

ANNUAL REPORT & ACCOUNTS 2018/19





CONTENTS

Reference & Administrative Information	4
Introduction	6
Aims & Achievements 2018-19	10
Partners & projects - East Africa	22
Partners & projects - India	24
Projects in the UK	25
Strategy Goals for 2019-20	26
Fundraising Statement	28
Financial Results	29
Structure, Governance & Management	30
Statement of Trustee's Responsibilities	33
Independent Auditors Report	34
Consolidated Statement of Financial Activities	38
Balance Sheet	39
Cash Flow	40
Notes Forming part of the Financial Statements	41

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered Office 1 The Commons
Sandbach
Cheshire
CW11 1EG
Registered charity 1058991

Directors and Trustees

Haydn Abbott	Chairman
Dyan Crowther	Retired 8th November 2018
Timothy Hartley	
Michael Holden	Retired 8th November 2018
Judith Lister	
Trevor Winter	
Arun Muttreja	
Malcolm Brown	
Christine Taylor	
Jacob Kelly	
James Horsman	Retired 8th November 2018
Tricia Wright	
Mo Bulbrook	Appointed 8th November 2018
Andrea Minton-Beddoes	Appointed 8th November 2018
Delia Pop	Appointed 8th November 2018

Group Chief Executive

Terina Keene

Company Secretary

Ashurst LLP
London Fruit & Wool Exchange
1 Duval Square
London E1 6PW

Auditors

Sayer Vincent LLP
Invicta House
108-114 Golden Lane
London EC1Y 0TL

Other Office

India Office
Flat No.8/A, 2nd Floor
Arihant CHS,
Gopal Krishna Gokhale Road,
Mulund East
Mumbai 400 081

Bank

Royal Bank of Scotland
Drummond House
1 Redheughs Ave
Edinburgh
EH12 9JN

Solicitors

Ashurst LLP
London Fruit & Wool Exchange
5 Appold Street
London
EC1M 4BS

Railway Children India
Regd. Office: B1, 1st Floor,
Arjun Nagar, Harsukh Marg,
New Delhi, India
CIN: U85100DL2013NPL260371

Directors: Rakesh Jinsi (Appointed 10th August 2018)
Sanjay Gupta (Appointed 11th December 2018)
Yazmin Riaz (Appointed 16th January 2019)
S. Navin Sellaraju (Resigned 28th Feb 2019)
S. Navin Sellaraju (Appointed March 2018)
Nitin Aggarwal (Resigned 28th Feb 2019)
Terina Keene (Official Observer & Group CEO)

Railway Children Trading Limited
Company Number: 6533182

Directors: Rupert Brennan Brown
Christopher Cornthwaite
Michael Holden (RC Trustee) (Retired 21st December 2018)
Terina Keene (Appointed 21st December 2018)
David Brookes-Company Secretary (Appointed 21st December 2018)

Railway Children Africa Limited
Company Number: 77698
NGO Compliance No: 1563

Directors: Judith Lister
John Kalage
Terina Keene (RC CEO)
Roselynn Mworira (Retired 7th March 2019)
Michael Holden
Lulu Ng'wanakilala (Appointed 7th March 2019)
Jean Ndyetabula (Co-opted 7th March 2019)
Sunday Kapesi (Appointed 7th March 2019)



INTRODUCTION

BY HAYDN ABBOTT, CHAIRMAN

It's been another great year for Railway Children, with continuing significant growth. This has allowed us to protect even more vulnerable children who have no one else to care for them. Not only is this immensely satisfying for everyone involved, it also takes us a step closer to realising our vision of a world where no child has to live on the streets.

I am delighted to report that our charitable expenditure grew over the year by 20 per cent, reaching a record amount of £3.6m. This has enabled us to directly reach and protect nearly 12,000 new children over the last year and extend our impact into local communities where children are at risk of ending up living on the streets. We seek to reduce the harm they might face and galvanise support, using community champions and transport police.

In the past year we have strengthened our corporate governance and implemented the recommendations of an independent report we commissioned. To this end we have been fortunate to attract new trustees and reshape the organisation and responsibilities within the charity. Safeguarding remains a priority for the charity and our Head of Safeguarding works closely with all our operations and with our principal funders such as the Department for International Development, as well as the Charity Commission. We continue to operate a reasonably conservative reserves policy to counter the effects of exchange variation and so on.

Alongside seeking real impact at scale through our work we also recognise that many of the children with whom we work are extremely vulnerable and to make a lasting positive change in their lives we must commit ourselves to working with them and their families over a longer period of time. We have found that the children that are referred to our UK projects by the British Transport Police (BTP) often present with complex and long term problems. They have often fallen through every safety net the UK has, and have only reached us and the help they need because of our unique partnership with the BTP.

We are pleased to announce that we have received the funding we need to open a new UK project in Leeds and will be opening at this new location from June 2019. This will now operate alongside our London and Manchester projects and enable us to bring more of the children identified by the BTP into our caseloads.

Over the last two years our work in Tanzania has doubled. We are now working across six cities and the expected number of children we deliver quality services to was nearly 60 per cent more than we planned. In total we helped over 5,000 children living in desperate situations, facing significant levels of abuse, violence and neglect. Our team in the region delivers outstanding work and has been recognised for their integrity and transparency from one of their key funders, the Department for International Development.

In India we have worked across eight railway stations and in the last year we have reached and protected over 6,500 new children. In addition we have been granted permissions to establish three new Child Help Desks on the platforms of Ghaziabad, Bhubaneswar and Sarai Rohilla. These desks enable us to be available around the clock to intervene promptly when new children arrive at the stations. Securing new funding in India has proven challenging, so we have not been able to expand our operations as planned. However given the extensive need in India, the new stations remain a focus for us and efforts will continue to obtain the required funds.

I am ever mindful and grateful that all we achieve as a charity is made possible by the generosity of our supporters. I am able, with all confidence, to assure you that your ongoing support is both appreciated and is making a significant difference in the lives of some of the world's most vulnerable children.

Haydn Abbott
Chairman



OUR FINANCIAL YEAR IN NUMBERS

11,035

**CHILDREN AND YOUNG
PEOPLE SUPPORTED
THROUGH OUR OUTREACH
ACTIVITIES**



4,619

**CHILDREN
REINTEGRATED WITH
THEIR FAMILIES**

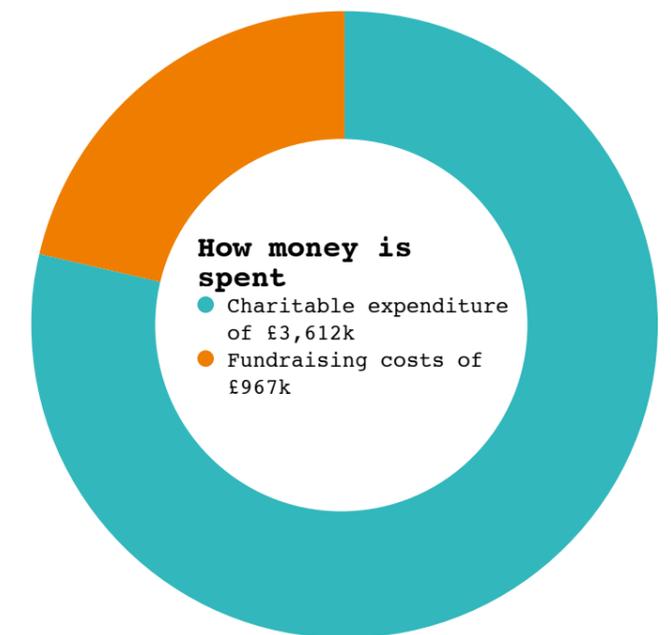
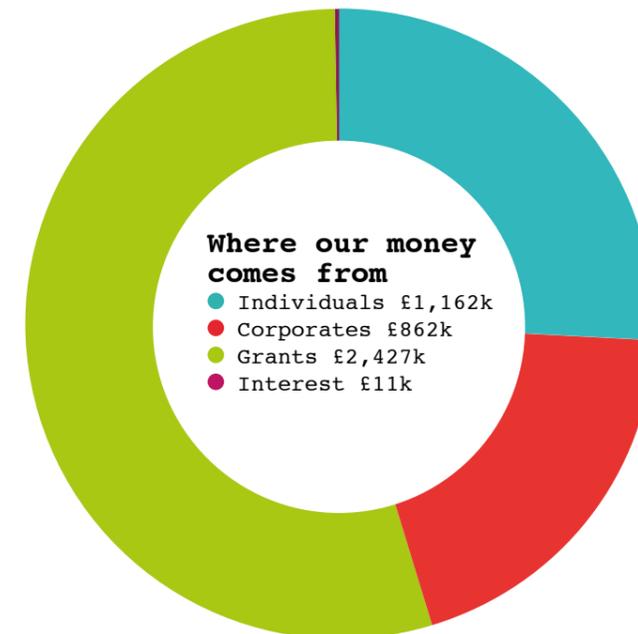


5,984

**CHILDREN AND THEIR
SIBLINGS SUPPORTED
WITH EDUCATION**

1016

**YOUNG PEOPLE
SUPPORTED THROUGH
TRAINING SCHEMES AND
APPRENTICESHIPS**



AIMS AND ACHIEVEMENTS



AIMS

Railway Children was founded in 1996 and its objective is:

‘THE RELIEF OF CHILDREN AND YOUNG PERSONS UNDER 25 YEARS OF AGE WHO ARE IN CONDITIONS OF NEED, HARDSHIP OR DISTRESS, ANYWHERE IN THE WORLD AND IN PARTICULAR THOSE WHO ARE LIVING ON THE STREETS’.

Since then, Railway Children’s work has benefitted thousands of children and young people living alone and at risk on the streets.

Our work aims to create and enable sustainable change in the lives of individual children, communities and in the wider policy and practice that affects all children living alone on the streets.

PUBLIC BENEFIT

The Trustees have considered the Charity Commission guidance on public benefit in deciding what activities the charity should undertake. This report is produced for the benefit of the public and contains an explanation of the significant activities undertaken during the year in order to carry out the charity’s aims and also measure achievements against the objectives set by the Trustees.

PRINCIPAL ACTIVITIES

In achieving our aims, we focus all of our activity on our three step change agenda. We recognise that to create, enable and sustain change we need to balance activities around:

- 1. ENSURING THE NEEDS OF CHILDREN ARE MET;**
- 2. ENSURING COMMUNITIES WORK TO PROTECT CHILDREN; AND**
- 3. ENSURING GOVERNMENTS INCLUDE THE NEEDS OF OUR BENEFICIARIES IN BOTH THEIR POLICIES AND BUDGETS.**

By working at all three levels we ensure lasting change, both in the lives of children currently surviving on the streets and those currently at home but living with neglect, violence and/or abuse where living on the streets may become their only survival option.

