

**ThePromise**  
(A company limited by guarantee)

**Annual Report and Financial Statements for the  
year to 31 March 2008**

Charity number 1098771  
Company number 4751873

<b>Table of contents</b>	<b>Page number</b>
Registration details	3
Trustees' Annual Report	4
Accountants' Report to the Members of ThePromise	14
Statement of Financial Activities	15
Balance Sheet	16
Notes to the accounts	18

### **Registered Offices and Operating Address**

ThePromise  
181, Jersey Road  
Isleworth  
Middlesex TW7 4QJ

Tel and Fax: 020 8737 2987

### **Registered Charity Number**

1098771

### **Registered Company Number**

4751873

### **Trustees**

Mrs Vicki Brown  
Ms Clare McKeown (Vice Chair)  
Mrs Clare Nash (Secretary)  
Mrs Sarah Settelen (Chair)  
Mrs Anne Warner (Treasurer)

### **Bankers**

The Cooperative Bank plc  
P.O. Box 250  
Skelmersdale WN8 6WT

### **Accountants**

MacIntyre Hudson LLP  
New Bridge Street House  
30-34 New Bridge Street,  
London  
EC4V 6BJ.

### **Officers**

Director	Wendy Tabuteau	appointed 1 January 2007
----------	----------------	--------------------------

## Trustees' Annual Report

1<sup>st</sup> April 2007 – 31<sup>st</sup> March 2008

*ThePromise was established in January 2003, as a direct result of the experiences of Sarah Settelen and Iona Sutherland who volunteered for two months at the Ryazan baby home in Russia. Sarah and Iona saw a huge need on the part of the disabled children in the baby home to receive some one-to-one interaction and stimulation in order for them to achieve their potential. Currently disabled children in orphanages in Russia receive no input of any sort and they face bleak futures of institutionalisation and sensory, emotional and educational deprivation.*

*ThePromise was incorporated on 2<sup>nd</sup> May 2003 and received charitable status on 28<sup>th</sup> July 2003. The charity's object is to promote the education and protect the health of children (0-19 years) with special needs within both institutional and family settings, primarily, but not exclusively, in Russia.*

### **A. FIVE YEAR PLAN**

This report charts the progress of the organisation through the fifth year of its 5 year plan. This plan, and the corresponding annual achievements, is laid out below. The first phase of the programme was to introduce a Portage pilot project into the Ryazan Baby home. Portage is an early education system for pre-school children with special needs, widely available in most Local Authorities in the UK. The Portage system assesses the needs of the individual child and teaches the skills the child has yet to master, by breaking down activities into tiny "achievable" tasks.

The progress of the organisation is on target with the 5 year plan, as testified below.

**Year One (03/04): To establish the organisation and begin fundraising to raise a sufficient amount of money in the UK to support one year's operating costs, estimated to be £50,000.**

This target was achieved and a third of the funds were raised to support the first year of operation. Many lessons were learnt in the process and successful efforts were made to build up regular donors for core funding.

**Year Two (04/05): To achieve the initial fundraising target and establish ThePromise with an operational base in Ryazan.**

Our fundraising target was achieved and at the end of the financial year, a Project Development Manager was recruited who went out to Russia to establish the project.

**Year Three (05/06): To set up a 6 month pilot project in the Ryazan Baby Home to introduce Portage to the children there.**

This has been achieved with enormous success. The project has been fully evaluated and the results of this have been published and copies are available from ThePromise office.

**Year Four (06/07): To expand the Portage programme in the baby home to reach all the disabled children, not just those chosen for the pilot project, creating a Centre of Excellence at the Baby home for Portage services.**

In May 2006, ThePromise recruited 6 more Portage workers to work with all the disabled children at the baby home. There is now a team of 10 part-time workers, supervised and supported by a full time Senior Portage Worker.

The experience and expertise at the baby home has helped influence other local orphanages in their treatment of disabled children. The model used in the baby home was subsequently replicated in Yelatma.

**To support the establishment of a community portage service, in the belief that if more support was available in the home, families with disabled children would be less likely to hand their children over to State care.**

In May 2006, ThePromise recruited 5 volunteer student Portage workers from the University of Ryazan to work with families in the community. This has been a huge success and a much needed service for families with disabled children who have hitherto received no support for their children.

