

ThePromise
(A company limited by guarantee)

Annual Report and Unaudited Financial Statements
for the year to 31 March 2013

Charity number 1098771
Company number 04751873

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Registered Office and Operating Address

ThePromise
181 Jersey Road
Isleworth
Middlesex TW7 4QJ

Tel and Fax: 020 8737 2987

Registered Charity Number

1098771

Registered Company Number

04751873

Trustees

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

Bankers

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

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

Independent Examiner

Mr R J Midgley FCA
MHA MacIntyre Hudson
New Bridge Street House
30-34 New Bridge Street,
London EC4V 6BJ

Secretary

Mrs Clare Nash

Trustees' Annual Report

1st April 2011 – 31st March 2013

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2013.

The financial statements have been prepared in accordance with the Companies Act 2006 the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

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. Even disabled children who are cared for in their own families remain isolated from society and many families receive no external support or input for their disabled child.

ThePromise was incorporated on 2nd May 2003 and received charitable status on 28th July 2003. The charity's charitable 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.

In 2010 ThePromise supported the founding of a new Russian NGO 'Obeshenye' to undertake Portage work in Russia and apply for grants and donations from within Russia. Obeshenye was founded on 17 June 2010 and started work on 1st October 2010.

ThePromise and Obeshenye are separately registered organisations with different management teams and boards of trustees. Obeshenye, which is based in Ryazan, Russia, has developed out of the Portage work supported by ThePromise. The two organisations work in very close partnership but are legally distinct entities. Obeshenye is on a path towards complete financial and managerial independence from ThePromise. This will ultimately be achieved through the development of funding streams from Russia and capacity building – both supported by ThePromise. Since official registration, Obeshenye has been funded by a grant from ThePromise and a small number of grants from Russian organisations and individuals.

ThePromise and Obeshenye have a shared vision and purpose:

Our Vision is a world where children with disabilities can achieve the best possible quality of life.

Our Purpose – ThePromise meets a public benefit need by working towards improving the lives of disabled children in Russia. We do this by promoting a system of support (Portage) for disabled children in partnership with families and carers and by encouraging a more positive attitude to disability.

How we meet a public benefit need – we have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing our purpose and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that they have set.

Our activity and who we try to help are described below. Our charitable activity focuses on improving the lives of disabled children in Russia and are undertaken to further our charitable purpose for the public benefit.

Our Values –

- ***The right of all children to lead a fulfilling life***
- ***We value the right of people to determine and develop their own future***
- ***We believe in working in partnership***
- ***We believe that all children should be valued for their unique qualities***

STRATEGIC PLAN

In March 2008, the charity completed its first five year plan and in April 2008, the Trustees developed a new strategic plan to guide the charity's work during the next 5 years. A full copy of the strategic plan is available on our website www.thepromise.org.uk

A) REVIEW OF ACHIEVEMENTS AND PERFORMANCE AGAINST THE PRIORITIES AND FOCUS OUTLINED IN THE STRATEGIC PLAN

SERVICES

1. Portage Delivery and additional therapies:

Ryazan Baby Home

From April - August we continued to fund a Portage programme in the Ryazan Baby Home (home to 0 – 4 year old children) and with our team of 7 Portage Workers and 1 Senior Portage Worker, we were able to provide Portage to a total of 38 disabled children in the home. We continued to work with the Director of the Baby Home to make plans to hand over the financing of this programme to the Russian authorities. These plans finally became a reality in September 2012 when the Baby Home set up a centre for disabled children within the Baby Home, funded by the Ministry of Health. Children continue to receive Portage along with a range of other therapies such as sensory integration. The Baby Home also provides short term respite care for local families. It is a tribute to the staff that this transition took place and the work with disabled children which was set up by ThePromise in 2005, will continue now and for future generations.

Community Programme

During the year, the Community Programme consisted of 9 Portage workers plus a Senior Portage worker visiting 20 families in their homes each week (a total of 29 families received Portage during the year). 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 the state to be cared for in an institution. Children receiving Portage continue to progress and succeed in accessing local kindergartens. Prior to the Portage programme, this would only have been a dream for their parents but thanks to the skills acquired during Portage, five children have left the project this year to attend full-time education, one at a kindergarten and four at school. Three children left the project due to moving away from the area and one left to live in an institution as the parents were sadly unable to care for him at home.

We continue to fund the recruitment of our volunteer Portage Workers from students studying Psychology at Ryazan State University. The university remains extremely supportive of the programme by introducing Portage into the curriculum for all Psychology students as well as supporting those students who volunteer for ThePromise as Portage Workers. Elvira Samarina, who heads up the Psychology Department at Ryazan State University, continues to take a great interest in our work and to provide support for our Community team. Natalia Kvashenko continues to run this team and disseminate the work beyond Ryazan. During the year she attended conferences in Moscow and St Petersburg to introduce other organisations to Portage as well as support newer Portage services such as the one run from the Our Children centre in Ryazan and the Yasenovo Centre in Moscow.