ACHIEVEMENTS

The following outlines the objectives we set ourselves for this year and the progress we made.

GOAL 1

We will make a step change in the number of children we can reach, delivering services that significantly improve their life outcomes

EAST AFRICA

At least 3,200 children and youth currently living on the streets in eight cities will receive quality services that enable them to recover from the impact of violence and live safely

Through our work in East Africa we were able to provide quality services for 5,041 children and youth. As a result:

4,090 CHILDREN WERE CONTACTED IN THE STREETS AND INVOLVED IN STREET OUTREACH ACTIVITIES

3,527 CHILDREN WERE PROVIDED WITH MEDICAL SUPPORT THROUGH REFERRALS TO HEALTH CENTRES AND/OR PROVIDED WITH FIRST AID SERVICES

837 WERE PROVIDED WITH SHORT TERM RESIDENTIAL CARE

680 CHILDREN WERE REINTEGRATED INTO PROTECTIVE FAMILIES

951 SIBLINGS OF REINTEGRATED CHILDREN WERE SUPPORTED

1,372 REINTEGRATED CHILDREN AND SIBLINGS WERE PROVIDED WITH SCHOOL SUPPORT

975 YOUTH WERE SUPPORTED THROUGH 49 YOUTH ASSOCIATIONS. 632 OF THESE YOUTH WERE PROVIDED WITH BUSINESS SKILLS, VOCATIONAL SKILLS AND APPRENTICESHIP SKILLS TRAINING

In the cases whereby we have taken children home, or we have been able to enrol young people on the streets into youth associations we have been able to demonstrate tangible change in their lives in relation to violence and safety. 350 reunified children reported considerable improvement in family relationships and 700 youth have improved emotional and social well-being.

INDIA

At least 11,000 children living on and around 14 railway stations will be reached and protected

Through our work in India we have reached and protected 6,591 children across eight railway stations and at the local government run children's home and local communities. As a result:

2,161 CHILDREN ACCESSED OPEN SHELTERS OR DROP-IN CENTRES

3,939 CHILDREN HAVE BEEN RESTORED TO THEIR FAMILIES

1,488 CHILDREN WERE REFERRED TO CHILD CARE INSTITUTIONS WHERE FAMILY RESTORATION IS BEING PROGRESSED

4,612 CHILDREN WERE SUPPORTED BACK TO SCHOOL

384 YOUNG PEOPLE WERE SUPPORTED THROUGH VOCATIONAL TRAINING TO ENABLE THEM TO SECURE EMPLOYMENT

809 VULNERABLE FAMILIES WERE LINKED WITH GOVERNMENT SOCIAL WELFARE SCHEMES

During the year Child Help Desks were established at three new stations: Ghaziabad, Bhubaneswar and Sarai Rohilla. We planned to scale up our work to a further six stations in India during the year, however, we were unable to secure the additional funding needed to enable this expansion. The stations remain a focus for us and we continue to seek the funds needed to deliver this important work.



UK

In partnership with British Transport Police we will establish two further projects in London and Leeds. Across our three projects we will work with at least 342 children to significantly improve their life outcomes

Through our work in the UK, across our projects in Manchester and London we supported 354 children through providing information, advice and guidance, one-to-one support and family work. As a result:

354 CHILDREN RECEIVED INFORMATION ABOUT OUR SUPPORT SERVICES FOLLOWING REFERRAL FROM THE BRITISH TRANSPORT POLICE

85 CHILDREN RECEIVED ADVICE AND GUIDANCE. OF THESE, 34 CHILDREN WENT ON TO ENGAGE IN LONG TERM 1-2-1 SESSIONS, INCLUDING TWO FAMILIES THAT RECEIVED INTENSIVE FAMILY SUPPORT.

We launched our second project based at Euston Station in London in August, taking referrals from all inner London boroughs and outer London boroughs with the highest numbers of safeguarding incidents. The project team work with vulnerable young people age 10-17 with a high proportion of referrals due to bullying, gang related violence and criminal exploitation.

During the year we secured funding towards our third project to be based in Leeds which will take referrals from Yorkshire and Humberside. Project planning started in January and the new team will be in place and accepting referrals in the region from June 2019.





GOAL 2

We will change people's perceptions of children on the streets to reduce the level of harm they face

EAST AFRICA

Communities that live and work in areas where street children are found in six cities in Tanzania will be supported to provide an increased level of protection for these children, and reducing their experiences of violence

Across the six cities where we work in Tanzania, 144 community champions were trained to identify and provide protection to children newly arriving on the streets via buses from different parts of the country. We have recruited and trained a wide range of volunteers as community champions, including the police, food vendors, bus agents/ conductors, motorbike drivers, security guards around bus terminals, local government officials and small business owners. The community champions were identified by children, youth and project staff as individuals that are supportive to children living on the streets.

Over the last year 273 children and young people were referred to us either directly by our community champions or from within the communities that we have made more aware of the issues across the six cities. In total 944 individuals have attended workshops organised by community champions to raise awareness on the issues facing children living on the streets and to promote referral pathways for unaccompanied children.

INDIA

Government personnel and rail passengers in India will safeguard 360,000 children from harm, showing sensitivity towards children living alone and at risk

During the year, the Ministry of Railways recognised Railway Children India as an accredited resource agency. This has enabled us to train individuals and raise awareness on child protection across the entire railway system, including all Railway Officials, passengers and other relevant stakeholders. In addition, the bespoke training module created by Railway Children India has been integrated into the main course curriculum of the Railway Training Institutions.

We have directly trained 9,376 Railway Officials and Integrated Child Protection Officers on child rights and child protection issues in line with the Railways Standard Operating Procedures. Also, the Ministry of Railways has recently launched its 'Guidebook for creating child friendly and protective environments for children in contact with railways', further guiding other railway officers to enable wider impact of our work.

We are currently working with the Railway Training Institutes to gather robust evidence on the wider impact of our work, using ongoing feedback to understand the lives of children officers have made a positive intervention with. From the evidence received at one institution we can estimate that our work in this area has impacted at least 115,000 children.

In addition, our passenger awareness programme has reached out to 6.9 million passengers, who in turn would have the potential to protect 270,000 children. In total we estimate our impact in this area to be 385,000 children, however as we expand our evidence data we expect the number to rise significantly.

UK

2,500 transport employees will successfully complete the e-learning safeguarding awareness training to enable them to identify and support vulnerable people within the transport network

This year 426 rail staff have been provided with face to face or eLearning safeguarding awareness training to enable them to identify and support vulnerable children and young people on the rail network.

Due to delays in the rail franchise schedule, no Train Operating Companies have yet been required to complete safeguarding training as part of the new Safeguarding on Rail Scheme, therefore the numbers we anticipated completing our safeguarding awareness training have not been achieved.

Given the rail franchise schedule is likely to face further disruption going forward, we have expanded our focus to include the British Transport Police's Vulnerability Strategy. This initiative will help us to encourage the voluntary implementation of safeguarding strategies by Train Operating Companies and other rail industry bodies.

GOAL 3

We will build political will around the issues of children living on the streets

EAST AFRICA

120 street children in six target cities in Tanzania will be given access to legal aid that ensures they are protected by the law and a set of guidelines for safe reintegration of street children with their families will be adopted by the Tanzanian government

Due to their circumstances, street children are often associated with crimes on the streets. Railway Children ensures this group of children obtain legal protection from discrimination, violence, abuse and exploitation, or when in conflict with the law we ensure the best interests of the child are observed.

We have now appointed five Legal Officers, one in our own project in Mwanza and four in partner projects in Dar, Mbeya, Dodoma and Iringa, whose main responsibility is to support children whenever they need legal representation. We have also developed a relationship with the Tanganyika Law Society whereby 20 advocates have been identified who will give their time for free to support cases when children are in conflict with the law and one of our employed legal officers is not available.

A total of 319 children and young people have received legal support both in court and at police stations within this project year. In addition, legal aid was given to 14 victims of sexual and physical abuse.

The cooperation offered by the government through the Department of Social Welfare under the Ministry of Health Community Development Gender Elderly and Children in adopting the Family Reintegration Guidelines is another indication of political will that has been secured from the government. The Department of Social Welfare office has fully participated in the process of ensuring the International Reintegration Guidelines

fit into the Tanzanian context and has demonstrated a willingness to officiate the guidelines to become a national document that will be used by all stakeholders working on child reintegration issues.

INDIA

Consultation with the government of India into best practices on child reintegration will result in new national policies being adopted

Following dissemination of our reunification study last year we have focussed this year on influencing family reunification processes of the Government's Child Welfare Committees (CWC) at our programme locations. As a result:

- The Child Welfare Committee at Delhi Sarai Rohila now allows access by a doctor to assess the health needs of children.
- The Government home at Dharbhanga now receives children beyond 7 pm
- The Child Welfare Committee in Dharbhanga will now receive child rescue information through text message at night. This ensures permissions are not delayed and a child can immediately be referred to the government home.
- The Child Welfare Committee in Trichy has begun to refer children to our open shelter.

All these practice changes have improved the reunification process. In FY 19-20 a policy insight paper on child reunification processes and our practical experiences will be developed and shared with the Ministry of Women & Child Development for further action.

The Ministry of Railways launched during the year their 'Guidebook for Creating A Child Friendly and Protective Environment for Children in Contact with Railways' for which we provided expertise and technical support. Following the launch, the Ministry issued an advisory mandate to 7,000 Railway Stations across India.

This mandate will make a significant impact on the protection of vulnerable children who come into contact with Railway Stations.

UK

We will establish safeguarding hubs at nine UK stations where safeguarding incidents are the highest, implementing local safeguarding initiatives to identify vulnerable people and provide them with a response that is timely, sympathetic and enables them to stay safe

Due to the delays in the franchise schedule, the hub requirements of the safeguarding scheme have yet to be implemented. We have had some success with establishing a hub in Manchester, however it has been difficult to sustain stakeholder's attendance and keep safeguarding a priority.

The London project has built strong links with the rail community, local authority and local services in Euston and across London and although this has not led to hubs being established as yet, it has provided opportunities for work shadowing, joint events, intelligence sharing and promotion of our services which are all essential before working with station stakeholders to design a safeguarding hub that benefits all parties and meets the Safeguarding on Rail Scheme requirements.

In June 2019 we will have appointed a new project co-ordinator to cover our Manchester and Leeds project, our target for next year is to have hubs in place that are delivering local safeguarding solutions at Manchester Piccadilly, Leeds and Euston to complement our project work.