**To support the establishment of a Portage service in Yelatma, the orphanage for older disabled children.**

In May 2006, a small team of 2 Portage workers, supervised by a Senior Portage Worker was recruited to work at Yelatma with 9 of the bed-bound children there. This work has had the most profound impact on these children.

**To continue to lobby local authorities for improved service provision for disabled children in the Ryazan region.**

This is an ongoing aspect of our work and important relationships have been developed with other service providers, local NGO's and local authorities.

**To register ThePromise in Russia in order to access a wider range of funding opportunities.**

The progress of registration is ongoing, with a delay being experienced during the year due to a change in legislation.

**To build capacity of the organisation both in the UK and in Russia to support expansion of the project work.**

The UK team has been strengthened by the recruitment of a part time Director in January 07, whose remit is to build capacity in the UK. Capacity building plans in Russia are ongoing, and being managed currently by the new Director in the UK.

**Year Five (07/08): To consolidate the work initiated in Year Four.**

In September 2007 we ran a Portage Workshop and trained an additional 7 Portage workers for Yelatma and a further 5 volunteer Portage workers for the Community programme. We also started work on translating all the training materials into Russian and selecting a group of people to train as Portage trainers. We also worked with a physiotherapist and put in place plans to send therapists from the UK to volunteer in Russia.

**To increase in-country fundraising capacity.**

We are still in the process of registering as a Russian NGO hence our ability to fundraise in country is limited. However we now have strong links with a Spanish organisation – Association Sirot and a church in Ryazan and both organisations have supported our work in Yelatma.

**To continue to work with parents of disabled children in the community and support their needs.**

We now have a full team of 10 students supervised by a Senior Portage worker, working in the city of Ryazan. We have put in place systems for selecting children to join the programme and helping the transition as they leave the programme. We continue to work closely with Ryazan State University – all our volunteer Portage Workers are

students there and a local NGO 'Our Children' which supports families with disabled children in Ryazan.

**To continue to support the disabled children in the orphanage system in the Ryazan region.**

We have continued to provide Portage for all disabled children in the Ryazan Baby Home and have expanded our programme in Yelatma to include all children who are bed bound.

**To explore the next stage of ThePromise vision to replicate the model in the Ryazan region in another region of Russia.**

The trustees have agreed the strategy for the next 5 years (2008 – 2013) which includes plans to replicate the model elsewhere in Russia.

Based on our five year plan, the progress and growth of ThePromise is on target and the initial vision has been realised. The Trustees extend their thanks to everyone who has played a part in this exciting and innovative development.

## **B. REVIEW OF ACHIEVEMENTS AND PERFORMANCE**

Our 5<sup>th</sup> Year has been one of both expansion and consolidation.

### **PROGRAMME**

Once again we have seen the programme extend its reach to more extremely disadvantaged disabled children.

#### **Ryazan Baby Home**

During the year, we maintained our strong presence in the Ryazan Baby Home (home to 0 – 4 year old children) with our team of 10 Portage workers and 1 Senior Portage Worker, we were able to provide Portage to all 40 disabled children in the home. Our programme at the Baby Home has become a model of best practice which we have replicated elsewhere. The system of team meetings and regular training mean that our team's skills continue to improve as we consolidate the programme. A direct result of our Portage programme is that some children are now being adopted overseas and others who remain in institutional care, will now go to the 'correctional home' where they will receive an education rather than be labelled 'ineducable' and sent to the closed orphanage at Yelatma. In 2007 – 08, 16 children left the Portage programme – 3 were adopted in Russia, 3 were adopted abroad, 7 went to the 'correctional home', 2 went to other

orphanages in Russia and 1 child went to Yelatma closed orphanage and continued their Portage there.

The Director of the Baby Home, Tatiana Alexandrovna Gross, continues to be a powerful advocate of our work within the local community and further afield.

### **Community Programme**

During the year, the Community Programme expanded from 5 to 10 Portage workers plus a Senior Portage worker visiting a total of 22 families in their homes each week. For many families, this weekly visit continues to be their only form of external assistance for their disabled child and is a concrete way of supporting parents to keep their disabled children at home rather than handing them over to institutional care.

We continue to recruit our volunteer Portage Workers from students studying either Psychology or Defectology (special needs teaching) at Ryazan State University. The university remains extremely supportive of the programme and has started to introduce Portage into the curriculum for all Psychology and Defectology students as well as supporting those students who volunteer for The Promise as Portage Workers. They have also show-cased the Portage work at a number of conferences in Russia.

