

# UNITED AID FOR AZERBAIJAN

## TRUSTEES

Amanda Hopper [Chair] (appointed 8 July 2015)  
Elizabeth Collins (appointed 8 July 2015)  
Judith Darmady FRCP FRCPCH OBE (resigned 8 July 2015)  
Andrew Derry (resigned 8 July 2015)  
Michael Jones (resigned 8 July 2015)

## FOUNDER and DIRECTOR

Gwendolyn Burchell MBE

## INDEPENDENT ACCOUNTANT

Langley Associates  
Chartered Accountants  
Monson Business Centre  
3 Monson Road  
Tunbridge Wells  
Kent  
TN1 1LH

## ADMINISTRATION

Ingrid Burchell

## OFFICE ADDRESS – UK

30 St. Mary's Road  
Leatherhead  
Surrey  
KT22 8EY

## OFFICE ADDRESS – AZERBAIJAN

520 Huseyn Javid Prospect  
House #2  
Baku  
Azerbaijan

## PRINCIPLE BANKERS

Barclays Bank plc  
Crawley High Street  
90-92 High Street  
Crawley  
West Sussex  
RH10 1BP



**United Aid for Azerbaijan  
Annual Report 2014**

Uafa consistently maintains its direction with regards to our mission and objectives in Azerbaijan, working towards a child welfare system that emphasizes family care, inclusion and education for all. Despite many funding challenges in 2014, due to a changing political and economic environment in Azerbaijan, Uafa has continued to provide high quality and efficient services across the country, for underprivileged children and their families.

The following table lists the different services and total number of direct and indirect beneficiaries:

| Service                                 | # of services |           | Direct beneficiaries – children |             | Indirect beneficiaries – parents, siblings |             |
|---|---------------|-----------|---------------------------------|-------------|--|-------------|
|   | 2013          | 2014      | 2013                            | 2014        | 2013                                       | 2014        |
| Community Based Rehabilitation Services | 5             | 6         | 629                             | 510         | 797  | 1250        |
| Pre-school services                     | 17            | 17        | 333                             | 290         | 213  | 245         |
| Social work cases                       | 6             | 6         | 1207                            | 824         | 1260                                       | 878         |
| Institutions – care & rehabilitation    | 2             | 2         | 320                             | 163         | 20   |             |
| <b>TOTAL</b>                            | <b>30</b>     | <b>31</b> | <b>2489</b>                     | <b>1787</b> | <b>2290</b>                                | <b>2373</b> |

The regions covered are: Yasamal district, Baku; Sumqait; Siyazin; Khachmaz; Ganja; Bilisivar; Celilabad; Lenkoran; Shagan Internat #3; Saray Internat #7

The core team of 5 specialist staff and the 50 service providers based in these regions have continued to maintain a high level of quality, ethical reputation and modern services with the support of international specialists in child welfare and rehabilitation. In 2014, we strengthened our links with Norwegian specialists through the opening of the JOY Centre for Child Development.

The JOY Centre opened its doors in May – offering individual sessions and group day-care to children with disabilities and development delays. In a departure from Uafa’s standard practice, this Centre is a paid service – with the aim of becoming sustainable and generating income to support Uafa’s free regional services. Norwegian specialists visited Azerbaijan two times in 2014 to give trainings in Active Learning and Alternative Communication, and the Centre was officially opened in September.

We expanded CBR services to Celilabad region, under tender from the Ministry of Labour & Social Protection. In total, the Ministry contracted Uafa to run services in three regions – Celilabad, Bilisivar and Shemkir. Uafa’s three flagship CBR Centres, in Yasamal, Khachmaz and Ganja continue to be a resource for the three new Centres, as well as surrounding regions which do not have their own community-based services. These services were funded by national and international sources during 2014.

Uafa’s experience in case management and social work system development grew further in 2014, as a result of managing six teams of three social workers. Social work is much misunderstood in policy and society, and so the role of this project has been to demonstrate the human perspective in social work – and its necessity in these post-Soviet times of great change in social welfare provision and expectation.

Pre-school services continued to function, even though funds were limited most of the year. Our main focus has been on lobbying the Ministry of Education to support the existing 17 pre-schools and expand the model to more villages and regions. Initial meetings with policy-makers have led to positive results and we hope to begin cooperation in 2015.