We will work with the Department for Transport Rail Franchise Schedule to secure one contract to deliver a new franchisee's safeguarding requirements and advise and provide letters of support for the bidders of four others

The new Safeguarding on Rail Scheme forms a compulsory part of each new rail franchisee's obligations and we worked with the teams bidding for the East Midlands, West Coast Partnership and Southeastern franchises. We provided advice on how they could fulfil their safeguarding requirements and supplied them with letters of support for their bids.

It was expected that three new franchises would be awarded during FY18/19 but due to delays in the franchise schedule this time period has been extended. To date only one franchise award has been announced, for the East Midlands franchise and we are actively engaging with them to see how we can work with them to deliver their safeguarding requirements.

We continue to work closely with British Transport Police and the Department for Transport to ensure that safeguarding remains at the top of the agenda for organisations within the rail industry.



FUNDRAISING

OPERATIONAL GOAL 3

We will grow income from £3.4m to £8m by 2022

- **To meet the growth trajectory required in our five-year strategy, we will deliver an integrated marketing and fundraising plan across all Railway Children offices, generating combined income of £6.7m in 2018/19**

Fundraising across all Railway Children offices reached £4.5m. Having established a new fundraising operation in India, we expected to raise an additional £1.1m on top of the £4.45m we achieved, however with significant recruitment problems and a challenging Indian fundraising market, this income did not materialise. We will continue to pursue new funding opportunities in India through our Railway Children India office, however it would be unrealistic in the current climate to expect a return of >£1m. Funding through our UK office remained constant with some areas showing healthy growth and some streams reducing. Integrated marketing and fundraising plans have led to significant increases in income and engagement, particularly from our individual and events supporters.

- **As part of a 2018/19 donor base review, we will develop our use of supporter data and implement monitoring measures which enable us to evaluate key fundraising campaign activities, sharing insight and impact to continually improve marketing performance and engagement**

A review and continual interrogation of our data, alongside segmented social media and digital marketing activities, has enabled us to develop more targeted, personalised engagement plans for supporters throughout the

year. As a result of the review and continual monitoring of performance, we have evolved our fundraising activities and materials, sharing this insight with all departments and adapting activities further to enhance supporter care. During the year we saw a significant increase in our individual giving income with regular gifts rising by 30%. With the transferrable learning we also began to achieve greater success with funding bids for our UK work. Targeted campaigns throughout the year, combined with an enhanced online donation platform ensured over 5,700 individuals donated to us during the year.

OPERATIONAL GOAL 4

We will be the voice for street children, raising awareness and building a better understanding of the issue

- **Working directly with our country programme teams in 2018/19, we will audit and segment their key stakeholders and develop strategic communication plans in service of their advocacy and fundraising objectives**

Extensive planning and workshops with our programme teams in Tanzania and the UK enabled us to scrutinise and prioritise the key stakeholders needed to meet our strategic objectives. Following an in-depth stakeholder analysis, we have devised a strategic communications plan for each territory, and this will be monitored and refined during the term of our five-year strategy. Fundraising is yet to start in Tanzania, but we are already seeing successful returns with funders for our UK programme. As part of a wider review of our brand and organisational values, this work will continue as we develop strategic messaging frameworks in

service of our fundraising and advocacy goals. In India, we are working to develop a programme of communications to attract new donors in a difficult fundraising climate and work will continue to progress this in 2019/20.

- **As part of an international brand strategy, we will undertake an internal review of our brand across all territories, developing clear and targeted messaging for each of the markets we operate within**

As part of a wider organisational review of governance, standards, recruitment and safeguarding, the decision was taken to undertake a more comprehensive evaluation of our organisational culture and brand values across India, Tanzania and the UK. Having doubled in size since our last review 5 years ago, it was appropriate and apparent that a more in-depth process was required to gain maximum engagement and support and build a brand strategy that works for all our affiliates. Consequently we undertook a much more extensive consultation and review with external and internal stakeholders in East Africa, India and the UK. At the close of the financial year the consultation and the findings were complete, and work will now continue in 2019/20 as we develop responses to this review, creating a brand strategy that can deliver our objectives across our international territories for years to come. In addition to an overarching brand strategy we will now develop specific and appropriate messaging frameworks for our affiliates to apply in their respective countries, ensuring the local needs of all audiences are met.



PARTNERS & PROJECTS

- EAST AFRICA

CHEKA SANA, MWANZA, TANZANIA

The programme provides the resources needed to explore possibilities of children returning home to their families and communities. Work in the community with families and self-help groups ensures children can remain safe in a family environment and are therefore prevented from migrating to the streets.

(Total support 2018-19 £107,027 - Unrestricted designated funds 2019-20 £13,777)

UPENDO DAIMA, MWANZA, TANZANIA

The project focuses on early intervention for new children on the streets in Mwanza, providing shelter as they work to reintegrate them back home. They provide educational support to children at the centre and to the children once they are reintegrated with their families.

(Total support 2018-19 £17,070 - Unrestricted designated funds 2019-20 £20,000)

KIVUKO, MWANZA, TANZANIA

Railway Children Africa's direct delivery project focuses on street work and family reintegration. Youths based on the street are supported to form 'associations' and develop life skills, including vocational and business skills to ensure improved opportunities and income generation.

(Total support 2018-19 £266,134 - Unrestricted designated funds 2019-20 £60,401)

CHILD RESCUE KENYA, KITALE, KENYA

Provides food, shelter, friendship and hope for children on the streets in Kitale, focusing on family reintegration, if appropriate, or offering longer term support. Bio-Intensive agriculture forms an important service ensuring families have food and can generate an income.

(Total support 2018-19 £54,048 - Unrestricted designated funds 2019-20 £47,600)

UNDUGU SOCIETY, KENYA

Creating innovative and pioneering street children associations across Nairobi and Kisumu offering positive opportunities for new and existing street children. Intensive family work ensures relationships in families are improved.

(Total support 2018-19 £45,287 - Unrestricted designated funds 2019-20 £44,310)

AMANI, MOSHI, TANZANIA

Providing care and protection for children and youth on the streets in Arusha and Moshi, reuniting children with families and enabling youths to become productive members of the community.

(Total support 2018-19 £45,829 - Unrestricted designated funds 2019-20 £7,752)

BABA WATOTO, DAR ES SALAAM, TANZANIA

Ensuring children and youth are protected and their talents in arts and sports are developed. Empowering youth to become self-motivated and gain employment.

(Total support 2018-19 £77,031 - Unrestricted designated funds 2019-20 £15,292)

CARITAS, MBEYA, TANZANIA

Providing care and protection for children and youth on the streets in Mbeya, reuniting children with families and enabling youths to become productive members of the community.

(Total support 2018-19 £51,575 - Unrestricted designated funds 2019-20 £12,177)

IDYDC, IRINGA, TANZANIA

Providing care and protection for children and youth on the streets in Iringa, reuniting children with families and enabling youths to become productive members of the community.

(Total support 2018-19 £58,426 - Unrestricted designated funds 2019-20 £10,992)

KISEDET, DODOMA, TANZANIA

Providing care and protection for children and youth on the streets in Dodoma, reuniting children with families and enabling youths to become productive members of the community.

(Total support 2018-19 £55,878 - Unrestricted Designated funds 2019-20 £8,457)

CONSORTIUM FOR STREET CHILDREN

Providing advocacy support for the DFID project in Tanzania to ensure the General Comment No. 21 on Children in Street Situations is adopted.

(Total support 2018-19 £53,276)

COMMUNITY FOR CHILD RIGHTS, TANZANIA

Providing advocacy support for the DFID project in Tanzania to ensure the General Comment No. 21 on Children in Street Situations is adopted.

(Total support 2018-19 £20,341 - Unrestricted Designated funds 2019-20 £4,000)

TANGANIKI LAW SOCIETY, TANZANIA (TLS)

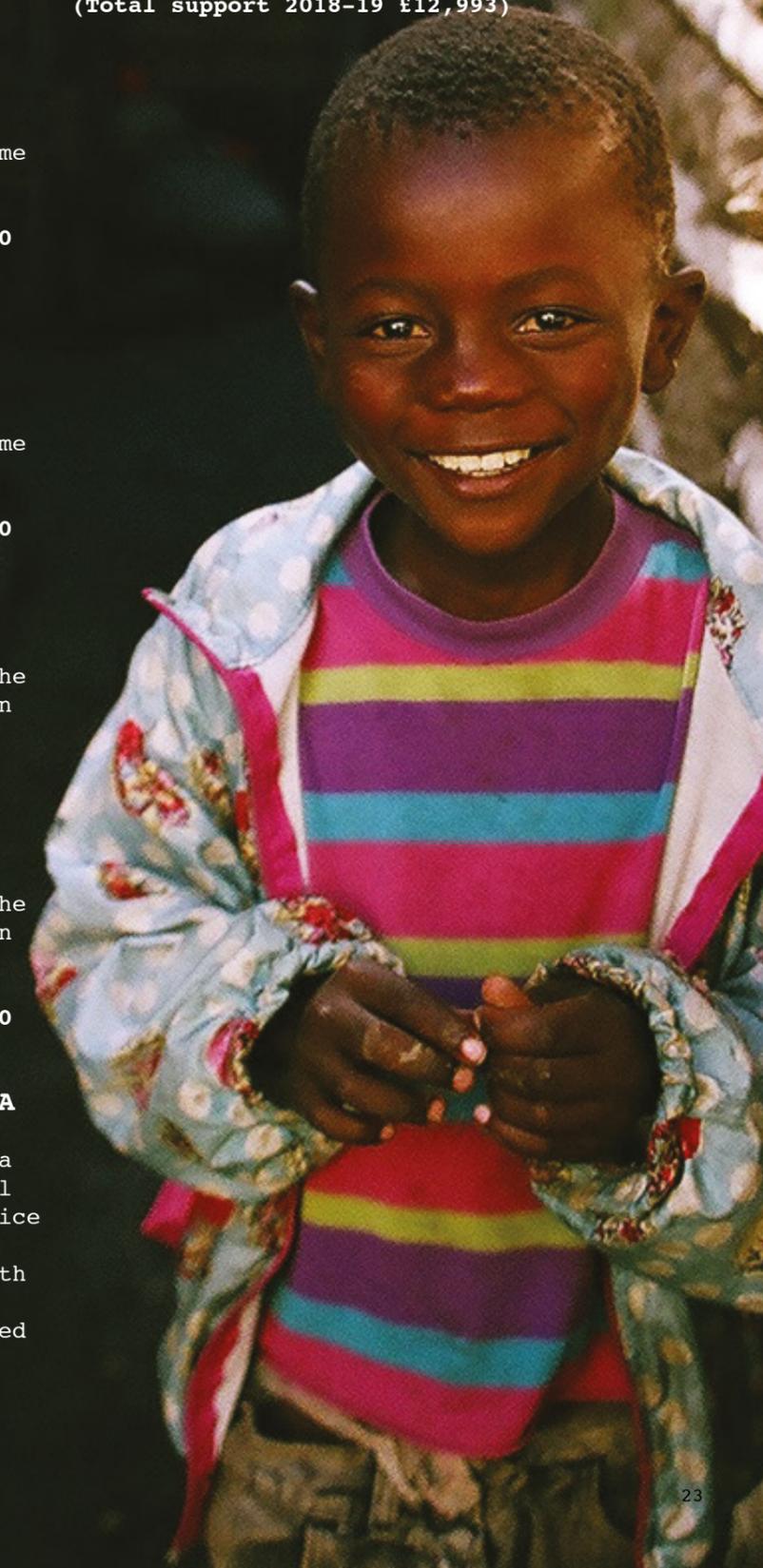
TLS is a key organisation in Tanzania in relation to the oversight of legal services particularly Access to Justice across the country including legal services for CLWS. TLS are working with Railway Children to ensure Tanzania applies much of what has been included in the UN General Comment 21 on Children in Street Situations.