We continue to work with a local Russian NGO called "Our Children" that supports families of disabled children in the community. 'Our Children' kindly give the community team space for team meetings in their new, purpose built centre and refer children to our service.

### **Yelatma Orphanage**

The final area for project expansion this year has been in Yelatma. This orphanage cares for disabled children who are deemed "ineducable", once they leave the baby home. There are approximately 60 children there, aged from 4 up to 18. About 35 of these children are permanently bed-bound. They receive no therapy or education of any sort and are merely "housed" for the duration of their life, which, for many, is limited.

Following the Portage Workshop in September 2007, we recruited a further 7 Portage workers for Yelatma so that all bed bound children could receive Portage. With 10 Portage workers now working in this one part of the orphanage, the difference it has made to everyday life in the orphanage has been amazing. When once you would be greeted with silence and darkness, there is now light and noise as the children take part in their daily Portage sessions or wait patiently in their beds to have their Portage. The children are learning to vocalise, to be interested in what is going on and some are moving around now. With so many trained Portage workers in the unit, the other care workers are starting to see the potential of these children as they witness the progress of the children thanks to their daily Portage sessions.

During the year, we helped to bring in support for the orphanage from other organisations. Association Sirof, an NGO based in Moscow, provided equipment and gifts for the children and a church in Ryazan has committed to providing extra food, such as fresh fruit, on a monthly basis.

## **Other projects**

### **Volunteer Programme**

In June 2007, a volunteer physiotherapist, Jo Wooster, gave up her job in London to spend 4 months in Russia working with the children in Yelatma. She worked closely with our Portage team, advising them on movement and positioning and how to integrate physiotherapy into the daily Portage sessions. Jo was also joined by Naomi Janetta, an Occupational Therapist, who advised on feeding and positioning. Jo devised individual plans for each child in Russian so that the Portage workers would be able to continue the work. The impact of this work has been amazing – children have learnt to sit, stand and even walk and to feed themselves from a bowl when previously they would have been fed with a bottle. Jo was also able to spend time in Ryazan working with both the children in the Baby Home and the Community to help parents and carers gain a better understanding of how to help their children. Jo and Naomi plan to return to Russia in 08/09 to continue with this ground breaking work.

In September 2007 we also recruited a volunteer from VSO to provide programme management support in Russia. Julia Recht spent 3 months in Ryazan working with the team there to put systems in place to improve the way we work. She also built up useful contacts in Moscow with international NGOs – thereby helping to disseminate our work and a direct result of her work was our partnership with Association Sirof who have provided much needed support to Yelatma.

In 2008/09 we hope to formalise our working arrangements with volunteers from the UK so that we can utilise the good will and skills of many of our supporters in the UK who wish to support our work in Russia.

### **Project Dissemination**

The Promise continues to take advantage of any opportunities to share our research, experience and the Portage model to interested parties.

- At the beginning of the year, the findings of the pilot project in the community were published and copies were given to interested parties.
- In October 2007, one of our senior Portage workers, Olga Miroshkina was invited to share her experiences of working with disabled children with an international NGO (Ora International) in Tajikistan.
- In Spring 2008, Ryazan State University won an award for their work with disabled children in the community

- We have made links with Moscow based international NGOs working in the field of disability

## **C. GOVERNANCE STRUCTURE AND MANAGEMENT**

### **Governance Structure**

The Board of Trustees is responsible for the governance of the charity. ThePromise is still operating with the founding Trustees who remain very close to the cause of the organisation.

Mrs Vicki Brown  
Ms Clare McKeown (Vice Chair)  
Mrs Clare Nash (Secretary)  
Mrs Sarah Settelen (Chair)  
Mrs Anne Warner (Treasurer)

During the year, the trustees set up sub committees to look at programme work, strategy and fundraising. The full board meets four times a year and there is regular contact between meetings with all Trustees.

The Advisory Group continues to support the Trustees and the Director across a wide range of issues. The Trustees regularly seek their views and advice. Three advisors in particular, continue to offer an enormous amount of time and expertise to the organisation.

