

HealthProm

Ensuring vulnerable children have the best start in life

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

Company number: 4887855

Registered Charity number: 1100459

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(This report does not form part of the Financial Statements)	

REPORT OF THE BOARD OF DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

The Directors and Trustees present their annual report and audited financial statements for the year ended 31 March 2016.

The Directors and Trustees confirm that the annual report and financial statements comply with the current statutory requirements, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice Accounting and Reporting by Charities issued by the Charity Commission in 2015 (SORP 2015) and FRS102.

BACKGROUND

HealthProm evolved out of the USSR-UK Medical Exchange Programme set up in 1984 by doctors and allied professionals to promote health education through tours, conferences and exchange visits between the two countries. Our activities have since evolved and now focus on supporting vulnerable children in countries of the Eastern Europe, Central Asia and the former Soviet Union.

AIM AND OBJECTIVES

HealthProm's objective as set out in its Articles of Association is to "preserve, protect and improve the health of the public in Britain, Eastern Europe, the Caucasus and Asia, in particular the health of mothers and children".

On the basis of our current organisational "Theory of Change", HealthProm's overarching goal is to support vulnerable children to have the best start in life.

The Trustees confirm that they have taken into account the Charity Commission's general guidance on public benefit when reviewing HealthProm's aims and objectives and in planning future activities.

VISION AND MISSION

Our vision is a world where each mother and child has secured the right to a healthy and socially inclusive life. Our mission is to work in partnership with local organisations to promote health and social care in countries of the former Soviet Union and Afghanistan.

HEALTHPROM'S STRATEGY

HealthProm's Strategy for Growth 2012-2017 was approved by the Board on 11 November 2011.

In the reporting period, we started the process of reviewing current strategy and developing a new strategy to start in 2017.

STRATEGIC APPROACH

HealthProm works in partnership with target beneficiaries and communities as well as health, social care and education professionals, NGOs, local, regional and national governments to build local capacity to develop and implement innovative, low cost and high impact measures to improve the lives of vulnerable children. We focus on the most vulnerable and marginalised.

HealthProm uses a participatory approach and is driven by the needs of the target beneficiaries. We seek to be a learning and innovative organisation which promotes best practice and also aims to ensure value for money and sustainability

REPORT OF THE BOARD OF DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

DIMENSIONS OF CHANGE / CORE ACTIVITIES

HealthProm's four "Dimensions of Change" or Core Activities are:

- (i) Strengthening families and communities
- (ii) Improving access to health and social care
- (iii) Promoting access to education
- (iv) Working with and through local partner organisations

Strengthening families and communities

HealthProm supports the mobilisation and empowerment of families and communities. We work with families and communities to raise awareness of the rights and needs of vulnerable children (and their families) and support them to have a voice through awareness-raising and advocacy initiatives.

Improving access to health and social care

HealthProm supports the development of innovative, low-cost community based services, by building the capacity of state and non-state service providers to develop and provide services to vulnerable children and their families, who currently have limited access to such services.

Promoting access to education

HealthProm works with education professionals at pre-school and primary school levels as well as with Ministries of Education to promote access to education for vulnerable children, who are frequently excluded from education.

Working with and through local partner organisations

HealthProm supports and works in partnership with local partner organisations to implement our projects. A monitoring, evaluation and learning framework has been developed to track performance and impact.

METHODOLOGY

HealthProm's activities are based on the following four key approaches:

1. Child-Centred Approach

A child-centred approach recognises that children's needs and rights are the primary focus. A child does not grow and develop in a vacuum, but as part of a family, a community, a culture and a country. Since numerous institutions are accountable for fulfilling the rights of children, a child-centred approach inevitably requires strengthening social systems for care and well-being of the entire society. This approach includes the following components:

- It is guided by best interests of the child, non-discrimination as well as other principles of the UN Convention on the Rights of the Child (UNCRC) and the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)
- It involves children's participation as far as possible
- It strengthens integrated community-based social services
- It emphasises investment in and a strategic focus on early childhood care, basic primary education and adolescence
- It strengthens families and the social and biological status of women

2. Rights Based Approach

HealthProm focuses on promoting the respect of children's rights, women's rights and the rights of persons with disabilities enshrined in the UN Convention on the Rights of the Child (UNCRC), the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and the UN Convention on the

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Rights of Persons with Disabilities (UNCPRD). HealthProm champions two fundamental human rights: the right to health as an attainment of complete physical, mental and social well-being, and the right children have not to be separated from their parents.

3. Integrated and Multi-Disciplinary Approach

HealthProm take a holistic, integrated/multi-disciplinary approach to supporting vulnerable children, drawing on expertise of health, social care and education professionals.

4. Evidence-Based Approach

Evidence-based approach to practice involves combining individual practitioner expertise with the best available external evidence from published research in order to make decisions about what to do in response to a problem. HealthProm's activities are based on sound evidence, gained both from international research, best practice and lessons learned.

ACTIVITIES AND ACHIEVEMENTS IN 2015-16

In the last year HealthProm was successful in developing new projects in Russia, Belarus, Moldova, Tajikistan and Ukraine by securing major institutional grants for new EC projects with the total value of more than €2.6m.

In 2015-2016 HealthProm continued its project activities in Tajikistan, Kyrgyzstan and Afghanistan and launched three new large EC-funded projects in Russia, Belarus and Moldova.

