>4,810,682</u>	<u>5,382,938</u>	<u>5,680,094</u>



**SOS CHILDREN'S VILLAGES UK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**10. NET INCOME / (EXPENDITURE)**

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets: - owned by the charitable group	2,094	3,785
Auditors' remuneration	7,775	7,775
Pension costs	11,795	16,592
	11,795	16,592

During the year, no Trustees received any remuneration (2013 - £NIL).

During the year, no Trustees received any benefits in kind (2013 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2013 - £34).

**11. STAFF COSTS**

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	507,313	491,971
Social security costs	51,054	49,091
Other pension costs	11,795	16,592
	570,162	557,654

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

	2014 No.	2013 No.
	16	18
	16	18

The number of higher paid employees was:

	2014 No.	2013 No.
In the band £60,001 - £70,000	0	1
In the band £80,001 - £90,000	1	0
	1	1

**SOS CHILDREN'S VILLAGES UK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**12. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures & fittings £	Total £
<b>COST</b>			
At 1 January 2014	21,000	175,694	196,694
Disposals	-	(25,524)	(25,524)
At 31 December 2014	<u>21,000</u>	<u>150,170</u>	<u>171,170</u>
<b>DEPRECIATION</b>			
At 1 January 2014	-	158,216	158,216
Charge for the year	-	2,094	2,094
On disposals	-	(25,524)	(25,524)
At 31 December 2014	<u>-</u>	<u>134,786</u>	<u>134,786</u>
<b>NET BOOK VALUE</b>			
At 31 December 2014	<u>21,000</u>	<u>15,384</u>	<u>36,384</u>
At 31 December 2013	<u>21,000</u>	<u>17,478</u>	<u>38,478</u>

**13. FIXED ASSET INVESTMENTS**

	Unlisted securities £
<b>GROUP AND COMPANY</b>	
<b>MARKET VALUE</b>	
At 1 January 2014 and 31 December 2014	<u>4,800</u>
<b>IMPAIRMENT</b>	
At 1 January 2014 and 31 December 2014	<u>4,800</u>
<b>NET BOOK VALUE</b>	
At 31 December 2014	<u>-</u>
At 31 December 2013	<u>-</u>

The historical cost of these assets is £Nil as they were donated to the charity.

**SOS CHILDREN'S VILLAGES UK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**14. DEBTORS**

	<u>GROUP</u>		<u>COMPANY</u>	
	2014 £	2013 £	2014 £	2013 £
Other debtors	195,790	89,943	195,790	89,943
Prepayments and accrued income	46,397	34,644	46,397	34,644
Tax recoverable	62,443	167,355	62,443	167,355
	<u>304,630</u>	<u>291,942</u>	<u>304,630</u>	<u>291,942</u>

**15. CREDITORS:  
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>GROUP</u>		<u>COMPANY</u>	
	2014 £	2013 £	2014 £	2013 £
Other taxation and social security	16,663	16,579	16,663	16,579
Other creditors	1,101,644	1,089,143	1,101,644	1,089,143
Accruals	43,194	53,155	43,194	53,155
	<u>1,161,501</u>	<u>1,158,877</u>	<u>1,161,501</u>	<u>1,158,877</u>

**16. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>					
General Fund	<u>401,007</u>	<u>1,228,100</u>	<u>(1,310,030)</u>	<u>114,861</u>	<u>433,938</u>

**SOS CHILDREN'S VILLAGES UK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**16. STATEMENT OF FUNDS (continued)**

**RESTRICTED FUNDS**

Large restricted funds are disclosed below. Each fund has arisen in line with specific restrictions placed on funds received by the donor. The majority of restricted funds relate to specific SOS Villages and Projects overseas, such that funds are only used in connection with the donors specified village and projects.

The subsidy fund is derived from a proportion of sponsorship income and is used to help sponsored children in SOS Children's Villages which are underfunded.

Any restricted fund in deficit, is supported for the short term from unrestricted funds, with a view to future restricted donations covering the deficit.