- Mollie White is the Portage Consultant to ThePromise. She is paid an honorarium and is in regular contact with the team in Russia, supporting them in their daily Portage work. Mollie is working with the team to train up Russian Portage trainers and to translate all the training materials into Russian.. Her extensive knowledge of Portage and Child Development is absolutely vital to the work of ThePromise and we are enormously grateful to her for all the passion and energy that she devotes to the project.
- Alexis Chapman supports the Trustees in all areas of financial management and governance, as well as supporting the development of future strategy. She has also given much time to coaching and mentoring the Chair to help her execute her duties more effectively, which has been hugely appreciated.
- Janet Abbott supports the Trustees and staff by driving forward the fundraising strategy and implementation. Janet has invested much time and energy in helping the organisation to raise funds and remains deeply committed to our work. Her contribution to our work remains invaluable.

## **Management**

The organisation continues to be managed with compassion and diligence by Wendy Tabuteau, our part time Director. Wendy is based in the UK and works 3 days per week. Wendy has put together our new strategy for the next 5 years and continues to oversee our programmes in Russia which are implemented by our Russian staff team consisting of:

- Olga Miroshkina, the Senior Portage worker (full time) at the baby home and her team of 10 part time Portage workers;
- Nina Davydova, Senior Community Portage worker (full time) and her team of 10 student part time Community Portage Workers;
- Maria Michailovna and her team of 9 part time Portage workers at Yelatma.
- Armenui Gevurian, who manages finance and admin
- Olga Mitrafanova and Luba Nikolievna who work for us as freelance interpreters and translators

Our Russian team are ably supported by our small UK team – Alison Payne, our part-time trust fundraiser and Denise Weinbrand, our part time bookkeeper. Denise and Alison both work 2 days per month. Alison travelled to Russia in March 2008 and saw first hand our work in Ryazan and Yelatma. This has been immensely helpful in enabling Alison to put together funding proposals with up to date case studies and photos.

Many of our staff team have been with ThePromise since the beginning – we are hugely indebted to them for their tireless work and child centred approach to everything they do.

## **D. FINANCIAL REVIEW**

Our income continues to increase year on year from £122,215 in 2006/07 to £167,909 in 2007/08 with expenditure increasing from £79,930 to £111,412. This financial growth is necessary as we continue to expand our work in Russia and invest in systems in the UK to sustain this growth.

Our income continues to be dominated by large one off events such as balls and smaller local fundraising events. We have also been successful in securing grants from trusts and raise approximately £900 per month from regular donors (Angels).

### **Fundraising and publicity**

By the end of the financial year, the organisation had raised £162,802 another significant increase over the previous year £118,969. Fundraising events continue to be our largest income stream and they generated over £90,000 this year. By far the greatest single contributor to the fundraising total this year was our Crystal Ball. This bi-annual event which is organised by a voluntary

committee raised £26,000 net – our highest ever income from a ball and fantastic tribute to a huge amount of hard work by a small group of volunteers. We were one of the beneficiary charities of CIBC World Markets Miracle Day for the second year running. This raised over £28,000 for us. Sarah Settelen was also runner up in the Clarins Woman of the Year Award 2007. Not only did we receive a significant donation from Clarins, we also had favourable publicity in the Daily Mail's 'You' magazine. As a result of this, Sarah was also interviewed on ITV's 'This Morning' show and featured in Woman's Weekly. This coverage raised our profile and generated donations.

We continue to enjoy a three year relationship with the Barbara Ward Children's Foundation and Barbara Ward visited our programme in Russia in May 2007 to see at first hand how the Foundation's money was being spent. We have also received a generous donation from the Lord Michelham of Hellingly Foundation for our work in Yelatma and another significant donation from the Ian Mactaggart Trust. Donations were also received from The Souter Charitable Trust, The Radley Charitable Trust, The Constance Green Foundation, The Old Hiltonian Charity Fund, The Angela Gallagher Memorial Fund and the Kathleen Lawson Charitable Trust.

Individuals and other organisations continued to support the organisation during the year, such as schools, churches, community groups and collecting tins in shops. We also have a growing number of "Angels" – individuals who make regular monthly donations to us via standing orders. Both our volunteers, Jo and Naomi raised significant funds to support their work in Yelatma. We sold Christmas cards (designed by children in the UK) which not only raised money but also raised our profile.

The website continues to be an important focus for us and plans were being made at the end of this financial year to invest in its updating. Thanks to Peter Settelen for all his help in the creation and maintenance of this site and for his ongoing technical and IT support.