Much of the efforts during the year were focused on strengthening our team capacity to ensure we can meet this new growth successfully and deliver all new and current projects, along with delivering on a new fundraising challenge for match-funding and on improving communications and M&E, widening linkages to the academic world and strengthening governance.

INTERNATIONAL PROJECTS

In 2015/16 HealthProm was active in Tajikistan, Kyrgyzstan, Afghanistan, Russia, Belarus, Moldova and Ukraine.

In Tajikistan, HealthProm successfully completed its 3 year EU funded project "Keeping and Finding Families: Inclusive Social Services for vulnerable young children in Dushanbe". We have now submitted a final report and final set of accounts to the EC Delegation in Tajikistan and await sign-off.

Keeping and Finding Families: Inclusive Social Services for vulnerable young children in Dushanbe
February 2013 – January 2016
Budget: €706,841 (€565,473 from the EU IBPP Programme)
Partners: Sarchasma, Hayot Dar Oila (HDO), Iroda
Project Background: Developmental delays before age six are difficult to compensate for later in life because early childhood is a particularly sensitive period for brain formation. This project targets the 4 domains of childhood development - physical, cognitive, language and social/emotional - and thus the situation for vulnerable groups of children and their families. It will create modern social services through new centres and teams at Baby Homes (BH) in Dushanbe and Sughd. Following the development

REPORT OF THE BOARD OF DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

of the Kishti centre through an earlier EU-funded Project, this action targets the remaining three baby homes in Tajikistan. The Family Support Centres and Mobile Outreach Teams will provide inclusive community based social services for vulnerable young children in Tajikistan and their families.

Main achievements during the year:

- During the year the project worked with **two family support centres (FSCs)** located in the grounds of the Baby Homes in the two largest cities in Tajikistan; Dushanbe (the capital) and Khujand. These centres - Marvorid (Pearl) in Khujand and Umed (Hope) in Dushanbe, work directly with parents in crisis who have approached the Baby Homes for help and are thinking about placing their child in it. They also work with Directors and staff to improve the quality of care in the homes, while developing alternative care options including family support, respite care for children with disabilities and fostering.
- 
- These are some statistics about the results of the work done by the FSC in Dushanbe. For the period January to November 2016, the Umed Centre worked directly with **31 mothers in crisis resulting in 26 children of these mothers not entering a baby home**. 9 mothers were helped to improve their skills and capacities to care for their child with a disability. 11 mothers received support and financial assistance with obtaining housing, birth certificates, passports and placement of children in kindergartens. HDO worked to obtain this financial support from outside sources. 4 mothers were provided with free sewing lessons and received certificates having completed the course.
 - **We trained professionals** from across the range of government and non-governmental organisations to understand about early child development and about the need young children have of a loving and safe family life. We did this through training courses and through the medium of the internet, on our 'e-hub'. We organized a number of specialized training for Tajik specialists, such as Interactive Music Making, Post Natal Depression and best feeding practices. Our Early Child Development training programme continued in parallel through the hard work of our local consultant Dr Nazira Mohamedjovona.
 - We **produced a CD of Tajik lullabies and other songs for parents** to sing with their children. This is an important contribution to our work to support parent/child interaction.
 - The project partners **recruited, trained and managed teams of 50 befrienders** based in Marvorid and in the Family Support Centre at Baby Home 1. These volunteers worked with babies living in all four of the baby homes throughout the year.
 - We identified, recruited and trained **new foster parents and made 8 placements with foster families** so that babies without parental care who live in a Baby Home are able to be cared for in a family, as is essential for normal development. We produced a DVD that showed a child's journey into foster care, and foster parents' experiences. This part of the project required very persistent and intensive work by local partners to gain the support of local decision-makers in the Child Rights Units and the Child Rights Commission. We also commissioned an external evaluation report done by the Scottish Centre for Excellence in Looked After Children (CELCIS). This report is available through HealthProm.

REPORT OF THE BOARD OF DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

Plans for 2016/17

We have been awarded a new EC grant to build on this project with a further 42 months of work under these three strategic objectives:

1. Transformation of the Baby Homes into Centres for Early Intervention and Family Support, assistance to the MoHSP;
2. Further develop foster care services, build on the pilot and write guidelines for the new law;
3. Strengthen the capacities of Local Authorities and other stakeholders to work to protect children in the community, i.e., introduce child protection practices to accompany our family support and community care services.

In Kyrgyzstan, HealthProm started the final year of its three-year BIG Lottery funded project “Supporting Disabled Children in Kyrgyzstan”.

Supporting Disabled Children in Kyrgyzstan

September 2013 – August 2016

Budget: £568,430 (£499,870 from the BIG Lottery plus match funding from Tarim Charitable Trust and Brian Guinness Trust)

Partners: Kelechek HP, ICCO, Uplift

Project Background: The project contributes to the prevention of institutionalisation of children with disabilities (CWD) in the country by improving community-based services that support CWD and their families, with focus on early intervention and family support; improving access to education, by supporting day centres (DC) to provide pre-school education; by strengthening the capacity of parent-led NGOs and parent networks through regional and national information exchanges, support and training; and finally also campaigning to reduce negative attitudes in society and promoting inclusion and integration of CWD in local communities.