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
Cote d'Ivoire	58,136	-	-	-	58,136
Gambia, Basse	-	37,345	(100,306)	62,961	-
Gambia, Foni Women's Empowerment (EU)	-	97,325	(55,854)	-	41,471
Haiti	163,756	25,624	(75,030)	-	114,350
Malawi	244,851	15,918	(6,534)	-	254,235
Pakistan	260,475	207,396	(131,164)	-	336,707
Philippines	54,895	7,973	(66,154)	3,286	-
Sierra Leone (Isle of Man)	-	52,619	(5,016)	-	47,603
East Africa Fund	93,326	235	-	-	93,561
Somaliland	59,500	-	(59,500)	-	-
Zambia	-	159,095	(594,557)	435,462	-
Subsidy Fund	430,144	385,843	-	(341,446)	474,541
HSBC Educational Trust	57,363	-	-	(57,363)	-
Sponsorship Fund	90,913	2,141,411	(2,129,291)	(71,301)	31,732
Big Lottery Fund Grant	-	9,689	(9,689)	-	-
Friends of SOS Hong Kong sponsorship Fund	9,902	998	509	-	11,409
Other restricted projects < £50,000	1,093,425	1,261,966	(840,322)	(146,460)	1,368,609
	<u>2,616,686</u>	<u>4,403,437</u>	<u>(4,072,908)</u>	<u>(114,861)</u>	<u>2,832,354</u>
<b>Total of funds</b>	<u><u>3,017,693</u></u>	<u><u>5,631,537</u></u>	<u><u>(5,382,938)</u></u>	<u><u>-</u></u>	<u><u>3,266,292</u></u>

**SUMMARY OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
General funds	401,007	1,228,100	(1,310,030)	114,861	433,938
Restricted funds	2,616,686	4,403,437	(4,072,908)	(114,861)	2,832,354
	<u><u>3,017,693</u></u>	<u><u>5,631,537</u></u>	<u><u>(5,382,938)</u></u>	<u><u>-</u></u>	<u><u>3,266,292</u></u>

**SOS CHILDREN'S VILLAGES UK**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	-	36,384	36,384	38,478
Current assets	2,832,354	1,559,055	4,391,409	4,128,190
Creditors due within one year	-	(1,161,501)	(1,161,501)	(1,158,877)
	<u>2,832,354</u>	<u>433,938</u>	<u>3,266,292</u>	<u>3,017,693</u>

**18. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company. The pension cost charge represents contributions payable by the company and amounted to £11,795 (2013 - £16,592), at the year end date £1,614 (2013 - £1,661) was outstanding.

The group operates a defined benefit pension scheme.

The potential liability of the defined benefit pension scheme for the year ending 31 December 2014 has not been recognised based on the advice of a professionally qualified actuary however is disclosed in note 24.

The contribution made for the year ended 31 December 2014 was £NIL. The agreed contribution rate for future years is Nil%.

**19. OPERATING LEASE COMMITMENTS**

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
GROUP	2014 £	2013 £	2014 £	2013 £
<b>EXPIRY DATE:</b>				
Within 1 year	-	-	912	330
Between 2 and 5 years	-	94,800	1,156	4,430
After more than 5 years	94,800	-	-	-
	<u>94,800</u>	<u>-</u>	<u>-</u>	<u>-</u>

**20. OTHER FINANCIAL COMMITMENTS**

At the year end the company was committed to expenditure payable within one year totalling £927,135 (2013 - £647,236). All amounts are due to be expended from restricted reserves.

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**SOS CHILDREN'S VILLAGES UK**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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**21. RELATED PARTY TRANSACTIONS**

At 31 December 2014, the company held all 100 ordinary shares of £1 each in the wholly-owned subsidiary, SOS Children's Villages UK Trading Limited, which is registered in the United Kingdom, although these were written down to nil value in the 2002 accounts. The company ceased trading on 31 December 2001 and has remained dormant since that date.

**22. CONTINGENT LIABILITIES**

SOS Children's Villages UK participated in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan.

SOS Children's Villages UK has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2013. As of this date the estimated employer debt for SOS Children's Villages UK was £9,567.

As at the balance sheet date there were no active members of the Plan employed by SOS Children's Villages UK. No contributions were made to the Plan during the accounting period. SOS Children's Villages UK has closed the Plan to new entrants.

The Trustees have reviewed the risks associated with remaining as a participant of the Plan and are satisfied with the level of risk incurred.