Our work in Saray and Shagan internats continue to lead to incredible outcomes for the children. Saray Internat is responding particularly well, with new initiatives such as a children-led vegetable garden, winning medals in the Special Olympics and integration activities with the local community. We introduced more Active Learning activities for the children in both institutions and found that the environment suits this methodology very well. When using the special equipment, the key is to leave the child to be the active learner and, because the adult:child ratio is so low, the staff need no guidance to leave the child alone to learn – they have no choice because there are so many children with special needs to look after. As a result, we have seen some very positive changes in mobility and behaviour, and we will continue to promote the use of this method with children who have multiple impairments.

### Future plans

As we move towards 2015, UAFA's focus will be on the following objectives:

1. Strengthening the skills and expertise of all our service providers
2. Building up local philanthropic giving

UAFA is a resource for Azerbaijan and needs to constantly amend and improve its models and services so that the benefits are greater to the direct beneficiaries and social welfare policy development in general. In order to achieve this in the long-term, it is vital that the organisation becomes sustainable through local support.

### **Gwendolyn Burchell MBE**

Director

United Aid for Azerbaijan

[www.uafa.az](http://www.uafa.az)

[www.cspd.az](http://www.cspd.az)

[www.facebook.com/uafa.az](https://www.facebook.com/uafa.az)

# UNITED AID FOR AZERBAIJAN

## REPORT OF THE TRUSTEES

The Trustees present their statutory report and the financial statements for the year ended 31 December 2014. The financial statements have been prepared in accordance with the accounting policies set out on page 9 and comply with the charity's trust deed, the Charities Act 2011 and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005 – 2<sup>nd</sup> edition).

### CONSTITUTION AND GOVERNING DOCUMENT

The Trust was formed on 16 January 1998 by a declaration of trust.

### PRINCIPLE OBJECTIVES ACTIVITIES AND POLICY

The charity's principle objectives are to promote the long-term development of life in Azerbaijan with particular focus on children, education and health – the future of any country in the world.

The main current activities are:

- To reduce the number of children in state care (deinstitutionalisation)
- To raise the level of institutional care (capacity-building)
- Development of social services for children in need of special protection.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the policy for utilising charity resources during the year.

### ORGANISATION

United Aid For Azerbaijan is a charity, constituted as a trust. It is governed by its trust deed.

### FINANCIAL RESULTS

Details of the charity's activities for the year are set out on pages 7 and 8, and in the notes to the financial statements.

The period shows incoming resources of £163,526 (eight month period ended 31 December 2013: £422,073). Of this amount, £130,786 was in respect of restricted funds and £32,740 was available for the general objectives of the charity. Expenditure totalled £357,594 (eight month period ended 31 December 2013: £375,988), with the deficit of £194,068 (eight month period ended 31 December 2013: surplus of £46,085) being taken from retained reserves brought forward.

### FIXED ASSETS

Details are set out in the notes to the financial statements.

### RESERVES POLICY

The Trustees' primary aim is to create an overall environment of sustainable funding with a view to maintaining a small amount of reserves, although this is dependent on fundraising in any given year, and on in-country conditions. Restricted funds are those subject to certain conditions imposed by the donors are controlled separately.

## **UNITED AID FOR AZERBAIJAN REPORT OF THE TRUSTEES (continued)**

### **RISK MANAGEMENT**

The Trustees continually review the major, strategic, business and operational risks which the charity faces and confirm that systems have been established to enable necessary steps can be taken to lessen any risks.

### **TRUSTEES**

The composition of the Board of Trustees is under regular review. New Trustees are recruited by word of mouth and applicants are provided with information that includes the history of the organisation details of the governing document, finances, activities and objectives together with the role and responsibilities of a Trustee. Successful applicants are then appointed by the Board. The induction process includes meetings with other Trustees, and key members of the staff team and Director, with visits to the projects. Trustees are circulated training opportunities on a regular basis which includes updates and changes in legislation affecting the charity.

### **TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the trustee(s) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 of the Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ascertain to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

Approved by the trustees on 28 October 2015 and signed on their behalf by:

**A HOPPER**

Trustee

## UNITED AID FOR AZERBAIJAN

### Independent Examiner's Report to the trustees of United Aid for Azerbaijan

We report on the financial statements for the year ended 31 December 2014 which are set out on pages 7 to 11.

#### Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed. It is our responsibility to:

- Examine the financial statements (under section 43 of the Act),
- To follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the Act), and
- To state whether particular matters have come to our attention

#### Basis of independent examiner's report

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

#### Independent examiner's statement

In the course of our examination, no matter has come to our attention:

- 1) which gives us reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 41 of the Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Act; have not been met; or
- 2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Langley Associates  
Chartered Accountants  
Reigate Business Centre  
Reigate  
Surrey  
RH2 9AA

28 October 2015

**UNITED AID FOR AZERBAIJAN  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2014**

|  |              | <b>Unrestricted<br/>funds</b> | <b>Restricted<br/>funds</b> | <b>TOTAL</b>                | 8 months to<br>31 December<br>2013 |
|--|--------------|-------------------------------|-----------------------------|-----------------------------|------------------------------------|
|  | <u>Notes</u> | £                             | £                           | £                           | £                                  |
| <b>INCOMING RESOURCES</b>                            |              |                               |                             |                             |                                    |
| Donations and gifts                                  |              | 32,740                        | 130,787                     | <b>163,527</b>              | 422,073                            |
| Total incoming resources                             |              | <u>32,740</u>                 | <u>130,787</u>              | <u><b>163,527</b></u>       | <u>422,073</u>                     |
| <b>RESOURCES EXPENDED</b>                            |              |                               |                             |                             |                                    |
| Project costs  | 2            | -                             | 243,610                     | <b>243,610</b>              | 241,549                            |
| Administration and support costs                     | 2            | 56,356                        | 37,746                      | <b>94,102</b>               | 112,924                            |
| Governance costs                                     | 2            | 22,681                        | -                           | <b>22,681</b>               | 13,164                             |
| Exchange adjustments                                 |              | (2,799)                       | -                           | <b>(2,799)</b>              | 8,351                              |
| Total resources expended                             |              | <u>76,238</u>                 | <u>281,356</u>              | <u><b>357,594</b></u>       | <u>375,988</u>                     |
| <b>NET INCOMING RESOURCES<br/>FOR THE YEAR</b>       |              | (43,498)                      | (150,569)                   | <b>(194,067)</b>            | 46,085                             |
| Funds brought forward                                |              | <u>61,706</u>                 | <u>170,660</u>              | <u><b>232,366</b></u>       | <u>186,281</u>                     |
| <b>FUNDS CARRIED FORWARD<br/>AT 31 DECEMBER 2014</b> |              | <u><u>18,208</u></u>          | <u><u>20,091</u></u>        | <u><u><b>38,299</b></u></u> | <u><u>232,366</u></u>              |

The notes on pages 9 to 11 form part of these financial statements

**UNITED AID FOR AZERBAIJAN  
BALANCE SHEET AT 31 DECEMBER 2014**

|                                      | <u>Notes</u> | <b>2014</b>     | 2013    |
|--------------------------------------|--------------|-----------------|---------|
|                                      |              | £               | £       |
| <b>FIXED ASSETS</b>                  |              |                 |         |
| Tangible assets                      | 4            | -               | -       |
| <b>CURRENT ASSETS</b>                |              |                 |         |
| Cash at bank                         |              | <b>92,534</b>   | 232,366 |
| <b>CURRENT LIABILITIES</b>           |              |                 |         |
| Amounts due to service personnel     |              | <b>(54,235)</b> | -       |
| <b>TOTAL ASSETS LESS LIABILITIES</b> |              | <b>38,299</b>   | 233,622 |
| <b>REPRESENTED BY</b>                |              |                 |         |
| Restricted funds                     | 5            | <b>20,091</b>   | 170,660 |
| Unrestricted funds                   | 5            | <b>18,208</b>   | 61,706  |
|                                      |              | <b>38,299</b>   | 232,366 |

**The notes on pages 9 to 11 form part of these financial statements**

Approved by the Trustees on 28 October 2015 and signed on their behalf by:

**A HOPPER**  
Trustee

# UNITED AID FOR AZERBAIJAN

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

### 1 ACCOUNTING POLICIES

#### 1.1 Basis of accounting

The Financial Statements have been prepared under the historical cost convention as modified by the inclusion of donated assets at their estimated market value in the year of receipt, in accordance with applicable accounting standards including the latest Statement of Recommended Practice, Accounting by Charities (“SORP”).

The Balance Sheet Does not include accruals or prepayments as there are none.

#### 1.2 Income

Income is accounted for on an accruals basis in accordance with the guidance for accounting for smaller charities issued by the Charities Commission. Any tax credit arising on income received net of tax will be recognised in the period in which it is received. The income represents voluntary donations and bank interest.