Main achievements during the year:

The last year saw significant achievements. Working with our local partners, we further strengthened a network of community-based support across seven regions of Kyrgyzstan. Through this network, we provided community-based services and pre-school support to over 1,000 children with disabilities.



We organized visits of mobile medical teams to remote regions of Naryn, Batken and Osh to assess children in isolated communities. As a result, nearly 800 children were assessed, many of whom were diagnosed with disability for the first time and referred to relevant specialists for on-going care.

We facilitated partnerships between many day centres and local government, which help to promote a continuity of care between different social services. And as a result of this collected work, 28 children with disabilities were able to successfully start mainstream school in September 2015.

We supported 33 families at risk of giving up their children to state care because of their disabilities and as a result of this support these families kept children in their own care

REPORT OF THE BOARD OF DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

In Afghanistan, as we approach completion of projects funded by the UK and Guernsey governments, among others, we have been developing plans to extend programme work to new areas and to develop the capacity of our local NGO partners.

Improving maternal, newborn and child health in Balkh Province, Northern Afghanistan

September 2008 – ongoing

Expenditure in 2015/16: £204,002 (DFID/UKAID, Guernsey, trusts and foundations)

Partners: Bakhtar Development Network and provincial government departments

Project Background: HealthProm’s work in Balkh Province aims to improve maternal, neonatal and child health in rural areas through a range of inter-related and participatory initiatives at community level. These include action to promote knowledge and skills about health and hygiene, improved links with government health centres and services, greater access to clean water, and enhanced nutrition/livelihoods. In the past year programme activities were extended to over 34,000 people in priority areas of Charkent and Marmul districts.

Main achievements during the year:

- Community health: 20 new community health workers (CHWs) were trained and safe motherhood groups set up in 25 villages of Marmul district; supervision and support of 38 CHWs in Charkent district was handed over to the provincial health authorities.
- Maternal and child health: thanks to the work of safe motherhood groups and antenatal visits by midwives, over two thirds of births were attended by a midwife or doctor, and for the second full year there were no maternal deaths, compared with an estimated 25/year before the programme started. Neonatal, infant and child mortality rates were also less than half the Afghan national figures, which include much wealthier urban centres.
- Community infrastructure: Improvements to drinking water including access, protection and storage were completed in another 7 villages. HealthProm also helped 11 communities to build irrigation water tanks and plant orchards and vegetable gardens. As well as road repairs to ensure emergency access to all communities in the programme area, HP Afghanistan worked with three villages to build a new 3km access road less susceptible to seasonal damage.



Plans for 2016/17:

- Support and supervision of CHWs in remaining areas of Charkent and Marmul will be handed over to provincial health services by the end of 2016/17; HP will monitor continuity of services and maintain its support for safe motherhood groups, for outreach visits by government midwives and community health supervisors, and for transport to health centres (by donkey) or hospital (by emergency vehicle)
- Further community initiatives to improve water, food storage and road access will be supported in both Charkent and Marmul districts
- In consultation with provincial health authorities HP Afghanistan will agree on priority districts for the extension of HealthProm support to develop community health services to complement the government’s Basic Package of Health Services for rural areas

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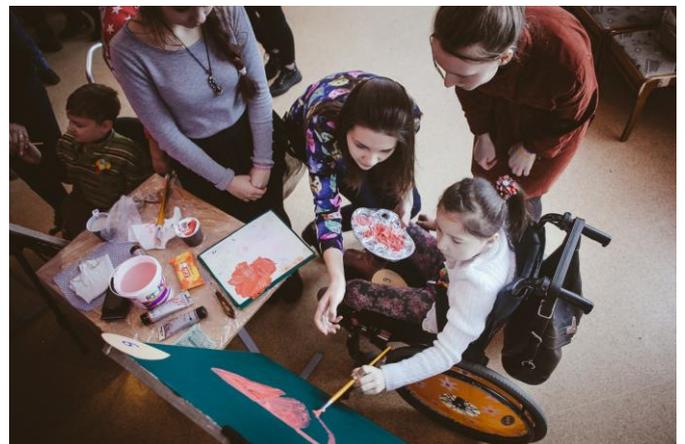
NEW PROJECTS

In Russia, we successfully launched a new EC-funded project “**Siberian Initiative for Inclusion**”. We were awarded a grant by the European Commission in December 2015 to develop a larger initiative on inclusive education across four regions of Siberia: Krasnoyarsk, Novosibirsk, Tomsk and Altai. This project promotes inclusion of children with disabilities through developing and strengthening **partnerships** between local civil society organisations, parents and local government in the four pilot regions.



In Belarus, we started a new three-year project with the Belarusian Children’s Hospice (BCH). The project is funded by the EU and covers four regions- Minsk, Gomel, Grodno and Mogilev.

The aim of the project is to protect and promote the rights of children with severe disabilities and with life-limiting conditions. It will strengthen the organisational capacity of the BCH, develop an innovative model of community-based advocacy service for vulnerable families and raise awareness of the rights and needs of children with disabilities.



The project will directly help some 300 children with severe disabilities and life-limiting conditions along with their parents, plus indirectly supporting a further 300 children and families through awareness-raising and advocacy activities. Groups targeted will include regional palliative care teams, health and social care professionals, central and local government officials and the media and general public.