Yelatma Orphanage

Yelatma 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.

The team continues to work in the 'Mercy Department' which houses 46 children. If it weren't for the funding provided by ThePromise, these children would receive no therapy or education of any sort. They are simply "housed" by the state for the duration of their life, which, for many, is limited.

During the year, we worked with 35 children who are classified as 'bed bound' and a further 15 children who although mobile, are destined to spend their days in a small room at the end of the corridor.

Many of our children made amazing progress. Anya has always enjoyed exploring toys and books but this year she has learnt how to play with other children as well as to listen and share a story with her portage worker, she is even starting to repeat some of the sounds she hears.

Working closely with Obeshenye, we have continued to coordinate support for the orphanage from other organisations. A church in Ryazan continues to provide extra food, such as fresh fruit, on a monthly basis, and we continue to work with Diema's Dream (an international NGO) who has started to fund some of the Portage workers.

Our plan is that by the end of 2014, this project will be funded entirely by donations/grants secured in Russia.

2. Dissemination of Information (training/materials/information)

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

In July 2012, two members of staff, Elvira from Ryazan State University and Himali de Silva, a volunteer nutritionist from the UK travelled to St Petersburg to a conference on early intervention. Himali led one of the workshops on feeding and then travelled back to Ryazan to train the team there in practical feeding techniques. The conference was also a good opportunity to present the work of Obeshenye and The Promise and make important connections with early interventions specialists in Russia and organisations interested in Portage such as the Filipok Centre near St Petersburg.

In October 2012 we ran our Basic Portage Workshop to train up new Portage workers. The workshop was once again delivered entirely by our team of Russian trainers with support from Mollie White (our Portage Consultant from the UK). Thirty five students, potential Portage workers and staff from potential partners (including the Filipok Centre in St Petersburg) were trained.

B). CRITICAL SUCCESS FACTORS

Governance Structure

The Board of Trustees is responsible for the governance of the charity and includes all 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)
Ms Joanie Speers

The full board meets four times a year and there is regular contact between meetings with all Trustees.

Trustee Induction

Any new trustee attends a meeting with the existing trustees to undergo an orientation session to familiarise them with the operations and activities of the charity and their legal obligations under charity and company law. Each new trustee is appraised of the financial status of the charity at the time of their appointment.

Strategic Partnerships

During the year we worked very closely with Obeshenye our Russian Partner NGO. Obeshenye has signed strategic partnership agreements with: The Ryazan Baby Home, Ryazan State University, Yelatma Orphanage, the Yasenovo Centre, Moscow and Our Children (NGO).

Staff and Volunteers

We have two part time staff employed in the UK (the Director and the Volunteer Project Manager) and three freelance workers (the bookkeeper, admin assistant – until August an fundraiser). In January 2013, we reduced the hours of the UK team as we worked towards helping Obeshenye to become independent and responsible for programmatic decisions in Russia. From 17 June 2010, all staff in Russia were contracted to and employed by Obeshenye. Apart from the Executive Director of Obeshenye, all staff are part time. This allows both organisations to keep salary costs down whilst at the same time work in a flexible way. Since being founded in 2003, The Promise has benefited from a small but committed team of staff, freelance workers and volunteers both in the UK and Russia and this stability is a key strength for the organisation.

We are particularly grateful to a small number of people who offer their services 'pro – bono'. This includes Thomas Schonenberger from Media Vision (redesign and maintenance of our website), Nick Radclyffe (design work and Christmas cards), Peter Settelen (IT and web) and James Midgley and Dean Garratt and the team at MHA MacIntyre Hudson who verify our accounts. Special mention should also go to Mollie White (Portage) for their tireless and on-going support of our Portage work in Russia.

Finance

Our total income was £87,120 in 2012/13 (compared to £114,842 in 2011/12) with expenditure at £116,162 (compared with £166,102 in 2011/12). We were able to maintain our programme activities and handover operations to Obeshenye by drawing down on our reserves which we had built up over the previous years.

Our income continues to be mixture of donations from individuals, events, corporate donors and trusts plus regular donations of just over £1,000 per month from our Angels (regular donors).

Fundraising, Marketing and Communications

By the end of the financial year, the organisation had raised £87,120 compared with £114,842 the previous year (when we held the ball).

We once again took part in the Big Give Christmas Challenge in December 2012 and we raised £7,218 from individuals who took part and matched funding from Reed.

