

ThePromise
(A company limited by guarantee)

Annual Report and Unaudited Financial Statements
for the year to 31 March 2015

Charity number 1098771
Company number 4751873

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Registered Office and Operating Address

The Promise
52 Sherland Road
Twickenham
Middlesex TW1 4HD

Tel 020 8123 3290

Registered Charity Number

1098771

Registered Company Number

4751873

Trustees

Mrs Vicki Brown
Mrs Clare Nash
Mrs Sarah Settelen (Chair)
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 2014 – 31st March 2015

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 2015.

The financial statements have been prepared in accordance with the Charities Act 1993 and Companies Act 2006.

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. 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 growing number of grants from Russian individuals, organisations, NGOs and State.

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 –

- **We value 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 future work. 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:

Community Programme

During the year, the Community Programme consisted of 16 Portage workers visiting 22 families (23 children) 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 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. The community Portage service in Ryazan continues to build its reputation as a vital resource for parents with disabled children and has strong links with Government departments (Social Protection and Education) and local NGOs who provide support for families such as drop in groups. Our service however is favoured by parents as it remains truly focused on the child and their family and includes elements of other services which are now being set up for disabled children. Unlike these services, Portage's starting point is what a child **can** do (not what they can't do) and skills are acquired through play in the home environment.

We continue to fund the recruitment, training and support of our volunteer Portage Workers who are 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. Oksana Zainoutdinova stepped down as Senior Portage Worker and we welcomed Natalia Baryshova as the new Senior Community Portage Worker. Oksana continues to be involved with our families as a volunteer at a weekly drop in group for disabled children in Ryazan.

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 Portage team continues to work in the 'Mercy Department' which houses 50 children with complex disabilities. If it weren't for the Portage team, set up by ThePromise in 2006, 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, 10 Portage workers worked with 38 children in the 'Mercy Department'. These children received one to one Portage sessions with 'their' Portage Worker and many were able to join in group activities as well.

Working closely with Obeshenye, we have continued to seek out and coordinate support for the orphanage from other organisations such as Diema's Dream (an international NGO) who funds the salaries of some of the Portage workers.

The Portage team at Yelatma is now fully funded by donations and grants secured in Russia (a combination of grants from the Department for Social Protection and Russian based charities and foundations). The Executive Director of Obeshenye supports Yelatma with grant management and works closely with Maria (the Senior Portage worker) on reporting and the team at Yelatma continue to collaborate with ThePromise and Obeshenye, disseminating best practice and training new Portage workers.

Yasenevo Children's Centre, Moscow

Our links with the Yasenevo Centre in Moscow have continued to strengthen. As well as running their own Portage service, their Senior Portage Worker (Katya) is now one of our Portage trainers. In April 2014, Mollie White, our UK based Portage consultant, supported the Yasenevo Centre to deliver a Basic Portage Workshop in Moscow for organisations interested in starting new Portage services.

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

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

In October 2014 Obeshenye and Ryazan State University jointly ran our Basic Portage Workshop in Ryazan to train up new Portage workers. The workshop was once again delivered entirely by our team of Russian trainers. There were 34 participants including 3 from a children's centre in Voronezh who are keen to start their own Portage service.

B). CRITICAL SUCCESS FACTORS

Governance Structure

The Board of Trustees is responsible for the governance of the charity and includes many founding Trustees who remain very close to the cause of the organisation.

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

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: Ryazan State University, Yelatma Orphanage, the Yasenovo Centre, Moscow and Our Children (NGO). ThePromise is also works closely with an international NGO Diema's Dream.

Staff and Volunteers

We have two part time staff employed in the UK (the Director and the Volunteer Project Manager) and two freelance workers (the bookkeeper and fundraiser). We have continued to keep our costs down by maintaining a very small UK team as we work towards helping Obeshenye to become independent and responsible for programmatic decisions in Russia and ThePromise moves from a service provider to a grant giver. 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, ThePromise has benefited from a small but committed team of trustees, 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 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 her tireless and on-going support of our Portage work in Russia.

Finance

Our total income was £44,452 in 2014/15 (compared to £83,014 in 2013/14) with expenditure at £40,550 (compared with £64,584 in 2013/14). During the year, we were able to maintain our programme activities by keeping our UK costs low and working with Obeshenye to raise funds from within Russia. A very generous grant from the Barbara Ward Children's Foundation helped fund this work with Obeshenye and when it came to an end in September 2014, money raised in Russia was able to replace the grant funding from the foundation which was one of the main objectives of the grant. The reduction in our expenditure is also due in part to all the salaries of the Portage Workers in Yelatma now being covered by Russian donors. We continue to give an annual grant to Obesheneye to run the community Portage programme and this will come to an end in March 2016 when we plan to hand the project over to Ryazan State University.

Our income continues to be a healthy mixture of donations from individuals, events, corporate donors and trusts.

Fundraising, Marketing and Communications

For the fourth year in a row, we took part in the Big Give Christmas Challenge in December 2014 and we raised £4,584 from individuals who took part and matched funding from the Lake House Charitable Trust who have been a long term supporter of our work.

With the ending of a very generous two year grant from the Barbara Ward Children's Foundation, our income from Trusts and Foundations decreased in 2014/15. We are extremely grateful to a small but very supportive group of trusts - The Ian Mactaggart Trust, the Souter Charitable Trust and the Bryan Guinness Trust for their on-going support.

Both the UK and Russian teams continue to devote time and energy to identifying sustainable sources of funding. A special mention should go to our 'Angels' (regular donors) who donated almost £18,000 in the year. Without this support from both individuals and Blackthorne International (our corporate Angel), we would not be able to plan our work.