In Moldova, HealthProm was awarded a grant from the European Commission focused on **improving access** to early-years and preschool support for vulnerable children with special needs in Moldova. HealthProm works alongside Moldovan NGO Partnerships for Every Child and UK-based Mellow Parenting to implement this project, which aims to strengthen capacity and cooperation between local authorities and **Civil Society Organisations** to improve access to early years and preschool support services for children with special needs, and to establish and test a model of community-based services in this regard with a view to **informing national policy**.

Whilst this is our first large scale project in Moldova, we have been working in a small capacity there for several years **building partnerships** and **facilitating knowledge exchange**. In 2015, HealthProm organised a study visit to the UK by a group of Moldovan educators and policy makers as part of a small seed project. The aim was to observe the support services for early years inclusive education available in the UK with a view to informing the decision making process for implementation of such services within the Moldovan context. Observing international and national examples of best practice is a critical component of participatory learning. Meeting and interacting with international counterparts not only inspires new ideas, it also highlights important challenges and lessons learned.



We began working **in Ukraine** in summer 2015, with the launch of a **small seed project designed to understand and progress the early intervention agenda in that country**, and to develop a strategic approach to parent advocacy and peer support for families of children living with disabilities. Working with local partners, HealthProm organised a Parents Advocacy Strategy Meeting in Kyiv. This event catalysed strong commitment from participants and led to the creation of the All-Ukrainian Parents Forum for Early Intervention (AUPFEI), which aims to bring together parent advocates to support the development of early intervention across Ukraine, and to enable dialogue with key stakeholders.

Between January and March 2016, HealthProm implemented another small project in Ukraine “**Supporting the Development of Paediatric Palliative Care**”, funded by the British Embassy. The main objective of this project was to assist Ukrainian government in building capacity and gaining expertise in providing palliative, pain-free, end-of-life care for children in baby homes; in developing paediatric protocols for the use of special medication and other related procedures so that a new state Paediatric Palliative Care (PPC) service is developed in Ukraine. In March 2016 we organised a study visit to the UK for the team of Ukrainian specialists in palliative care for children. The team consisted of three people - the head doctor of Kharkiv regional specialized orphanage №1, Roman Marabyan, the doctor of Kharkov regional specialized orphanage №1, Andrey Penkov, and the professor of paediatrics and neonatology of Kharkiv National Medical University Olena Riga.

The programme of the study visit included training in palliative care support in three UK hospices for children and young people - Rainbows Hospice for Children and Young People (Loughborough), Helen & Douglas House (Oxford) and Zoë's Place Baby Hospice (Coventry).

REPORT OF THE BOARD OF DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

FINANCIAL OVERVIEW

Total income and endowments were £620,612 in 2015/2016, representing a decrease of 5.7% below £658,049 in 2014/2015. Grants represented the principal funding source, accounting for £521,122 or 83.97% of the total income (77.78% in 2014/2015). Total expenditure amounted to £640,310, £634,852 (or 99.14%) of which consisted of expenditure on operational programmes. This resulted in an overall unrestricted deficit of £19,698 for the year (compared to a surplus of £14,015 in 2014/2015). The deficit was covered from the unrestricted funds brought forward resulting in net unrestricted assets of £89,459 at the year-end.

RISK MANAGEMENT

The charity trustees have established systems to identify potential risks and regularly review these at Board meetings. Internal controls are in place to authorise all transactions and projects. Board review of monthly management accounts are undertaken to monitor the financial position and ensure sufficient funds are available to cover unexpected variance of income and expenditure. Staff capacity and expert inputs needed to deliver agreed priorities are regularly reviewed.

HealthProm faces three major risks. The first is a deterioration in the political and/or security situation in the countries in which we operate or a withdrawal of cooperation from national or local authorities. These could affect our ability to support local projects and pursue our wider objectives. We monitor the situation through established bodies that review local risks as well as taking advice from the local partners with whom we work. We have contingency plans in place should sudden changes in operations be needed. The second risk is our current dependence on a few funding sources, in particular the EU. We have agreed a strategy to diversify our future financial support and engaged additional resources to pursue it. The third is that project funding does not yet cover all our overhead costs. Again we are addressing this through our fundraising strategy.

POLICY ON RESERVES

Reserves are an important part of planning and sound financial management. Reserves are needed for HealthProm to:

- continue to meet its financial commitments
- deploy funds promptly, in a planned way and to react to new opportunities
- manage short-term volatility in income or liquidity

Trustees aim to ensure that general or unrestricted reserves do not fall below a value equivalent to three months' overheads. As at 31 March 2016, HealthProm met this requirement.

PLANS FOR 2016/2017

As we are approaching the end of the current five-year strategy, the Board will prioritise the development of a new strategy for the organisation for the next three years. The process of the strategy development will actively involve all the HealthProm team and HealthProm's main stakeholders and will focus on consolidating the achievements to date, building on existing activities and experience in the region, drawing on the lessons learnt and sharing them with all partners.

In addition to new operations already started in 2016 in Belarus, Russia and Moldova, we plan to start significant new programmes in Ukraine and Tajikistan. We will also develop opportunities for inter-regional dialogue and partnerships between parents, professionals and partner organisations from each of our project countries.

We will continue to extend and strengthen our networks with professional bodies and international and local organisations who share our mission and can assist in delivering change.