### **Reserves Policy**

In March 2005, the Trustees established a designated fund of £70,000 specifically to invest in the development of the core capacity of the organisation. The designated fund was not drawn down during the year as the charity's operations were funded from the general fund. The designated fund will continue to underpin the growth of the organisation and our ambitious plans for growth. Given the unpredictable nature of our fundraising – over half our income came from two large events and the volatile nature of exchange rates – the Trustees plan to continue to monitor the designated fund on a regular basis.

At the end of the financial year, our unrestricted funds stood at £163,771. The Trustees have agreed to a deficit budget in 2008/09 as we draw down our reserves to expand the programme.

The reserves will be used in 2008/09 to subsidise the full costs of our expanded community and Yelatma teams. We are also embarking upon an

intense period of work to translate all training materials into Russian and train up 8 Russian trainers who will, in time, run our Portage workshops. We also plan to invest in an International volunteer programme during the year.

On behalf of ThePromise Board of Trustees, I would like to acknowledge and celebrate the contribution of everyone associated with ThePromise during the year. Our life-changing work with the children in Ryazan and Yelatma would not have been possible without the wonderful support of staff, volunteers, donors, advisors and partner organisations.

### **Statement of Trustees' Responsibilities**

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

These financial statements have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).



Sarah Settelen  
Chair of Trustees

22 January 2009

**ACCOUNTANTS' REPORT  
TO THE MEMBERS ON  
THE UNAUDITED FINANCIAL STATEMENTS OF  
THE PROMISE  
Registered Charity: 4751873**

We report on the financial statements for the period 1 April 2007 to 31 March 2008 which are set out on pages 15 to 22.

**Respective responsibilities of trustees and reporting accountants**

As described on page 13 the charitable company's trustees are responsible for the preparation of the financial statements, and they consider that the charitable company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

**Basis of opinion**

Our work was conducted in accordance with the Statements of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the charitable company, and making such limited enquiries of the officers of the charitable company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

**Opinion**

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
  - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
  - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption in section 249B(1).

*MacIntyre Hudson LLP*  
.....  
MacIntyre Hudson LLP  
Chartered Accountants

New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

Date: *23 January 2009*.....

**Statement of Financial Activities for the year to 31<sup>st</sup> March 2008 (and Income and expenditure account for the year to 31<sup>st</sup> March 2008)**

		<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
<b>Incoming resources</b>			
Donations, legacies and similar incoming resources		71,312	69,302
Generated funds from activities		91,490	49,667
Investment income	2	5,107	3,246
		<hr/>	<hr/>
<b>Total incoming resources</b>		<b>167,909</b>	<b>122,215</b>
		<hr/>	<hr/>
<b>Resources expended</b>			
Cost of generating funds	3	28,713	6,214
Portage Programmes	3	81,548	73,345
Governance costs		1,151	371
		<hr/>	<hr/>
<b>Total resources expended</b>		<b>111,412</b>	<b>79,930</b>
		<hr/>	<hr/>
<b>Net incoming resources</b>		<b>56,497</b>	<b>42,285</b>
		<hr/>	<hr/>
		<b>£</b>	<b>£</b>
<b>Reconciliation of Funds</b>			
Total funds brought forward		177,274	134,989
Net incoming resources		56,497	42,285
		<hr/>	<hr/>
<b>Total funds carried forward</b>		<b>233,771</b>	<b>177,274</b>
		<hr/>	<hr/>

## Balance sheet as at 31<sup>st</sup> March 2008

		<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible Assets	6	475	-
<b>Current assets</b>			
Debtors	7	6,514	29,451
Cash at bank and in hand		230,482	149,548
Total assets		<u>237,471</u>	<u>178,999</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	8	3,700	1,725
<b>Net assets</b>		<u>233,771</u>	<u>177,274</u>
		£	£
<b>The funds of the charity:</b>			
Unrestricted income funds		163,771	107,274
Designated funds	10	70,000	70,000
<b>Total charity funds</b>		<u>233,771</u>	<u>177,274</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 March 2008.

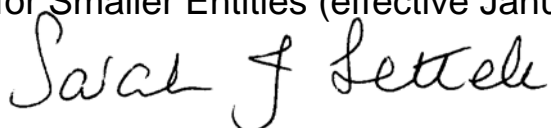
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2008 in accordance with Section 249B(2) of the Companies Act 1985.