(Total support 2018-19 £11,338)

TANZANIA CHILD RIGHTS FORUM (TCRF)

Works to bring together Civil Society Organisations working with and for children to promote the rights of children and young people. TCRF are working with Railway Children to ensure Tanzania applies much of what has been included in the UN General Comment 21 on Children in Street Situations.

(Total support 2018-19 £12,993)



PARTNERS & PROJECTS

- INDIA

BMCDM, SOUTH 24 PARGANAS, WEST BENGAL

Work in communities to re-enrol children in education, support families in alternative livelihoods and prevent out migration of children
(Total support 2018-19 £38,986)

NARAYANI SEVA SANSTHAN, BIHAR

Outreach at Dharbhanga station and provision of a shelter for rehabilitation of children alongside a programme of family reunification and reintegration, including a school enrolment campaign
(Total support 2018-19 £31,259)

PRAAJAK, WEST BENGAL

Operation of a drop-in shelter at Asansol as well as community work with vulnerable children and families on preventing child marriage and child labour while working to enrol children into education
(Total support 2018-19 £50,923)

THE HOPE HOUSE, TAMIL NADU

Outreach at Katpadi station and shelter for rehabilitation of children alongside a family reunification and reintegration programme
(Total support 2018-19 £18,833 – Unrestricted designated funds 2019-20 £78k)

SCOPE, TAMIL NADU

Outreach at Villupuram station and shelter for rehabilitation of children alongside a family reunification and reintegration programme
(Total support 2018-19 £20,330 – Unrestricted Designated funds 2019-20 £58k)

TERRE DES HOMMES, TAMIL NADU

Outreach at Salem station and shelter for rehabilitation of children alongside a family reunification and reintegration programme
(Total support 2018-19 £49,946)

DELHI (RCI DIRECT PROJECT)

Outreach programme at Delhi Cantonment and Sarai Rohilla stations alongside a rehabilitation and family reunification programme
(Total support 2018-19 £51,260)

HBT, BHUBANESWAR

Outreach at station and shelter for rehabilitation of children alongside a family reunification and reintegration programme
(Total support 2018-19 £39,225)

SALAM BALAK TRUST, GHAZIABAD

Outreach at station and shelter for rehabilitation of children alongside a family reunification and reintegration programme
(Total support 2018-19 £70,044)

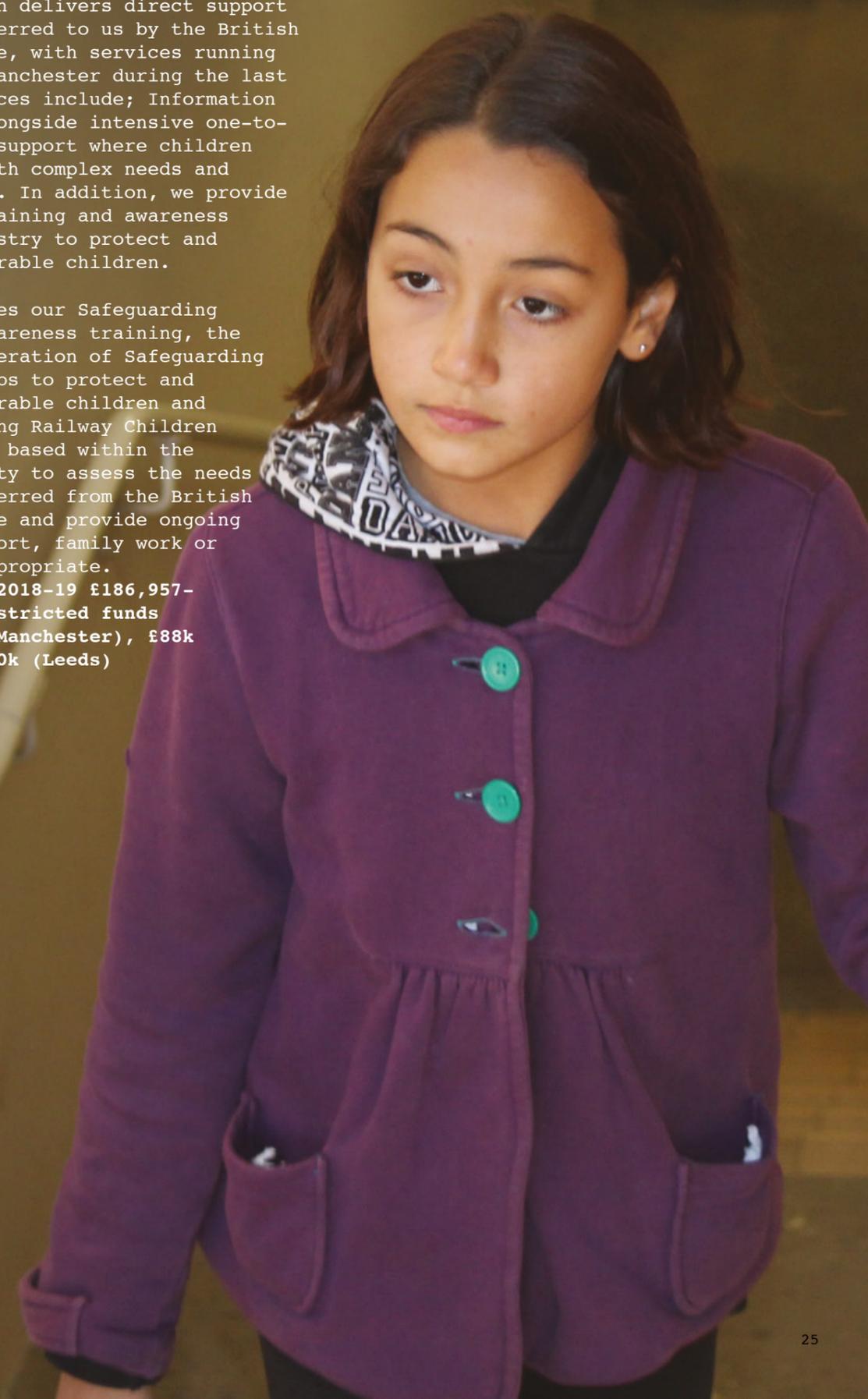
SEVAI, TIRUCHIRAPPALLI

Outreach at Salem station and shelter for rehabilitation of children alongside a family reunification and reintegration programme
(Total support 2018-19 £52,998 – Unrestricted Designated funds 2019-20 £77k)

UK PROJECTS

Railway Children delivers direct support to children referred to us by the British Transport Police, with services running in London and Manchester during the last year. Our services include; Information and guidance alongside intensive one-to-one and family support where children are referred with complex needs and vulnerabilities. In addition, we provide safeguarding training and awareness across the industry to protect and safeguard vulnerable children.

This incorporates our Safeguarding on Transport awareness training, the creation and operation of Safeguarding on Transport Hubs to protect and safeguard vulnerable children and adults and having Railway Children project workers based within the station community to assess the needs of children referred from the British Transport Police and provide ongoing one-to-one support, family work or mentoring as appropriate.
(Total support 2018-19 £186,957- Designated unrestricted funds 2019-20 £104k (Manchester), £88k (London) and £70k (Leeds))



STRATEGY GOALS FOR 2019-20

GOAL 01

We will make a step change in the number of children we can reach, delivering services that significantly improve their life outcomes

- We will ensure improved and expanded services for 4,660 children and youth living in the eight cities we work in East Africa, including children and youth currently living on the streets; siblings of reunified children, and children in long term institutional care
- At least 7,799 children living at and around 14 railway stations in India will be reached and protected
- In partnership with the British Transport Police (BTP) we will establish a third project in Leeds, supporting young people from Yorkshire and Humberside. Across our three Safeguarding on Transport projects we will support at least 625 individuals

GOAL 02

We will change people's perceptions of children on the streets to reduce the level of harm they face

- We will reduce violence and abuse experienced by children and young people living on the streets in six cities in Tanzania through identifying and training community champions, building a safety net and creating targeted awareness campaigns to challenge negative community perception
- 7,000 Railway Officers will be trained through capacity building training programme at railway stations, railway division, zones and railway training institutes and academies in India
- Through our on-line or face to face safeguarding training, 2,000 UK transport staff will have greater

awareness and understanding of vulnerable children and young people in order to respond to and refer them on appropriately

- Hubs will be established at three UK locations where projects are based to raise awareness of safeguarding within the station community, share relevant information to generate local solutions in order to improve responses to vulnerable children and young people

GOAL 03

We will build political will around the issues of children living on the streets

- In East Africa, we will increase government and political leaders' commitment to promote, protect and advance child rights through the adoption of the UN General Comment 21, development of Standard Operating Procedures and allocation of resources to children and young people
- In India, a policy insight paper on 'Good Practices of Reunification' will be launched with the Ministry of Women and Children. In addition, an impact assessment of our capacity building programmes will be initiated in collaboration with the railways to understand the effectiveness of modules in bringing positive changes in the lives of children
- In the UK, we will continue to work closely with the Department for Transport and British Transport Police at a senior level to ensure that safeguarding continues to be included in the strategic vision for the rail industry and that plans are in place to identify and respond to vulnerable people

FUNDRAISING & COMMUNICATIONS

OPERATIONAL GOAL 03

We will grow income from £3.4m to £8m by 2022

- We will raise £5.9m in 2019/20 across a diverse range of income methods and throughout the three major regions within the Railway Children group
- We will invest time and resources in a deeper supporter care journey, ensuring we provide an excellent service to our donors that demonstrates the impact they are making and deepens their relationship with us. This will result in larger and longer relationships, creating the space and opportunity to deliver new and innovative fundraising campaigns and events
- As part of a strategic approach to explore new private sector and trust fundraising markets, we will focus on thematic areas of support, highlighting the educational, health and employability aspects of our work with children, giving donors the opportunity to witness a tangible difference to those we are supporting