We will look for further ways to improve communications including through our revised website and an annual impact report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

HealthProm has a Board of Directors and Trustees (currently 9) and a core staff of 4 employees plus project managers. They are supported by a number of consultants and associates, interns and volunteers.

Governance

The Board of Directors and Trustees has responsibility for all governance, policy, strategy and financial matters. The Board of Directors met six times during the year.

The Trustees are recruited through open advertisements, shortlisting and interviews by the Board.

The new Trustees are given a full programme of induction, meeting all staff and consultants and being involved in events bringing together wider HealthProm contacts.

Management

The Director of Operations is responsible for the overall management and coordination of HealthProm's activities. She advises the Board and implements decisions taken by trustees. She reports to the Chair of the Board.

Financial Management

The Finance and Administration Manager is responsible for the management of HealthProm's financial and administrative procedures, supported by the financial adviser. She reports to the Board through the Director of Operations.

Key management remuneration

These are set by comparison with civil society organisation equivalents, and regularly reviewed.

In setting the remuneration of the key management the Board takes into account how appropriate any increase is in terms of the performance of HealthProm and the individuals against goals and objectives, the ability of HealthProm to pay and whether the cost is sustainable.

LEGAL AND ADMINISTRATIVE DETAILS

HealthProm was incorporated and registered as a private company limited by guarantee on 4 September 2003 (Company number: 4887855). It was registered as a charity on 03 November 2003 (Charity number: 1100459).

The company's Directors are also the charity's Trustees.

BOARD OF DIRECTORS/TRUSTEES

Chairman: Mr Simon Ray

Company Secretary: Mr Robert Scallon

Treasurer: Ms Elena Nikolaeva (elected AGM October 2015)

Ms Olga Johnson

Mr Tim Unmack

Mr Gordon Alexander

Mr Ismayil Tahmazov

Ms Alison Hunter (resigned June 2015)

Mr Ralph Land (resigned AGM October 2015)

STAFF

Director of Operations: Tanya Buynovskaya

Finance and Administration Manager: Natalia Sorokina (appointed September 2015) / Isam Jafar (resigned December 2015)

Programme and Development Adviser: Lauren Foster Mustardé

Projects and Fundraising Intern: Annabel Higgins

PATRONS

Mr Greg Hands MP

Mr Harun Najafizada

Mr Ralph Land CBE

REGISTERED OFFICE

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AUDITORS

Myrus Smith, Norman House, 8 Burnell Road, Sutton, SW1 4BW

BANKERS

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HSBC, 246 Kentish Town Road, London, NW5 2BS

NatWest Bank, Camden Town Branch, 166 Camden High St., London, NW1 0NW

ACKNOWLEDGEMENT AND THANKS

The Trustees would like to thank HealthProm's partner organisations, whose drive and enthusiasm have continued to bring about the successes of our shared projects.

The Trustees would also like to thank staff, consultants, interns and volunteers who have all invested much time and effort to develop and implement projects, organise fundraising events etc.

HealthProm could only carry out its work thanks to generous support provided by:

- Bearsden Baptist Church
- British and Foreign School Society
- British Embassy Kyiv
- Bryan Lancaster Trust
- Department for International Development (DFID)
- Eleanor Rathbone Charitable Trust
- European Commission
- Evan Cornish Foundation
- Falkirk Council
- Gilchrist Educational Trust
- Philip Henman Trust
- RA and VB Reekie Charitable Trust
- Souter Charitable Trust
- St James Place Foundation
- The Big Lottery Fund
- The Doris Pacey Charitable Foundation
- The Dr Michael and Anna Brynberg Charitable Foundation
- The GV & SJ Britten Trust
- The Linda Norgrove Foundation
- The Overseas Aid Commission of Guernsey
- The Society for Protection of Animals Abroad (SPANNA)
- The Tarim Trust
- Toy Trust
- Oakdale Trust
- W F Southall Trust

The Trustees would also like to thank HealthProm members and many other individuals whose contributions through membership fees and/or donations have helped us to carry out our important work.

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2016

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418(3) of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

STATEMENT OF RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND TRUSTEES

Company law requires the Board of Directors and Trustees to prepare financial statements for each financial year which give a true and fair view of the affairs of HealthProm and of the surplus or deficit of the charity for that period. In preparing those financial statements, the board is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in business.

The Board of Directors and Trustees is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the HealthProm website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements if they are presented on the website.

The Board of Directors and Trustees is responsible for ensuring that its report is prepared in accordance with Company and Charity law in England and Wales.