Once again our fantastic supporters got involved in a variety of fundraising activities – many joined us for winter walk in Richmond Park and special mention should go to Hamish Fell who singlehandedly doubled our donation total. Other events included a disco in Brixton, a team entering the Great River Race and a school donating the proceeds of their talent show.

Reserves Policy

At the end of the financial year, our total funds carried forward was £66,171. The Trustees have agreed to a small overall deficit in 2015/16 which would enable us to draw down some of our reserves whilst maintaining a prudent reserves level (of over 6 months' expenditure) in March 2016.

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 of 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 £106 (2014 £83). The strategy of the charity is to invest in low risk cash balances.

Plans for the Future

The charity continues to operate within its charitable objectives and will continue to support Obeshenye (via an annual grant and capacity building) until March 2016 when Obeshenye becomes fully funded from within Russia.

During 2015/16 we will be developing our new strategy for ThePromise and looking at how we can have the most impact in the lives of disabled children in Russia with the funds we have raised in the UK.

The Trustees and staff of ThePromise will continue to work with key partners in Russia such as Ryazan State University, Obeshenye, the Yasenovo Centre and other organisations interested in Portage. It will continue to support the setting up of new Portage services through training and technical support so that many more children and their families will benefit from Portage and there is a more positive attitude to disability in Russia.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Registered office:
ThePromise
52 Sherland Road
Twickenham
TW1 4HD

Signed on behalf of the Trustees:

A handwritten signature in cursive script, appearing to read 'Sarah Settelen', written in black ink.

Sarah Settelen – Chair of Trustees

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

I report on the accounts for the year ended 31 March 2015 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: 23rd Dec 2015

The Promise
Statement of Financial Activities for the year to 31st March 2015 (and Income and expenditure account for the year to 31st March 2015)

		2015	2014
		£	£
Incoming resources			
Donations, legacies and similar incoming resources		31,932	56,105
Generated funds from activities		12,414	26,826
Investment income	2	106	83
Total incoming resources		<u>44,452</u>	<u>83,014</u>
Resources expended			
Cost of generating funds		1,699	7,284
Portage programmes	3	38,713	57,498
Governance costs	4	138	72
Total resources expended		<u>40,550</u>	<u>64,854</u>
Net incoming resources		<u>3,902</u>	<u>18,160</u>
		£	£
Reconciliation of Funds			
Total funds brought forward		62,269	44,109
Net incoming resources		3,902	18,160
Total funds carried forward		<u>66,171</u>	<u>62,269</u>

ThePromise
Company number: 04751873
Balance sheet as at 31st March 2015

		2015 £	2014 £
Fixed assets			
Tangible Assets	7	332	-
Current assets			
Debtors	8	3,230	2,685
Cash at bank and in hand		63,130	60,655
Total assets		<u>66,692</u>	<u>63,340</u>
Liabilities			
Creditors: amounts falling due within one year	9	521	1,071
Net assets		<u>66,171</u>	<u>62,269</u>
		£	£
The funds of the charity:			
Unrestricted income funds:			
General fund		66,171	62,269
Total charity funds	11	<u>66,171</u>	<u>62,269</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2015.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2015 in accordance with Section 476 of the Companies Act 2006.

ThePromise
Company number: 04751873
Balance sheet as at 31st March 2015 (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: 22 December 2015

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 £106 (2014: £83) receivable during the year.

3. **Analysis of total resources expended**

a. Programme Activity

	Support costs £	Grant funding of activities £	Total £
Implementation of Portage programme	32,620	6,093	38,713

Support costs are general 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	20,939	(500)	20,439
Trusts	10,993	-	10,993
Events	12,414	(1,199)	11,215
Total	44,346	(1,699)	42,647

ThePromise
Notes to the accounts (continued)

4. **Governance costs**

	2015	2014
	£	£
Memberships and Subscriptions	72	72
Professional fees	13	-
Depreciation	53	-
Trustee Expenses	-	-
	<u>138</u>	<u>72</u>

5. **Personnel costs**

	2015	2014
	£	£
Wages and Salaries	24,929	21,170
Social Security costs	-	3,104
	<u>24,929</u>	<u>24,274</u>

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 (2014 - NIL).

Expenses of NIL were incurred by trustees in the year (2014 - NIL).

ThePromise
Notes to the accounts (continued)

7. Tangible Assets

	Computer Equipment £	Total £
COST		
At 1 April 2014	2,186	2,186
Additions	385	385
At 31 March 2015	2,571	2,571
DEPRECIATION		
At 1 April 2014	2,186	2,186
Charge for year	53	53
At 31 March 2015	2,239	2,239
NET BOOK VALUE		
At 31 March 2015	332	332
At 31 March 2014	-	-

8. Debtors

	2015 £	2014 £
Trade Debtors	-	210
Accrued income	3,230	2,475
	3,230	2,685

9. Creditors

	2015 £	2014 £
Trade creditors	284	260
Accruals	237	811
	521	1,071

ThePromise
Notes to the accounts (continued)

10. **Capital Structure**

The Promise is a company limited by guarantee. The amount of the guarantee is £4 there being 4 guarantors of £1 each.

11. **Funds**

a) Fund movements

	At 1 April 2014	Incoming Resources	Outgoing Resources	At 31 March 2015
Unrestricted funds				
General fund	62,269	44,452	(40,550)	66,171
Total Funds	<u>62,269</u>	<u>44,452</u>	<u>(40,550)</u>	<u>66,171</u>

b) Analysis of funds

	Unrestricted funds £	Total £
Net current assets	66,171	66,171
	<u>66,171</u>	<u>66,171</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.