OPERATIONAL GOAL 04

We will be the voice for street children, raising awareness and building a better understanding of the issue

- We will continue to work closely with our programme teams, building on the communications work we developed in 2018. We will support the teams to develop campaign activities and collateral which enables us to raise awareness and increase support for children alone and at risk on the streets

- In response to an extensive review of our brand across all territories during 2018/19, we will develop and implement an international brand strategy. We will create a draft brand architecture framework which will be adopted by all affiliates as part of the new international brand quality standards



FUNDRAISING STATEMENT

Railway Children carries out a variety of fundraising activities, approaching individuals and companies for support and sponsorship as well as Trusts and Foundations. We occasionally employ a professional fundraising agency to undertake telephone and face-to-face fundraising activity on our behalf. Our policies and approach to fundraising are as follows;

- We are registered with the Fundraising Regulator and comply with the Codes of Fundraising Practice. We are regularly updated with changes in practice and enforce change where necessary
- We adhere to our policy set up to protect vulnerable people, ensuring that the policy is enforced throughout all fundraising activities and with all parties
- Before the appointment of a third-party fundraising supplier, we make checks with other charity clients including financial checks and ensure that their practices meet our ethical criteria. Once appointed strict stewardship of the relationship is applied through daily discussions on any issues and regularly listening to calls

- We reviewed our data protection policy and procedures in preparation for the General Data Protection Regulation (GDPR) and the fundraising code of practice and regularly monitor the implementation of this throughout the organisation
- We give our supporters clear opportunities to opt out of any further contact as part of every approach
- Our supporter promise and privacy policy is clearly displayed on our website and regularly communicated to our supporters
- We do not share or sell data with any other organisations
- During 2018/19 Railway Children received three complaints. These were all dealt with and resolved.

Supporters and our beneficiaries are at the heart of what we do. We strive to achieve high standards in our fundraising and communication with supporters. We stand by the principles set out in our supporter promise.

FINANCIAL RESULTS

INCOME

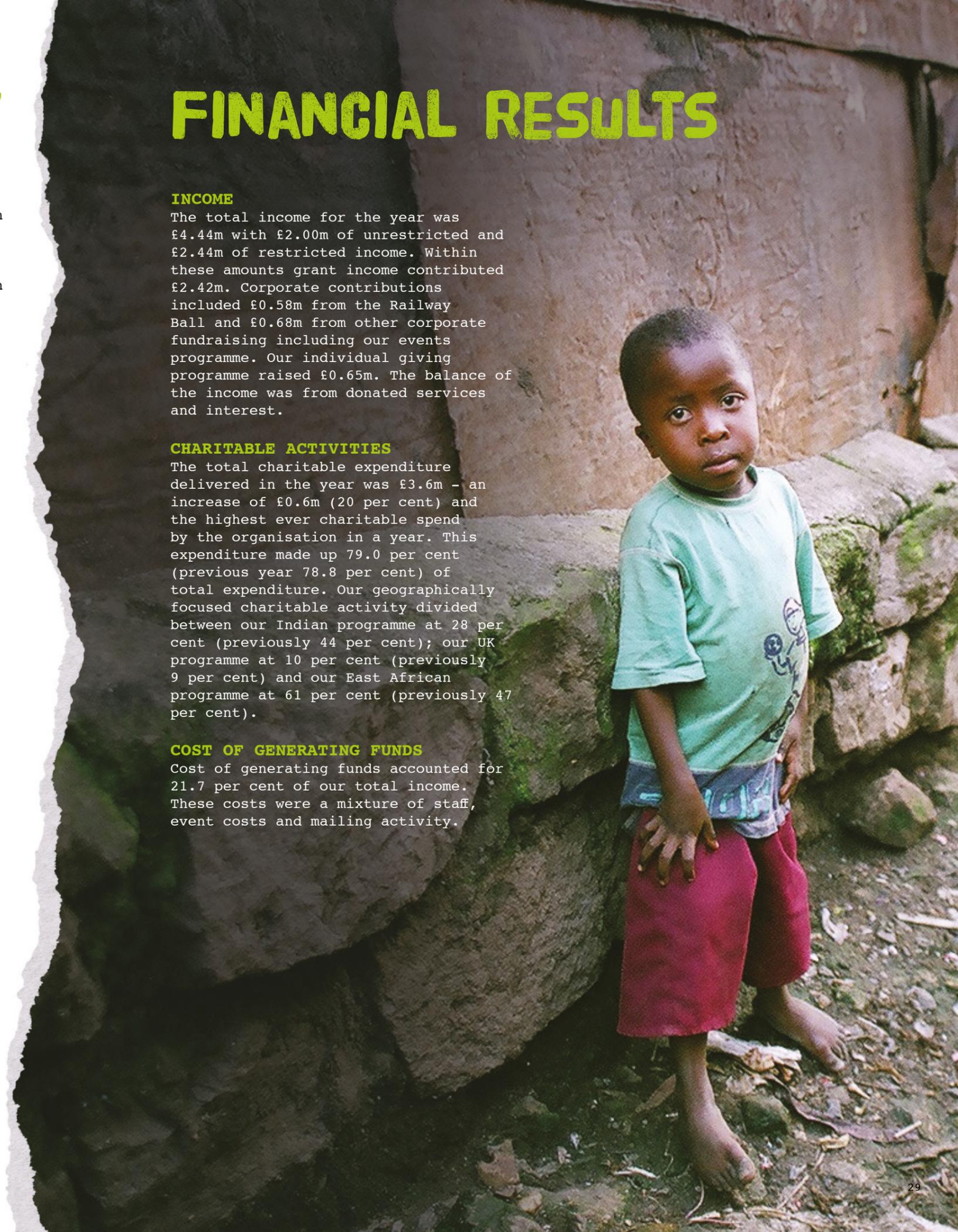
The total income for the year was £4.44m with £2.00m of unrestricted and £2.44m of restricted income. Within these amounts grant income contributed £2.42m. Corporate contributions included £0.58m from the Railway Ball and £0.68m from other corporate fundraising including our events programme. Our individual giving programme raised £0.65m. The balance of the income was from donated services and interest.

CHARITABLE ACTIVITIES

The total charitable expenditure delivered in the year was £3.6m – an increase of £0.6m (20 per cent) and the highest ever charitable spend by the organisation in a year. This expenditure made up 79.0 per cent (previous year 78.8 per cent) of total expenditure. Our geographically focused charitable activity divided between our Indian programme at 28 per cent (previously 44 per cent); our UK programme at 10 per cent (previously 9 per cent) and our East African programme at 61 per cent (previously 47 per cent).

COST OF GENERATING FUNDS

Cost of generating funds accounted for 21.7 per cent of our total income. These costs were a mixture of staff, event costs and mailing activity.



STRUCTURE, GOVERNANCE AND MANAGEMENT

Railway Children is a charitable company limited by guarantee 3265496, Registered Charity No. 1058991, incorporated on 18th October 1996 and registered as a charity on 5th November 1996.

The Company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the Trustees, who form the Board of Trustees, are elected at the Annual General Meeting to serve a period of three years, with one third of their number retiring at each AGM.

The Memorandum and Articles of Railway Children express its objects as 'the relief of children and young persons under 25 years of age who are in conditions of need, hardship or distress, anywhere in the world and in particular those who are living on the streets'.

Railway Children Trading Limited is a wholly-owned subsidiary company (number 6533182) limited by shares. The company is registered for VAT and is used by Railway Children to conduct its trading activities. All profits are gift aided to the parent charity.

Railway Children Africa is a company limited by guarantee registered in Tanzania (number 77698). The board consists of Railway Children representatives and Tanzanian nationals. The company manages our operations in Tanzania. The results for this company are consolidated into the accounts.

Railway Children India is a Section 8 company registered in India that commenced operations in FY2015-16.

VISION AND BELIEFS

As an organisation, Railway Children recognises that the environment in which we operate in is one of

uncertainty and constant change. The resources we rely on in order to meet our charitable aims are both competitive and subject to ever-changing trends, whilst our beneficiary environment is one that varies frequently.

In response to this we construct our organisation so we can be as flexible and as innovative as possible. We nurture a culture that is both informal and open without compromising on accountability or professionalism.

This culture reflects a commitment to making a lasting change in the lives of children at risk on the streets and is informed by our stated values which work together to underpin all that we do:

'Our vision is a world where no child ever has to live on the streets'

VALUES

- **Integrity:** We will always act with integrity towards our supporters, partners and peers, acting in the best interests of our beneficiaries at all times.
- **Bravery:** We are not afraid to push the boundaries, try new things or challenge the status quo in order to change the world for children living on the streets.
- **Innovation:** We are constantly reviewing our work to find new and improved ways of doing the best for our beneficiaries. We push ourselves to deliver sector-leading work in the interests of children living on the streets.
- **Effectiveness:** Our work is constantly judged on results and impact and then assessed to ensure maximum return on investment both in our programme outputs and financially. Every penny of donors' money is invested with care and attention to detail.

GOVERNANCE – TRUSTEE RESPONSIBILITIES

As a charity accountable to all our donors, our resources must be carefully managed and our legal responsibilities met.

Since its incorporation, the Railway Children Trustees have been the organisation's governing body. Trustees hold ultimate legal responsibility for the charity and collectively ensure delivery of our objectives, set our strategic direction and uphold our values as an organisation.

The key responsibilities of the Trustees are:

- Development and annual review of the charity's performance from definition of concepts to approval of the strategic direction
- Setting objectives for the development and review of our strategic plan, including approval on annual budgets and plans
- Approval of the Annual Report and Audited Accounts
- Identification and management of risks
- Appointment of Sub-Committees and delegation of powers
- Appointment, terms and conditions and delegation of powers to the Group Chief Executive
- Monitoring compliance with both company and charity law
- The stewardship of assets

Railway Children operates under the guidance of a Board of Trustees and its Finance and Audit Committee. The implementation of the Trustees' plans and policies, and the responsibility for performance is vested in the Group Chief Executive.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total amount of such guarantees at 31 May 2019 was £550 (2018 – £550). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Under the requirements of the Articles of Association, all members of the charity are permitted to stand for election as Trustees at the Annual General Meeting. The Trustee body has the necessary powers to appoint a new Trustee at any time. Any such appointed Trustee can hold office until the next Annual General Meeting, when they can stand for election.

One third of all, being the longest standing Trustees, retires in rotation and is eligible for re-appointment at the Annual General Meeting. The minimum number of Trustees is set at three and currently there are thirteen. There is no set maximum number.