Approved by the trustees and signed on their behalf by:


Simon Ray
Chairman

15 September 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

HealthProm

(A Company Limited by Guarantee and Not Having Share Capital)

Registered Charity No. 1100459

(Company No: 4887855)

We have audited the financial statements of HealthProm for the year ended 31 March 2016 on pages 18 to 27 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, Statement of Cash Flows and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Companies Act 2006, Ch.3, Pt.16. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement set out on page 15, the trustees (who are also the directors of HealthProm 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016, and of its 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 Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

HealthProm
(A Company Limited by Guarantee and Not Having Share Capital)
Registered Charity No. 1100459
(Company No: 4887855)

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion 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;
- has been prepared in accordance with applicable legal requirements; and
- in the light of the knowledge and understanding of the company and its environment obtained during the course of the audit, we have not identified any material misstatement in the Trustees Annual Report.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Except for the matter referred to above, we have nothing to report in respect of the following matters where Companies Act 2006 requires us to report to you if, in our opinion:-

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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;



K.C. Fisher (Senior Statutory Auditor)
For and on behalf of **MYRUS SMITH**
Chartered Accountants and Registered Auditor

Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

Date: 26/9/2016

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2016**
(Incorporating an Income and Expenditure Account)

HealthProm
(company limited by guarantee and not having share capital)
(COMPANY NO: 04887855)

	Notes	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME AND ENDOWMENTS					(Note 17)
Donations and Legacies	2	80,458	18,552	99,010	110,677
Investment Income		31	-	31	11
Other Income		449	-	449	35,516
Income From Charitable Activities:					
Grants	3	-	521,122	521,122	511,845
Total Income		80,938	539,674	620,612	658,049
EXPENDITURE					
Expenditure on Raising Funds	4	5,458	-	5,458	3,524
Expenditure on Charitable activities:					
Operational programmes	5, 8	44,596	590,256	634,852	640,510
Total Expenditure		50,054	590,256	640,310	644,034
Net Income Before Transfers		30,884	(50,582)	(19,698)	14,015
Net Transfers between funds	9	(50,582)	50,582	-	-
Net Movement of Funds in Year		(19,698)	-	(19,698)	14,015
<i>Reconciliation of funds</i>					
Total funds brought forward		109,157	-	109,157	95,142
Total funds carried forward		89,459	-	89,459	109,157

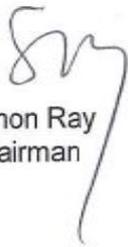
**BALANCE SHEET
AS AT 31 MARCH 2016**

**HealthProm
(company limited by guarantee and not having share capital)
(COMPANY NO: 04887855)**

	Notes	2016 £	2015 £
Fixed assets			
Office equipment, fixtures and fittings	10	10,416	8,110
Current assets			
Debtors	11	74,975	93,549
Cash at bank and in hand		289,935	203,046
		364,910	296,595
Creditors: amounts falling due within one year	12	(285,867)	(195,548)
Net current assets		79,043	101,047
Total net assets		89,459	109,157
Fund balances			
Charitable funds:			
Unrestricted funds: General reserves	13	64,459	84,157
Unrestricted funds: Designated		25,000	25,000
Restricted funds	13,15	-	-
		89,459	109,157

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

Approved by the Board of Trustees on 15 September 2016
and signed on their behalf by


Simon Ray
Chairman

**STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2016**

**HealthProm
(company limited by guarantee and not having share capital)
(COMPANY NO: 04887855)**

STATEMENT OF CASH FLOW	2016	2015
	£	£
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	91,689	76,502
Cash flows from investing activities:		
Purchase of property, plant and equipment	(4,800)	(8,877)
Net cash provided by (used in) investing activities	(4,800)	(8,877)
Cash flows from financing activities	-	-
Net cash provided by (used in) financing activities	-	-
Change in cash and cash equivalents in the reporting period	86,889	67,625
Cash and cash equivalents at the beginning of the reporting period	203,046	135,421
Cash and cash equivalents at the end of the reporting period	289,935	203,046

RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES	2016	2015
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(19,698)	14,015
Adjustments for:		
Depreciation charges	2,494	1,839
(Increase)/decrease in debtors	18,574	6,392
Increase/(decrease) in creditors	90,319	54,256
Net cash provided by (used in) operating activities	91,689	76,502

ANALYSIS OF CASH AND CASH EQUIVALENTS	2016	2015
	£	£
Cash in hand	289,935	203,046
Total cash and cash equivalents	289,935	203,046

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. Principal accounting policies

Basis of preparation

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 (FRS102) (effective 1 January 2015) and the Companies Act 2006.

HealthProm meets the definition of a public benefit entity under FRS102.

Going concern

The accounts have been prepared on the going concern basis.

Income

Income is recognised in the period in which the company is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or when the donor has specified that the income is to be expended in a future accounting period.

Grants from the government and other agencies have been included as income from activities in furtherance of the charity's objects where these amount to a contract for services, but as donations where the money is given with greater freedom of use.

Expenditure and basis of apportioning costs

Expenditure is included when incurred and liabilities are established for all services once provided. Expenditure includes amounts of irrecoverable VAT where charged. Expenditure on operational programmes is recognised in the period in which it is incurred. A designated fund is established for expenditure which has been committed to projects but remains unspent at the year end.

The majority of costs are attributable to specific activities. Certain shared costs are apportioned to activities in furtherance of the objects of the charity by reference to the level of activity as reflected by the amount of staff utilisation. Staff costs and premises expenses are allocated in proportion to the time spent on different activities.

Support costs represent the cost of the London office and the costs incurred by London office based staff, directly providing support for the international programmes including management and supervision where those costs have not been attributed to specific activities in furtherance of the objects of the charity.

Fundraising costs

These include the salaries, direct expenditure and overhead costs of head office staff who promote fund-raising, including events.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Capitalisation and depreciation of tangible fixed assets

All assets costing more than £100 are capitalised.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its estimated useful life, as follows:

Office equipment, fixtures and fittings - Over five years

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

Fund accounting

Funds held by the charitable company are:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the exchange rates prevailing at the year end.