Our income from Trusts and Foundations held steady at £32,473. We are extremely grateful to the following who supported us during the year: The Bryan Guinness Charitable Trust, The Ian Mactaggart Trust, Cameron McKenna, the Souter Charitable Trust, the Fulmer Charitable Trust and the Elena Trust. We are particularly grateful to the Barbara Ward Children's Foundation. They provided seed funding when we first started our work in Russia and during this year, they agreed to fund the position of Programme Manager in Russia to enable Obeshenye (our Russian partner NGO) to move towards independence from ThePromise. As a result of this funding, Obeshenye has started to raise its profile in Ryazan and beyond. They have forged good links with the local authorities and NGOs in Ryazan, Moscow and beyond resulting in funding and technical support.

However the difficulty of raising funds during times of economic uncertainty must not be underestimated and we continue to struggle to replenish our reserves hence we took the decision to reduce staff hours in the UK and focus our time on fundraising both in the UK and Russia.

Reserves Policy

At the end of the financial year, our total funds carried forward were £44,109. The Trustees have agreed to a breakeven budget in 2013/14 which would enable us to maintain a prudent reserves level (of 4 – 6 months' expenditure) in March 2014.

On behalf of ThePromise Board of Trustees, I want to thank the amazing team that continues to ensure the children in Russia are now receiving such invaluable help. This includes all our staff in the UK and Russia, as well as the countless volunteers and professional advisors that give their time so willingly and generously. ThePromise depends on the passion and vision of everyone who works with us to ensure we can continue to change lives and minds. This also includes all those who donate to us financially and those who work in partnership with us in Russia. On behalf of all the children, thank you for everything you do.

Investment Policy

We have the authority to invest the charity's resources as appropriate. There are no restrictions on the charity's power to invest. The interest earned by the charity during the year from its cash balances amounted to £66 (2012: £163). The strategy of the charity is to invest in low risk cash balances.

Plans for Future Periods

The charity continues to operate within its charitable objectives and will continue to support the Obeshenye through grant making until this organisation becomes financially self reliant. The Trustees and staff of ThePromise are working with the Council and Staff of Obeshenye to enable Obeshenye to become financially independent by the end of 2014. To this end, we are in the process of drawing up a two year strategic plan (2014 – 2015) for Obeshenye which will include a gradual phasing out of funding from ThePromise as Obeshenye obtains more funding from within Russia. Our programmes in the Ryazan Baby Home, Yelatma and the Community will continue to be models for best practice which can be replicated throughout Russia.

ThePromise will continue to fund Portage projects within Russia from our general fund as we look to expand our work beyond Ryazan. We will work with a variety of partners who will deliver Portage by providing grants and expertise. We will continue to have a small team in the UK to work in partnership with and fundraise for these programmes in Russia and will draw upon Portage expertise from the UK and Russia to ensure that the quality of new Portage is maintained.

The Trustees will draw up a new strategic plan in 2013/14 to reflect our ambitions as well as our change of focus from directly running programmes to working with Russian organisations and providing grants for Portage work.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Registered office:
ThePromise
181, Jersey Road
Isleworth
Middlesex
TW7 4QJ

Signed on behalf of the Trustees:



Sarah Settelen – Chair of Trustees
18 December 2013

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES
OF THE PROMISE**

I report on the accounts for the year ended 31 March 2013 which are set out on pages 13 to 20.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES
OF THE PROMISE
(continued)**

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect, the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mr R J Midgley FCA
Chartered accountant
MHA MacIntyre Hudson
Chartered Accountants
New Bridge Street House
30-34 New Bridge Street
London EC4V 6BJ

Dated: 18 December 2013

ThePromise
Statement of Financial Activities for the year to 31st March 2013 (and Income and expenditure account for the year to 31st March 2013)

		2013	2012
		£	£
Incoming resources			
Donations, legacies and similar incoming resources		63,044	50,522
Generated funds from activities		24,010	64,157
Investment income	2	66	163
		<hr/>	<hr/>
Total incoming resources		87,120	114,842
		<hr/>	<hr/>
Resources expended			
Cost of generating funds		8,893	29,640
Portage programmes	3	107,197	136,341
Governance costs	4	72	121
		<hr/>	<hr/>
Total resources expended		116,162	166,102
		<hr/>	<hr/>
Net outgoing resources		(29,042)	(51,260)
		<hr/>	<hr/>
		£	£
Reconciliation of Funds			
Total funds brought forward		73,151	124,411
Net outgoing resources		(29,042)	(51,260)
		<hr/>	<hr/>
Total funds carried forward		44,109	73,151
		<hr/>	<hr/>

ThePromise
Company number: 04751873
Balance sheet as at 31st March 2013

		2013 £	2012 £
Fixed assets			
Tangible Assets	7	-	-
Current assets			
Debtors	8	2,421	20,615
Cash at bank and in hand		43,582	55,481
Total assets		<u>46,003</u>	<u>76,096</u>
Liabilities			
Creditors: amounts falling due within one year	9	1,894	2,945
Net assets		<u>44,109</u>	<u>73,151</u>
		£	£
The funds of the charity:			
Unrestricted income funds:			
General fund		44,109	73,151
Total charity funds	11	<u>44,109</u>	<u>73,151</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2013.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2013 in accordance with Section 476 of the Companies Act 2006.