TRUSTEE INDUCTION AND TRAINING

Members of the charity who are considering standing as a Trustee are invited to attend Trustee meetings, to allow them to get to know the charity and the roles and responsibilities of a charity Trustee. Additionally, new Trustees are encouraged to attend an induction meeting, led by the Chairman and the Group Chief Executive. The meeting covers the following aspects:

- Background to and history of the charity and the context in which it operates.
- The principal responsibilities of a charity trustee.
- A summary of the charity's governing documents.
- The charity's current financial position and forecasts.
- The strategic plan and current progress against objectives.

A Trustee manual exists to assist both new and existing Trustees in the discharge of their responsibilities. The manual, which is reviewed annually and was comprehensively updated in 2015, includes governance and operational policies, the Memorandum and Articles, role descriptions of officers and current delegations. Trustees are encouraged to keep themselves up to date through appropriate training.

REMUNERATION POLICY

Railway Children commits to recruiting and paying all our staff up to the median rate, determined by an independently benchmarked scale that is reviewed every three years.

The data used for the benchmark cuts the data in five ways to ensure salaries are fair and competitive, the five categories used to determine salary levels are - rank, charity income, number of employees, charitable focus and charity location.

RISKS

- The Trustees and senior staff have produced a five-year strategy (2017-2022) setting out the major opportunities available to the charity and the risks to which it is exposed. All risks are reviewed and updated quarterly by the Finance and Audit Committee and the Board of Trustees. As part of this process, the Trustees have developed a Risk Management Policy, which comprises:
- A quarterly review of the risks the charity may face
- The establishment of systems and procedures to mitigate those risks identified in the plan
- The implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise

Key risks for 2018-19	Mitigations
Securing ongoing funding	Continued investment in fundraising
Development of group governance structure	Enhancement of our unified operating model
Recruitment and retention of suitable staff	Ensuring that salaries are benchmarked and there is emphasis on good staff supervision
Safeguarding	Establishment of a properly-resourced function that ensures compliance with appropriate policies and procedures

RESERVES

The Board of Trustees reviews the charity's reserves policy annually. The basis of Railway Children's reserve policy is:

- To protect the continuity of our work, including specified liabilities
- To protect the long-term commitments made to our partners
- To provide capacity to invest in innovative programme activities that may initially be difficult to fund

To achieve the above, a minimum reserve is defined as being three months of our core unrestricted expenditure. Our target reserve is based upon the level required to enable the following year's programme to be funded and close at the guideline reserve level and is expressed as the opening reserve position for the following year's budget.

The reserve levels for FY2018-19 were a minimum reserve level of £0.61m with a target reserve to fund the FY2019-20 programme of £1.63m.

The closing unrestricted reserve for the year was £1.22m which was £0.41m below the target level. Of the unrestricted reserve £0.72m is designated for programme work over the next twelve months. This work is outlined in each programme section of this report and a regional breakdown of the designation given in note 19 of the accounts.

For the FY2019-20 the minimum reserve is £0.83m and the target reserve at the end of the financial year is £1.68m.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of Railway Children 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 law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and the incoming resources and application of resources, including the income and expenditure, of the charitable company / group 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;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records that 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 group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware;
- The Trustees have taken all the 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.

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

A resolution to re-appoint Sayer Vincent LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

The report of the Trustees has been prepared in accordance with the special provisions applicable to companies' subject to the small companies' regime.

Haydn Abbott

Haydn Abbott
Chairman of the Board
Date: 19th Sept 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF RAILWAY CHILDREN

OPINION

- We have audited the financial statements of Railway Children (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 May 2019 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 May 2019 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities

under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the group financial statements is not appropriate; or
- The trustees have not disclosed in the group financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the group financial statements and our auditor's report thereon. Our opinion on the group financial statements does not cover the

other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the group financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

- In our opinion, based on the work undertaken in the course of the audit:
- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and

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

- Adequate accounting records have not been kept by the parent charitable company, 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 take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's or the parent charitable company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting

estimates and related disclosures made by the trustees

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

USE OF OUR REPORT

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 and section 144 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 to them in an auditor's 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sayer Vincent LLP

Jonathan Orchard (Senior statutory auditor)

Date: 5th Nov 2019

for and on behalf of Sayer Vincent LLP,
Statutory Auditor
Invicta House, 108-114 Golden Lane,
LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(incorporating Income & Expenditure Account)
for the year ended 31 May 2019

Incoming Resources	Notes	Unrestricted	Restricted	Total 2019	Total 2018
		£	£	£	£
Donations and Legacies	3	1,430,813	81,656	1,512,469	1,866,827
Charitable Activities					
Outreach		27,649	765,459	793,108	665,091
Shelter		10,664	295,249	305,913	488,268
Reintegration		25,251	699,075	724,326	545,013
Influencing		21,055	582,925	603,980	228,817
Other trading activities		499,647	11,099	510,746	457,306
Investments		2,839	8,395	11,234	9,062
Total Income		2,017,918	2,443,858	4,461,776	4,260,384
Expenditure on:					
Fundraising		822,764	144,320	967,084	800,691
Charitable Activities					
Outreach		766,417	663,318	1,429,735	1,141,843
Shelter		193,727	273,393	467,120	650,130
Reintegration		360,648	589,511	950,159	785,038
Influencing		305,093	459,400	764,493	429,893
Total Expenditure	4	2,448,649	2,129,942	4,578,591	3,807,595
Net Income / (Expenditure)		(430,731)	313,916	(116,815)	452,789
Transfer between funds		-	-	-	-
Reconciliation of Funds					
Total funds brought forward	22	1,664,855	586,613	2,251,468	1,798,679
Total funds carried forward		1,234,124	900,529	2,134,653	2,251,468

All of the above results are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities. Accordingly no statement of total recognised gains and losses are given.

All restricted funds received and expended relate to income funds.

CONSOLIDATED AND PARENT BALANCE SHEET

As at 31 May 2019

	Notes	2019 £	Group 2018 £	2019 £	Charity 2018 £
Fixed Assets					
Tangible Assets	10	15,595	32,077	5,490	8,430
Investment	11	22,309	20,615	22,409	20,715
Current Assets					
Debtors & Prepayments	17	64,473	179,450	141,699	552,685
Short Term Deposits		400,000	400,000	400,000	400,000
Cash at Bank & in Hand		1,834,007	1,803,265	1,233,841	1,083,880
		2,298,480	2,382,715	1,775,540	2,036,565
Current Liabilities					
Amounts Falling Due within One Year	18	(201,731)	(183,939)	(173,235)	(138,770)
Net Current Assets		2,096,749	2,198,776	1,602,305	1,897,795
Net Assets	19	2,134,653	2,251,468	1,630,204	1,926,940
Funds					
Unrestricted Income Funds					
General Funds		514,124	1,066,207	511,390	1,060,390
Designated Funds		720,000	598,648	720,000	598,648
Restricted Income Funds		936,788	615,528	435,073	296,817
Restricted Income Funds in Deficit		(36,259)	(28,915)	(36,259)	(28,915)
Total Funds	19	2,134,653	2,251,468	1,630,204	1,926,940

The financial statement of Railway Children, registered number 03265496, were approved by the Board of Trustees on 19th Sept 2019 and signed on its behalf by

Haydn Abbott

Haydn Abbott
Chairman of the Board

Trevor Winter

Trevor Winter
Honorary Treasurer

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 May 2019

	Note	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities			9,977		359,944
Cash flows from investing activities:					
Purchase of fixed assets	10	(16,093)		(11,211)	
Dividends and interest from investments		11,234		9,062	
Purchase of investments		-		(20,000)	
Net cash provided by/(used in) investing activities			(4,859)		(22,149)
Change in cash and cash equivalents in the year			5,118		337,795
Cash and cash equivalents at the beginning of the year			1,803,265		1,441,112
Change in cash and cash equivalents due to exchange rate movements			25,624		24,358
Cash and cash equivalents at the end of the year			1,834,007		1,803,265
Reconciliation of net income/(expenditure) to net cash flow from operating activities					
		2019 £		2018 £	
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		(116,815)		452,789	
Depreciation charges		15,926		16,472	
Exchange (Gains)/Losses		(10,670)		(24,973)	
(Increase)/decrease in short term deposits		-		-	
(Increase)/decrease in debtors		114,977		(29,296)	
Increase/(decrease) in creditors		17,792		(45,986)	
Dividends and interest from investments		(11,234)		(9,062)	
Net cash provided by/(used in) operating activities		9,977		359,944	
Analysis of cash and cash equivalents					
		At 1 June 2018 £	Cash flows £	Other £	At 31 May 2019 £
Cash at bank and in hand		1,803,265	5,118	25,624	1,834,007
Notice deposits (less than 3 months)		-	-	-	-
Total cash and cash equivalents		1,803,265	5,118	25,624	1,834,007

NOTES TO THE FINANCIAL STATEMENTS

01 ACCOUNT POLICIES

The financial statements are prepared under the historic cost convention. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (August 2014) and the Companies Act 2006.

As explained in the Trustees' Report, after making enquiries, the trustees have a reasonable expectation and no material uncertainties that Railway Children has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

RECONCILIATION WITH PREVIOUSLY GENERALLY ACCEPTED ACCOUNTING PRACTICE (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 June 2014. No transitional adjustments were required.

BASIS OF CONSOLIDATION

The Group financial statements consolidate the financial statements of Railway Children and its wholly owned subsidiary undertakings drawn up to 31st May each year. The results of the charitable company and its wholly-owned subsidiaries Railway Children Trading Limited, Railway Children Africa Limited and the overseas entity over which the charity has control through membership, Railway Children

India, are consolidated on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

PUBLIC BENEFIT ENTITY

The charitable company meets the definition of a public benefit entity under FRS 102.

INCOMING RESOURCES

All income is recognised in the statement of financial activities when the conditions for receipt have been met, it is probable that the income will be received and that the amount can be measured reliably. Where a claim for Income Tax has or will be made, such income is grossed up for tax recoverable. Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. The following accounting policies are applied to income:

GIFTS IN KIND AND DONATED GOODS & FACILITIES

Assets given for use by the charity are recognised as incoming resources at their estimated market value when receivable. If they form part of the fixed assets at the year-end they are included in the balance sheet at the value at which the gift was included in incoming resources. Donated facilities are included at their estimated value and the corresponding expenditure included under the appropriate heading. All estimates of value of gifts are estimated as the value to the charity

of the service or facility received; being the price the charity estimates it would pay in the open market for a service or facility of equivalent utility to the charity.

DONATIONS

Donations and all other receipts from fundraising are reported gross and the related fundraising costs are reported in other expenditure.

LEGACIES

For legacies that can be estimated and receipt is reasonably assured, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

GRANTS RECEIVED

Grants are recognised when the conditions of entitlement are met.