Taxation

As a registered charity, the company is not liable to corporation tax on surpluses arising from its activities.

2. Donations and Legacies

	Unrestricted £	Restricted £	2016 £	2015 £
Committed Giving	655	-	655	1,030
Donations, Appeal and Fundraising Events	79,803	18,552	98,355	109,647
	80,458	18,552	99,010	110,677

3. Income from charitable activities:

Grants

	Unrestricted £	Restricted £	2016 £	2015 £
The Big Lottery Fund	-	176,930	176,930	154,418
The GV & SJ Britten Trust	-	14,007	14,007	33,056
European Commission	-	123,664	123,664	150,561
The Linda Norgrove Foundation	-	9,360	9,360	11,460
DFID	-	117,919	117,919	112,250
British and Foreign School Society	-	4,990	4,990	13,080
Karen Woo Foundation	-	-	-	6,197
The Overseas Aid Commission of Guernsey	-	32,799	32,799	-
SPANNA	-	2,000	2,000	-
St. James Place Foundation	-	7,490	7,490	-
The Doris Pacey and The Dr M&A Brynberg Charitable Foundations	-	14,325	14,325	2,729
The Funding Network	-	-	-	10,360
T&J Meyer Family Foundation	-	-	-	4,543
The Peter Stebbings Memorial Charity	-	-	-	2,500
The Clauda Trust	-	-	-	100
The Tarim Trust	-	1,500	1,500	250
Toy Trust	-	2,500	2,500	-
Souter Charitable Trust	-	5,000	5,000	-
Evan Cornish Foundation	-	1,760	1,760	-
W F Southall Trust	-	1,000	1,000	-
Others	-	5,877	5,877	10,341
	-	521,122	521,122	511,845

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

Expenditure

4. Expenditure on Raising Funds:

	2016 £	2015 £
Costs of Fundraising events	5,458	3,524

**5. Charitable activities:
Operational Programmes**

	2016 £	2015 £
Reducing Maternal and Infant Deaths, Afghanistan Services Provision	246,442	239,772
Keeping and Finding Families, Tajikistan	-	22,700
Summer Camp Holiday, Kyrgyzstan	161,668	162,870
Supporting Disabled Children, Kyrgyzstan	2,261	7,298
Improving access to community-based early years support services, Moldova	157,572	144,427
Strengthening the capacity of parent-led CSOs, Ukraine	7,377	-
Developing a pilot advocacy service, Belarus	6,218	-
Siberian Initiative for Inclusion, Russia	4,676	-
Opening School Doors for Disabled Children in Siberia, Russia	4,042	-
	-	16,444
	590,256	593,511
Operational Programme support costs	44,596	46,999
	634,852	640,510

Expenditure on operational programmes comprised:

Direct Costs		
Professional fees and implementation costs	429,256	387,139
Travel & subsistence	32,564	45,136
Communications	-	36
Publications, Research & Other costs	24,286	7,886
Support Costs		
Staff costs	119,244	150,770
Office and Premises costs	21,055	34,084
Communications	3,247	2,280
Other Support Costs (note 6)	5,200	6,699
Project Development	-	6,480
	634,852	640,510

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

6. Governance	2016	2015
	£	£
Audit and Accountancy fees	3,607	3,293
AGM and Strategy Meetings	1,316	2,945
Trustees expenses for attendance at meetings	277	461
	5,200	6,699
7. Net Incoming Resources for the year	2016	2015
	£	£
These are stated after charging:		
Depreciation	2,494	1,892
Audit and accountancy	3,607	3,293
Property rent and service charges	5,675	10,225
Property Council Tax and charges	-	333
8. Staff Costs and numbers	2016	2015
	£	£
Staff costs were as follows:		
Salaries and wages	89,147	124,983
Social security costs	5,571	10,923

The average number of employees during the year was four (four in 2015). No employee was paid more than £60,000. Total remuneration of the two key personnel for the year was £56,692 (two key personnel at £70,583 in 2014-15). Directors and trustees are not remunerated but reasonable travel expenses incurred in pursuance of their duties are reimbursed (see note 16).

**9. Transfers between funds
Apportionment**

The transfers between Unrestricted Funds and Restricted Funds represent net contributions to/from the projects after allocating the overhead costs to the projects using the average staff time.

10. Tangible fixed assets

**Office Equipment
Fixtures and Fittings**

Cost	£
At 1 April 2015	19,455
Additions	4,800
At 31 March 2016	24,255
Depreciation	
At 1 April 2015	11,345
Charge for the year	2,494
At 31 March 2016	13,839
Net Book Value	
At 31 March 2016	10,416
At 31 March 2015	8,110

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

11. Debtors	2016	2015
	£	£
Project advances	63,650	80,982
Prepayments	2,489	2,417
Other debtors	1,931	500
Other debtors: Grants Due	6,905	9,650
	74,975	93,549

12. Creditors	2016	2015
	£	£
PAYE and NIC	-	473
Deferred Income	230,367	180,743
Accruals	3,400	4,439
Other creditors	52,100	9,893
	285,867	195,548

13. Analysis of net assets between funds	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
Tangible fixed assets	10,416	-	10,416	8,110
Current assets	88,061	276,849	364,910	296,595
Current liabilities	(9,018)	(276,849)	(285,867)	(195,548)
Net assets	89,459	-	89,459	109,157