**Balance sheet as at 31<sup>st</sup> March 2008 (continued)**

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985.
- (b) preparing financial statements which give a true and fair view of the affairs of the company as at the end of the each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Signed 

Date 22 / 01 / 09

---

---

## Notes to the accounts

### 1. Accounting Policies

#### (a) **Basis of Accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007), the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable Accounting Standards and the Companies Act 1985.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement, on the basis that it meets the “small company” limits for filing “abbreviated” accounts as defined by the Companies Act 1985.

#### (b) **Donations, legacies and similar resources**

Donations, legacies and similar resources are recognised in the Statement of Financial Activities in the period in which they become receivable.

#### **Other Activities for Generating Funds**

Incoming resources are included when receivable and are shown gross. Related expenditure is shown as cost of generating funds.

#### (c) **Resources expended**

Resources expended are recognised in the period in which they are incurred.

#### (d) **Fund Accounting**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

#### (e) **Foreign Exchange**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

#### (f) **Tangible Fixed Assets**

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

Computer equipment            - 33% on cost

(g) **Gifts in Kind**

Donated gifts are recognised as income when due as receivable. The gifts are valued at a reasonable estimate of their value or at market values when available.

2. **Incoming resources**

Investment income comprises bank interest of £5,107 (2007: £3,246) received during the year.

3. **Analysis of total resources expended**

**a. Programme Activity**

	<b>Activities undertaken directly</b> £	<b>Support costs</b> £	<b>Total</b> £
Implementation of Portage programme	73,298	8,250	81,548

**b. Costs of generating funds**

	<b>Incoming resources</b> £	<b>Associated expenses</b> £	<b>Total</b> £
Donations	28,306	(739)	27,567
Trusts	43,006	(5,184)	37,822
Events	91,490	(22,790)	68,700
<b>Total</b>	<b>162,802</b>	<b>(28,713)</b>	<b>134,089</b>

#### 4. Personnel costs

	<b>2008 £</b>	<b>2007 £</b>
Wages and Salaries	45,864	23,838
Social Security costs	8,581	2,331
Other pension contributions	-	-
	<b>54,445</b>	<b>26,169</b>
Average number of staff employed in the year		
Portage programme (f/t)	3	3
Portage programme (p/t)	19	10

No employees earned £60,000 per annum or more during the year.

#### 5. Trustees

No Trustees received remuneration in respect of their services to the charity during the year (2007 - nil).

The Chair and a trustee travelled to Russia once in the year in order to oversee the programme. The travel expenditure totalled £502.

#### 6. Tangible Assets

	<b>Computer Equipment £</b>	<b>Total £</b>
<b>COST</b>		
Additions	712	712
At 31 March 2008	712	712
<b>DEPRECIATION</b>		
Charge for year	237	237
At 31 March 2008	237	237
<b>NET BOOK VALUE</b>		
At 31 March 2008	<b>475</b>	<b>475</b>
At 31 March 2007	-	-

## 7. Debtors

	2008 £	2007 £
Accrued income – amounts due from Inland Revenue in relation to Gift Aid	6,514	3,403
Other debtors	-	26,048
	<hr/> 6,514	<hr/> 29,451
	<hr/>	<hr/>

## 8. Creditors – due within 1 year

	2008 £	2007 £
Other creditors	-	-
Taxation and social security	-	-
Accruals and deferred income	3,700	1,725
	<hr/> 3,700	<hr/> 1,725
	<hr/>	<hr/>

## 9. Capital Structure

The Promise is a company limited by guarantee. The amount of the guarantee is £5 there being 5 guarantors of £1 each.

## 10. Funds

<b>a) Fund movements</b>	At 1 April 2007	Incoming Resources	Outgoing Resources	<b>At 31 March 2008</b>
<b>Unrestricted funds</b>				
Designated fund	70,000	-	-	<b>70,000</b>
General fund	107,274	167,909	(111,412)	<b>163,771</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Funds</b>	<b>177,274</b>	<b>167,909</b>	<b>(111,412)</b>	<b>233,771</b>
	<hr/>	<hr/>	<hr/>	<hr/>

The designated fund is held in reserve for new developments which require start up funding and/or as a contingency fund.

**b) Analysis of funds**

	Unrestricted funds £	<b>Total</b> £
Net current assets	233,771	<b>233,771</b>
	<u>233,771</u>	<u><b>233,771</b></u>

**11. Gifts in kind**

The charity receives free accountants' report, website development and maintenance support and design services for brochures which are not valued in the accounts on the grounds that it is not considered material to the charity.