CHARITABLE EXPENDITURE

Charitable expenditure includes expenditure directly related to the objects of the charity and comprises grants payable, accounted for when the trustees have approved such grant and instruction is given to the charity's bankers. In addition, costs incurred in transmitting project grants to those projects, and the cost of visits by trustees and staff to assess, monitor and develop the work of these projects is accounted for on an accruals basis. Salary costs for co-coordinators in India, Programme Development Manager, National Policy and Strategy Officer, National Research & Strategy Manager and a proportion of the CEO salary are included as this work is concerned with the development of the management

of and enhancement of capacity of the projects supported are also accounted for on an accruals basis.

Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

ALLOCATION OF OPERATING COSTS

The charity's operating costs are accounted for on an accruals basis and are allocated between costs of generating funds, charitable expenditure and governance. Wherever possible the costs are positively identified and specific to the activity, in other cases such as office provision and some staff costs a percentage allocation of total cost is made based upon an estimate of staff time attributable to each activity. The allocations for the year were:

PERCENTAGES	UK SUPPORT STAFF		
	CEO	Marketing & Comms	Finance & Admin
Charitable	58%	60%	55%
CORF	25%	40%	31%
Governance	17%		14%
	100%	100%	100%
	Other costs		Depreciation
Charitable	40%		44%
CORF	58%		50%
Governance	2%		6%
	100%		100%

TANGIBLE FIXED ASSETS

The fixed assets are limited to equipment, furniture and fittings and are capitalised where the purchase cost exceeds £1,000. Depreciation is provided on these assets in equal annual instalments over the estimated lives of the assets as follows:

Office Equipment - 4 years
 Display Equipment - 4 years
 Furniture & fixtures - 5 years

FUND STRUCTURES

Unrestricted funds are where funds have been received without any conditions from donors. Some unrestricted funds have subsequently been set aside by Railway Children as designated funds where they have been ear-marked to fund a specific partner from unrestricted funds.

Where funds have been received from donors for particular purposes these are represented as restricted funds. Transfers are made between restricted funds to represent changes agreed with the donor of the funds.

FOREIGN CURRENCY

Transactions in foreign currencies are converted at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are converted at the rate of exchange prevailing at the balance sheet date. Exchange rate differences are taken into account in arriving at net incoming resources for the year.

INVESTMENTS

In the charity balance sheet, investments in the subsidiary are shown at cost less provision for impairments.

PENSIONS

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

OPERATING LEASES

Rental charges are charged on a straight line basis over the term of the lease.

INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are at cost.

DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

02 DETAILED COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

Note	Unrestricted £	Restricted £	2018 Total £
Income from:			
Donations and Legacies	1,730,667	136,160	1,866,827
Charitable Activities	41,927	1,885,262	1,927,189
Other trading activities	450,185	7,121	457,306
Investments	4,170	4,892	9,062
Total Income	2,226,949	2,033,435	4,260,384
Expenditure on:			
Fundraising	773,041	27,650	800,691
Charitable Activities	1,481,658	1,525,246	3,006,904
Total Expenditure	2,254,699	1,552,896	3,807,595
Net Income / (Expenditure)	(27,750)	480,539	452,789
Reconciliation of Funds			
Total funds brought forward	1,692,605	106,074	1,798,679
Total funds carried forward	1,664,855	586,613	2,251,468

03A INCOME FROM DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2019 Total £	2018 Total £
Individual Donations:				
General	605,825	44,296	650,121	562,217
Legacies	-	-	-	36,889
Corporate Donations	750,568	37,360	787,928	1,151,205
Donated services	74,420	-	74,420	116,516
	1,430,813	81,656	1,512,469	1,866,827

03B COMPARATIVE INCOME FROM DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2018 Total £
Individual Donations:			
General	516,435	45,782	562,217
Legacies	11,889	25,000	36,889
Corporate Donations	1,085,827	65,378	1,151,205
Donated services	116,516	-	116,516
	1,730,667	136,160	1,866,827

04A ANALYSIS OF EXPENDITURE

	Charitable activities £	Cost of raising funds £	Governance costs £	Support costs £	2019 Total £	2018 Total £
Grants payable (see note 6)	1,018,052	-	-	-	1,018,052	852,705
UK Staff	344,932	269,664	-	637,952	1,252,548	1,053,226
Overseas Staff	774,421	75,295	-	-	849,716	616,044
Office & Supplies	131,435	26,101	-	51,729	209,265	185,333
Services	222,739	215,974	54,630	68,775	562,118	572,296
Travel & Accommodation	225,540	82,339	35,073	6,869	349,821	220,895
Other	247,119	-	-	(394)	246,725	174,108
Depreciation	9,414	-	-	6,512	15,926	16,472
Gifts in Kind	42,523	31,897	-	-	74,420	116,516
Sub total	3,016,175	701,270	89,703	771,443	4,578,591	3,807,595
Support costs	440,413	244,676	86,354	(771,443)	-	-
Governance costs	154,919	21,138	(176,057)			
Total expenditure 2019	3,611,507	967,084	-	-	4,578,591	3,807,595
Total expenditure 2018	3,006,904	800,691	-	-	3,807,595	

04B COMPARATIVE ANALYSIS OF EXPENDITURE

	Charitable activities £	Cost of raising funds £	Governance costs £	Support costs £	2018 Total £
Grants payable (see note 6)	852,705	-	-	-	852,705
UK Staff	321,755	242,549	-	488,922	1,053,226
Overseas Staff	592,218	23,826	-	-	616,044
Office & Supplies	113,558	24,681	-	47,094	185,333
Services	224,733	221,420	29,373	96,770	572,296
Travel & Accommodation	193,001	13,319	6,498	8,077	220,895
Other	174,108	-	-	-	174,108
Depreciation	8,896	-	-	7,576	16,472
Gifts in Kind	86,340	30,176	-	-	116,516
Sub total	2,567,314	555,971	35,871	648,439	3,807,595
Support costs	342,011	231,422	75,006	(648,439)	-
Governance costs	97,579	13,298	(110,877)		
Total expenditure 2018	3,006,904	800,691	-	-	3,807,595

NOTES TO THE FINANCIAL STATEMENTS

05A ANALYSIS OF CHARITABLE EXPENDITURE BY ACTIVITY

Grants	Outreach 2019 £	Shelter 2019 £	Reintegration 2019 £	Influencing 2019 £	Total 2019 £	Total 2018 £
India						
North	71,548	-	10,971	70,044	152,563	166,756
East	23,678	27,957	75,930	1,56	129,134	141,276
South	65,628	29,038	28,127	3,443	126,236	228,567
West and Central	-	-	-	-	-	-
East Africa						
Kenya	38,596	28,726	28,835	3,178	99,335	164,973
Tanzania	153,026	64,228	160,863	132,667	510,784	151,133
Grants sub total	352,476	149,949	304,726	210,901	1,018,052	852,705
UK Staff	284,200	13,489	27,529	19,714	344,932	321,755
Overseas Staff	261,937	115,040	234,032	163,412	774,421	592,218
Office & Supplies	44,613	17,000	34,603	35,219	131,435	113,558
Services	65,083	20,216	41,003	96,437	222,739	224,733
Travel & Accommodation	85,606	29,972	61,087	48,875	225,540	193,001
Other	82,458	36,755	74,897	53,009	247,119	174,108
Depreciation	2,957	1,434	2,927	2,096	9,414	8,896
Gifts in Kind	14,723	6,263	12,728	8,809	42,523	86,340
	841,577	240,169	488,806	427,571	1,998,123	1,714,609
Sub total	1,194,053	390,118	793,532	638,472	3,016,175	2,567,314
Support costs	174,352	56,964	115,869	93,228	440,413	342,011
Governance costs	61,330	20,038	40,758	32,793	154,919	97,579
Total	1,429,735	467,120	950,159	764,493	3,611,507	3,006,904

Outreach work includes streetwork, local helplines, association models and child friendly stations. Shelter includes drop in centres, night shelters, government home work and refuge. Reintegration work includes return home interviews, intensive family work, working with government homes and bio diverse farming.

05B COMPARATIVE ANALYSIS OF CHARITABLE EXPENDITURE BY ACTIVITY

Grants	Outreach 2018 £	Shelter 2018 £	Reintegration 2018 £	Influencing 2018 £	Total 2018 £
India					
North	64,570	30,484	30,140	41,562	166,756
East	43,079	27,199	70,387	611	141,276
South	102,456	72,904	48,811	4,396	228,567
West and Central	-	-	-	-	-
East Africa					
Kenya	50,606	58,499	48,227	7,641	164,973
Tanzania	43,127	22,409	54,145	31,452	151,133
Grants sub total	303,838	211,495	251,710	85,662	852,705
UK Staff	223,302	29,821	37,213	31,419	321,755
Overseas Staff	200,576	148,270	179,824	63,548	592,218
Office & Supplies	33,427	21,154	25,810	33,167	113,558
Services	52,958	32,126	39,214	100,435	224,733
Travel & Accommodation	67,702	45,090	55,614	24,595	193,001
Other	59,473	43,468	52,630	18,537	174,108
Depreciation	2,873	2,246	2,768	1,009	8,896
Gifts in Kind	30,764	21,415	25,487	8,674	86,340
	671,075	343,590	418,560	281,384	1,714,609
Sub total	974,913	555,085	670,270	367,046	2,567,314
Support costs	129,875	73,947	89,292	48,897	342,011
Governance costs	37,055	21,098	25,476	13,950	97,579
Total	1,141,843	650,130	785,038	429,893	3,006,904

06 STAFF COSTS

	2019 £	2018 £
UK Based Staff		
Wages and salaries	1,081,855	914,674
National Insurance	104,609	93,344
Pension costs	66,084	45,208
UK Based Sub Total	1,252,548	1,053,226
Overseas staff	849,716	616,044
	2,102,264	1,669,270

NOTES TO THE FINANCIAL STATEMENTS

07 STAFF NUMBERS

The average number of employees was:

	2019	2018
Project development	14	11
Fundraising	15	13
Support and administration	2	1
UK staff subtotal	31	25
East Africa programme staff	32	22
India programme staff	46	50
Total staff	109	97

Information regarding employees and trustees

*During the year the charity had one volunteer providing office assistance and 29 providing fundraising help.

*One employee had emoluments in the range of £90,000 - £99,999 (2018 - one), one in the range £70-£79,999 (2018 - zero) and three in the range £60,000 - £69,999 (2018 - two).