ThePromise
Company number: 04751873
Balance sheet as at 31st March 2013 (continued)

The trustees acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records which comply with sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees and signed on its behalf by:



Mrs Sarah Settelen – Trustee

Dated: 18 December 2013

The Promise
Notes to the financial statements

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 April 2008), the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable Accounting Standards and the Companies Act 2006.

(b) **Incoming Resources**

Incoming resources are recognised in the Statement of Financial Activities when the charity is legally entitled to the income.

(c) **Resources Expended (including grants payable)**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

(d) **Fund Accounting**

The general fund can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are unrestricted funds designated for specific future expenditure at the discretion of the trustees.

(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 the charity is legally entitled to the income.

The gifts are valued at a reasonable estimate of their value or at market values when available.

ThePromise
Notes to the accounts (continued)

2. Incoming resources

Investment income comprises bank interest of £66 (2012: £163) receivable during the year.

3. Analysis of total resources expended

a. Programme Activity

	Support costs £	Grant funding of activities £	Total £
Implementation of Portage programme	63,034	44,163	107,197

Support costs are general administrative expenditure relating directly to the portage programme which solely represents the one activity of the charity.
 Grants relate to payments to the Russian NGO 'Obeshenye' whose charitable purposes mirror that of ThePromise.

b. Costs of generating funds

	Incoming resources £	Associated expenses £	Total £
Donations	24,544	(570)	23,974
Trusts	38,500	(6,027)	32,473
Events	24,010	(2,296)	21,714
Total	87,054	(8,893)	78,161

ThePromise
Notes to the accounts (continued)

4. Governance costs

	2013	2012
	£	£
Memberships and Subscriptions	72	71
Trustee Expenses	<u>-</u>	<u>50</u>
	72	121

5. Personnel costs

	2013	2012
	£	£
Wages and Salaries	31,731	26,730
Social Security costs	<u>15,514</u>	<u>3,586</u>
	47,245	30,316

Average number of staff employed in the year

Portage programme (f/t)	-	-
Portage programme (p/t)	-	-
UK based staff (p/t)	2	2

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

6. Trustees

No Trustees received remuneration in respect of their services to the charity during the year (2012 - nil).

Expenses of nil were incurred by trustees in the year (2012 - £50).

ThePromise
Notes to the accounts (continued)

7. Tangible Assets

	Computer Equipment £	Total £
COST		
At 1 April 2012	2,186	2,186
Additions	-	-
	<hr/>	<hr/>
At 31 March 2013	2,186	2,186
	<hr/>	<hr/>
DEPRECIATION		
At 1 April 2012	2,186	2,186
Charge for year	-	-
	<hr/>	<hr/>
At 31 March 2013	2,186	2,186
	<hr/>	<hr/>
NET BOOK VALUE		
At 31 March 2013	-	-
	<hr/>	<hr/>
At 31 March 2012	-	-
	<hr/>	<hr/>

8. Debtors

	2013 £	2012 £
Trade Debtors	-	16,620
Accrued income	2,421	3,920
Other debtors	-	75
	<hr/>	<hr/>
	2,421	20,615
	<hr/>	<hr/>

9. Creditors

	2013 £	2012 £
Trade creditors	1,294	18
Accruals	600	2,927
	<hr/>	<hr/>
	1,894	2,945
	<hr/>	<hr/>

The Promise
Notes to the accounts (continued)

10. Capital Structure

The Promise is a company limited by guarantee. The amount of the guarantee is £6 there being 6 guarantors of £1 each.

11. Funds

a) Fund movements

	At 1 April 2012	Incoming Resources	Outgoing Resources	At 31 March 2013
Unrestricted funds				
General fund	73,151	87,120	(116,162)	44,109
Total Funds	<u>73,151</u>	<u>87,120</u>	<u>(116,162)</u>	<u>44,109</u>

b) Analysis of funds

	Unrestricted funds £	Total £
Net current assets	44,109	44,109
	<u>44,109</u>	<u>44,109</u>

12. Gifts in kind

The charity receives free independent examiner's review, 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.