14. Lease Commitments

At 31 March 2016 the company had annual commitments under non-cancellable operating leases as follows:

Expiry Date	Land and Buildings		Other	
	2016	2015	2016	2015
	£	£	£	£
Within 1 year	-	-	2,462	2,462
Within 2-5 years	-	-	-	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

15. Movement in restricted funds	At 1 April 2015	Incoming Resources	Outgoing Resources	Transfers	At 31 March 2016
	£	£	£	£	£
Reducing Maternal and Infant Deaths, Afghanistan	-	211,686	(246,442)	34,756	-
Keeping and Finding Families, Tajikistan	-	116,573	(161,668)	45,095	-
Summer Camp Holiday, Kyrgyzstan	-	1,815	(2,261)	446	-
Supporting Disabled Children, Kyrgyzstan	-	177,030	(157,572)	(19,458)	-
Improving access to community-based early years support services, Moldova	-	5,920	(7,377)	1,457	-
Strengthening the capacity of parent-led CSOs, Ukraine		4,990	(6,218)	1,228	-
Developing a pilot advocacy service, Belarus		12,923	(4,676)	(8,247)	-
Siberian Initiative for Inclusion, Russia		8,737	(4,042)	(4,695)	-
	-	539,674	(590,256)	50,582	-

The movement in funds shows the reconciliation of the opening and closing balances of the restricted funds where transfers represent the net contributions to/from the projects.

16. Payments to Trustees for services

Total of £277 has been paid out towards trustee travel expenses during the period of 01 Apr 2015 – 31 Mar 2016 (total of £240 has been paid out during the period of 1 Apr 2014 – 31 Mar 2015).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

**17. Restated Statement of Financial Activities for Year Ended 31 March 2015
in accordance with FRS 102 SORP**

	Notes	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
INCOME AND ENDOWMENTS				
Donations and Legacies	2	103,369	7,308	110,677
Investment Income		9	2	11
Other Income		6,933	28,583	35,516
Income From Charitable Activities:				
Grants	3	350	511,495	511,845
Total Income		110,661	547,388	658,049
EXPENDITURE				
Expenditure on Raising Funds	4	3,524	-	3,524
Expenditure on Charitable activities:				
Operational programmes	5, 8	46,999	593,511	640,510
Total Expenditure		50,523	593,511	644,034
Net Income Before Transfers	7	60,138	(46,123)	14,015
Net Transfers between funds	9	(17,079)	17,079	-
Net Movement of Funds in Year		43,059	(29,044)	14,015
<i>Reconciliation of funds</i>				
Total funds brought forward		66,098	29,044	95,142
Total funds carried forward		109,157	Nil	109,157

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

(This page does not form part of the statutory accounts)

**HealthProm
(Company limited by guarantee and not having share capital)
(COMPANY NO: 04887855)**

	General Fund	Projects Fund	Total to 31 March 2016	Total to 31 March 2015
	£	£	£	£
INCOME				
Grant Income – Restricted	-	521,122	521,122	511,845
Gifts (Designated)	-	-	-	87,433
Donations Received	65,199	1,885	67,084	30,933
Proceeds from Fundraising Events and Activities	14,003	3,667	17,670	10,625
Membership fees	655	-	655	1,030
Bank interest received	31	-	31	11
Premise costs recovered	-	-	-	2,778
Gifts and Services in Kind	601	13,000	13,601	-
Sundry Income	449	-	449	13,394
Total Income	80,938	539,674	620,612	658,049
EXPENDITURE				
Project payments to Local Partners	-	371,131	371,131	349,488
Project travel, accommodation, subsistence	-	32,564	32,564	45,136
Project Training and other costs	-	24,286	24,286	7,922
Project Consultants' Fees	-	58,125	58,125	37,652
Project Development Costs	-	-	-	6,480
Fundraising Costs & Event Expenses	4,744	714	5,458	3,524
Rent, Rates & Services	934	4,741	5,675	10,565
Heat & Light	-	-	0	1,289
Travel	37	186	223	979
Telephone & postage	527	2,720	3,247	2,281
Stationery, Printing & Photocopying	650	3,299	3,949	3,269
Publications & Subscriptions	356	1,859	2,215	1,927
Office Machine Maintenance	48	243	291	-
Premises Expenses	73	369	442	-
Other Office Costs	611	3,201	3,812	9,253
Office & Charity Insurance	298	1,512	1,810	1,511
Depreciation	411	2,083	2,494	1,839
Staff Salaries & Employer's N.I.	15,589	79,129	94,718	135,906
Staff Recruitment & Training	180	3,955	4,135	2,030
Governance Costs	1,593	-	1,593	461
Bank Charges	19	125	144	206
Audit and Accountancy Fees	3,593	14	3,607	3,293
Office Move Costs	-	-	-	3,243
Anniversary	-	-	-	2,945
Consultancy & Professional Fees	20,391	-	20,391	12,835
Gross Expenditure	50,054	590,256	640,310	644,034
Trustees Authorised Transfers	50,582	(50,582)	-	-
Total Expenditure	100,636	539,674	640,310	644,034
Total Income less Expenditure	(19,698)	-	(19,698)	14,015