*The cost of employing key management personnel including employer's NI and pension contributions was £494,664 (2018: £473,256)

08 NET INCOMING RESOURCES FOR THE YEAR

	2019 £	2018 £
Operating lease rentals		
- Property	15,200	15,200
- Other	500	500
Depreciation	15,926	16,472
Auditors remuneration		
- Audit (excl irrecoverable VAT)	8,800	8,800
- Audit accrual adjustment (incl VAT)	2,400	2,364
- Audit disbursement	800	800
Trustees remuneration	-	-
Trustee expenses	4,084	2,782
Of which Trustees reimbursed expenses	1,421	1,643

Trustee expenses represents the reimbursed travel and expenses of five Trustees (2018: 3).

09 OPERATING LEASE COMMITMENTS

The charity had annual commitments at the year end under operating leases expiring as follows:

	2019 £	2018 £
Less than one year	10,553	-
2-5 years	5,643	33,729
	16,196	33,729

10 TANGIBLE FIXED ASSETS (GROUP AND CHARITY)

	Charity Equipment & Furniture £	Group Vehicles £	Group Equipment £	Group Total £
Cost				
At beginning of year	64,941	21,041	25,279	111,261
Additions in year	2,648	13,445	-	16,093
Disposals	-	(11,092)	(25,279)	(36,371)
At close of year	67,589	23,394	-	90,983
Depreciation				
At beginning of year	56,511	14,043	8,630	79,184
Change for year	5,588	10,338	-	15,926
Disposals	-	(11,092)	(8,630)	(19,722)
At close of year	62,099	13,289	-	75,388
Net Book Value				
Group and charity at close of year	5,490	10,105	-	15,595
Group and charity at beginning of year	8,430	6,998	16,649	32,077

11 INVESTMENTS

These consist of £100 of shares in Railway Children Trading Limited and an endowment fund invested for the benefit of work in Inda with a current value of £22,309.

Railway Children Trading Limited	2019 £	2018 £
Turnover	34,978	72,308
Expenditure	(20,396)	(20,461)
Use of Railway Children logo	(1,000)	(1,000)
Use of Railway Children staff	(5,000)	(5,000)
Trading profit / (loss)	8,582	45,847
Loan interest paid to Railway Children	-	-
Profit donated to Railway Children	(8,582)	(45,847)
Net profit for the year	-	-
Net assets carried forward at May 31	100	100

Railway Children Trading Company Limited is a 100% subsidiary of Railway Children. During the year £34,978 from Xmas cards raised net profits of £8,582.

All the Railway Children Trading Company Limited's profits for the year are donated to Railway Children. Payments to Railway Children are regarded as a reduction of the charity's expenditure and cancel out on the consolidated accounts.

NOTES TO THE FINANCIAL STATEMENTS

12 TAXATION

Railway Children Limited is a registered charity and is thus exempt from taxation of its income and gains falling within Section 505 of the Income and Corporation Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No tax charge has arisen in the year.

13 RAILWAY CHILDREN AFRICA

	2019	2018
	£	£
Turnover	263,131	227,755
Income from Railway Children	1,269,524	566,354
Expenditure	(1,532,655)	(794,109)
Net assets carried forward at May 31st	-	-

Railway Children Africa Limited is a 100% subsidiary of Railway Children and income is derived from the restricted income from the parent charity with some locally raised restricted income. Railway Children Africa Limited carries out Railway Children's programme of work in Tanzania.

14 RAILWAY CHILDREN INDIA

	2019	2018
	£	£
Turnover	765,501	846,128
Expenditure	(564,459)	(530,828)
Net assets carried forward at May 31st	201,042	315,300

Railway Children India Limited is a section 25 company registered in India. The company operates under the Railway Children trademark.

15 INDIA LIAISON OFFICE

This legal entity employs the majority of Railway Children staff in India and is treated as a subsidiary in these accounts. Income for India LO was solely from the charity and amounted to £180,460 (2018: £264,657) and expenditure £180,889 (2018: £260,889).

16 RAILWAY CHILDREN PARENT CHARITY

The parent charity gross income for the year excluding RCTL income is £3,383,164 (2018: £3,165,426) and the net deficit for the year is -£311,300 (2018 net surplus: £117,333).

17 DEBTORS AND PREPAYMENTS

	Consolidated		Charity	
	2019	2018	2019	2018
	£	£	£	£
Debtors	(42)	165	-	-
Gift aid debtor	31,311	19,785	31,311	19,785
Other debtors	20,898	150,579	-	139,456
Prepayments and accrued income	12,310	8,922	12,310	8,922
Railway Children Africa - owed to charity	-	(1)	88,128	338,305
Railway Children Trading Limited - owed to charity	(4)	-	9,950	46,217
Total	64,473	179,450	141,699	552,685

18 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Charity	
	2019	2018	2019	2018
	£	£	£	£
Creditors	37,843	64,515	12,590	30,298
Tax and national insurance	31,530	21,446	31,530	21,446
Accrued Expenditure	132,358	97,978	129,115	87,026
Total	201,731	183,939	173,235	138,770

19A ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Funds	Designated Funds	General Funds	Total Funds
	£	£	£	£
Fixed assets	-	-	37,904	37,904
Net current assets	900,529	720,000	476,220	2,096,749
Net assets at the end of the year	900,529	720,000	514,124	2,134,653

19B COMPARATIVE OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted Funds	Designated Funds	General Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	52,692	52,692
Net current assets	586,613	598,648	1,013,515	2,198,776
Net assets at the end of the year	586,613	598,648	1,066,207	2,251,468

NOTES TO THE FINANCIAL STATEMENTS

20 RELATED PARTIES

During the year there were related party transactions with Railway Children India, Railway Children Africa Limited and Railway Children Ball Limited. Income from Railway Children Ball Limited was £582,654 (2018: £484,919).

Railway Children is registered as a liaison office in India and manages the delivery of the India programme with funding provided entirely via Railway Children. Railway Children India is registered as a section 25 company in India and is funded entirely from local grants.

The Railway Children Ball Limited has one Trustee in common with Railway Children and runs an annual fundraising ball.

Railway Children Africa Limited is registered as a company in Tanzania and manages the delivery of the Tanzania programme with most funding provided via Railway Children. Railway Children representatives make up a majority of the board positions.

21 FUNDS HELD ON BEHALF OF OTHERS

The charity is part of an unincorporated association known as the Partnership for Vulnerable Children, formed with with three other charities:

Childhope, Get Connected and ICT. The association operates a payroll giving scheme on behalf of its members. Railway Children performs the financial administration for the association.

The sole assets of the association are funds collected not yet dispersed which are held in a separate bank account. The balance on the account at May 31st 2019 was £6,331 (2018: £9,890). This bank account does not form part of these consolidated accounts.

22A MOVEMENT IN FUNDS

		Balance at Start of 2019 £	Movement in Resources Incoming £	Outgoing £	Transfers £	Balance at Close 2019 £
Restricted Funds						
Region	Funder					
East Africa	Other funders	9,864	130,696	(69,345)	-	71,215
	DfID - UK Aid Match	(4,137)	19,794	(15,658)	-	(1)
	DfID - UK Aid Direct	89,624	995,247	(1,012,163)	-	72,708
India	APPI	347,458	696,253	(511,311)	-	532,400
	BLF	11,212	162,425	(94,200)	-	79,437
	Comic Relief	863	-	(899)	-	(36)
	Other funders	118,249	83,734	(65,814)	-	136,169
UK	Other UK	42,395	35,298	(32,797)	-	44,896
Total Restricted Funds		615,528	2,123,447	(1,802,187)	-	936,788
Restricted Funds in Deficit						
	Honda	(1,640)	62,686	(53,149)	-	7,897
	PACT - East Africa	(27,275)	257,725	(274,606)	-	(44,156)
Total Funds in Deficit		(28,915)	320,411	(327,755)	-	(36,259)
Overall Restricted Funds		586,613	2,443,858	(2,129,942)	-	900,529
Unrestricted Funds						
Designated Funds						
	India	95,972	277,191	(160,163)	-	213,000
	UK	300,355	171,580	(209,935)	-	262,000
	East Africa	202,321	92,451	(49,772)	-	245,000
Total Designated Funds		598,648	541,222	(419,870)	-	720,000
	General Funds	1,066,207	1,476,696	(2,028,779)	-	514,124
Total Unrestricted Funds		1,664,855	2,017,918	(2,448,649)	-	1,234,124
Total Funds		2,251,468	4,461,776	(4,578,591)	-	2,134,653

Purposes of Restricted Funds

APPI funds are for work to assist street children on railway stations in India.

Big Lottery Fund, West Bengal: Restricted for the assistance of street children and youth in West Bengal.

DfID: These funds relate to the assistance of street children in Tanzania.

Purposes of Designated Funds

These are to cover commitments made to partners made for the year ended May 31st 2020, details are contained in the annual report.

NOTES TO THE FINANCIAL STATEMENTS

22B COMPARATIVE MOVEMENT IN FUNDS

		Balance at Start of 2018	Movement in Resources		Transfers	Balance at Close 2018
		£	Incoming £	Outgoing £	£	£
Restricted Funds						
Region	Funder					
East Africa	Other funders	21,737	74,913	(86,786)	-	9,864
	DfID - UK Aid Match	(63,521)	357,304	(297,920)	-	(4,137)
	DfID - UK Aid Direct	-	228,595	(138,971)	-	89,624
India	APPI	23,485	792,446	(468,473)	-	347,458
	BLF	34,411	77,393	(100,592)	-	11,212
	Comic Relief	27,623	5,000	(31,760)	-	863
	Other funders	55,632	135,162	(72,545)	-	118,249
UK	Other UK	37,503	41,549	(36,657)	-	42,395
Total Restricted Funds		136,870	1,712,362	(1,233,704)	-	615,528
Restricted Funds in Deficit						
	BLF - Kitale	(9,402)	33,979	(24,577)	-	-
	Comic Relief - Nairobi	(6,452)	6,452	-	-	-
	Honda	7,629	53,055	(62,324)	-	(1,640)
	PACT - East Africa	(22,571)	227,587	(232,291)	-	(27,275)
		(30,796)	321,073	(319,192)	-	(28,915)
Overall Restricted Funds		106,074	2,033,435	(1,552,896)	-	586,613
Unrestricted Funds						
Designated Funds						
	India	143,913	8,320	(56,261)	-	95,972
	UK	359,591	18,377	(77,613)	-	300,355
	East Africa	94,257	188,895	(80,831)	-	202,321
	Total Designated Funds	597,761	215,592	(214,705)	-	598,648
	General Funds	1,094,844	2,011,357	(2,039,994)	-	1,066,207
	Total Unrestricted Funds	1,692,605	2,226,949	(2,254,699)	-	1,664,855
Total Funds		1,798,679	4,260,384	(3,807,595)	-	2,251,468



Railway Children
1 The Commons
Sandbach CW11 1EG

T 01270 757596
E hello@railwaychildren.org.uk
W www.railwaychildren.org.uk

Registered charity 1058991

children RAILWAY
Fighting for street children