#### 1.3 Funds

When income received is subject to restrictions imposed by the donor or implied by the term of appeal, it is shown in the financial statements as restricted income. The corresponding expenditure is shown as restricted fund expenditure and any unexpended balance at the balance sheet date is carried as a restricted fund in the balance sheet. Where such funds have been raised for a purpose that cannot be satisfied the permission of the donors to release the funds for use in the general purposes of the charity is sought. If that permission is granted the funds are transferred to unrestricted funds. The Trustees may set aside amounts of unrestricted funds, and their discretion, for specific future purposes. Such funds are shown within funds as designated funds.

#### 1.4 Expenditure

Expenditure is recognised on an accruals basis in accordance with the guidance for accounting for smaller charities issued by the Charities Commission. Where expenditure cannot be wholly identified under the main categories shown in the statement of financial activities, it is apportioned over cost headings on the following basis:

- Direct Project Costs – estimated proportion of time spent
- Fund raising activity – estimated proportion of time spent
- Administration – estimated proportion of time spent

#### 1.5 Fixed Assets and Depreciation

Fixed assets are stated at cost and all repairs are written off as incurred. Fixed assets are written down to their residual values over their estimated useful lives, which are reviewed annually. Any fixed asset acquired in the period by close to the year end has no depreciation charged.

The rate currently used is 25% per annum on original cost.

## UNITED AID FOR AZERBAIJAN

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

#### 2. ANALYSIS OF RESOURCES EXPENDED

|                          | Project<br>costs<br>£ | Support<br>costs<br>£ | Governance<br>costs<br>£ | <b>TOTAL</b><br>£     | 8 months to<br>31 December<br>2013<br>£ |
|--------------------------|-----------------------|-----------------------|--------------------------|-----------------------|---|
| Employee costs           | 195,948               | 65,595                | 22,681                   | <b>284,224</b>        | 221,612                                 |
| Other project costs      | 47,662                | -                     | -                        | <b>47,662</b>         | 92,565                                  |
| Office and support costs | -                     | 28,507                | -                        | <b>28,507</b>         | 51,577                                  |
| Depreciation             | -                     | -                     | -                        | -                     | 1,883                                   |
| Exchange adjustments     | -                     | (2,799)               | -                        | <b>(2,799)</b>        | 8,351                                   |
|                          | <u>243,610</u>        | <u>91,303</u>         | <u>22,681</u>            | <u><b>357,594</b></u> | <u>375,988</u>                          |

|                                  | <b>2014</b><br>£      | 8 months to<br>31 December<br>2013<br>£ |
|----------------------------------|-----------------------|---|
| <b>3. STAFF COSTS</b>            |                       |   |
| Director's salary                | <b>36,622</b>         | 30,313                                  |
| Wages and salaries - Azerbaijan  | <b>247,602</b>        | 191,299                                 |
| Pension costs                    | -                     | -                                       |
|                                  | <u><b>284,224</b></u> | <u>221,612</u>                          |
| Average number of staff employed | <u><b>60</b></u>      | <u>65</u>                               |

UNITED AID FOR AZERBAIJAN

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

| 4. TANGIBLE ASSETS                        | Plant and<br>equipment | Motor<br>vehicles | Total         |
|---|------------------------|-------------------|---------------|
| Cost                                      | £                      | £                 | £             |
| At 1 January 2014                         | 10,095                 | 5,685             | <b>15,780</b> |
| Additions                                 | -                      | -                 | -             |
| <b>At 31 December 2014</b>                | <b>10,095</b>          | <b>5,685</b>      | <b>15,780</b> |
| <b>Depreciation</b>                       |                        |                   |               |
| At 1 January 2014                         | 10,095                 | 5,685             | <b>15,780</b> |
| Charge for the year                       | -                      | -                 | -             |
| <b>At 31 December 2014</b>                | <b>10,095</b>          | <b>5,685</b>      | <b>15,780</b> |
| <b>Net book value at 31 December 2014</b> | <b>-</b>               | <b>-</b>          | <b>-</b>      |
| Net book value at 31 December 2013        | -                      | -                 | -             |

| 5 CHARITABLE FUNDS                 | Unrestricted<br>funds | Restricted<br>funds | TOTAL            |
|------------------------------------|-----------------------|---------------------|------------------|
|                                    | £                     | £                   | £                |
| Balance at 1 January 2014          | 61,706                | 170,660             | <b>232,366</b>   |
| Incoming resources                 | 32,740                | 130,787             | <b>163,527</b>   |
| Resources expended                 | (76,238)              | (281,356)           | <b>(357,594)</b> |
| <b>Balance at 31 DECEMBER 2014</b> | <b>18,208</b>         | <b>20,091</b>       | <b>38,299</b>    |