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**COALITION TO STOP THE USE OF CHILD SOLDIERS**  
(A company limited by guarantee)

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**DIRECTORS REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2005**

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# COALITION TO STOP THE USE OF CHILD SOLDIERS

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# COALITION TO STOP THE USE OF CHILD SOLDIERS

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## LEGAL AND ADMINISTRATIVE INFORMATION For the year ended 31 March 2005

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<b>Directors</b>	Jo Becker Martin Macpherson Andreas Rister
<b>Company Registered Number</b>	04411965
<b>Registered Office</b>	2nd Floor 2-12 Pentonville Road ,London, N1 9HF London N1 9HF
<b>Secretary</b>	Casey Kelso
<b>Constitution</b>	Company limited by guarantee, with memorandum and articles of association
<b>Auditors</b>	Gotham Erskine Chartered Accountants & Registered Auditors Friendly House 52 - 58 Tabernacle Street London EC2A 4NJ
<b>Bankers</b>	Natwest Bank plc PO Box 8036 218 Upper Street London N1 1SP
<b>Solicitors</b>	Charity Law Services 130 Barnsbury Road London N1 0ER
<b>Members of Steering Committee</b>	Amnesty International Human Rights Watch International Federation Terres des Hommes World Vision International Quaker United Nations Office - Geneva Jesuit Refugee Service Save the Children UK (for the International Save the Children Alliance) Defence for Children International

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# COALITION TO STOP THE USE OF CHILD SOLDIERS

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## DIRECTORS' REPORT For the year ended 31 March 2005

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The Directors submit their annual report and the financial statements of the Coalition to Stop the Use of Child Soldiers (the Company) for the year ended 31 March 2005. The Directors confirm that the annual report and financial statements of the Company comply with current statutory requirements, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000.

The Company is not a charity but the Directors have decided that the accounts should be prepared under the disclosure provisions of the Charity SORP as the type of income and operations is similar to that of a charitable entity.

### **Method of appointment or election of Directors**

The Steering Committee is the governing body and is comprised of representatives of the organisations set out on page 1 of the accounts.

The non-executive Board of Directors is responsible for the day to day operations and comprises individuals appointed by the Steering Committee.

### **Constitution policies and objectives**

The Company is limited by guarantee and was incorporated on the 09 April 2002 and on that date took over the assets and liabilities of an unincorporated association of the same name and with similar aims.

The objects of the Company are the promotion, adoption, implementation of national, regional and international legal standards (including the Optional Protocol to the Convention on Rights of the Child) which prohibit the military recruitment and use in hostilities of any person younger than eighteen years of age. These objects will be reviewed in 2005/06, following completion of a strategic review.

### **Aims and organisation**

The Company leads a world wide network of organisations established since 1998 ('the Coalition').

The Coalition's mission statement, as agreed by the Steering Committee in February 2004, is to be a coalition to stop the use of boys and girls as child soldiers - to prevent their recruitment and use; to secure their demobilisation; and to promote their rehabilitation and reintegration into their communities. The Company's objects are focussed specifically on the promotion, adoption and implementation of national, regional and international legal standards regarding child soldiers; other aspects of the Coalition's work are reflected in the objects of the Child Soldiers Coalition Educational and Research Trust ('the Trust'), a registered charity with which the Company has a close relationship (see below). Following the expected completion of a strategic review in 2005/06, and following recent changes in Charity Commission guidelines, the Company's objects and the current structure of the Coalition will be reviewed.

The Company, the Trust, and other members of the Coalition work together in an integrated way, through advocacy and public education, through research and monitoring, and through network development and capacity building.

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### DIRECTORS' REPORT (continued) For the year ended 31 March 2005

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The principles upon which the Coalition's work is founded are as follows:

- upholding the rights-based framework provided by the Convention on the Rights of the Child;
- supporting a "straight-18" ban on military recruitment, training and participation, whether voluntary, compulsory or forced;
- campaigning on a global basis, with a focus on industrialised and developing countries alike;
- holding to account both governments and non-governmental armed groups;
- ensuring gender sensitivity, with appropriate consideration for girl child soldiers;
- promoting the participation of children in our work through appropriate consultation and action;
- promoting holistic strategies which address the full spectrum of issues from prevention and non-violent resolution of conflict, to demobilisation, rehabilitation and reintegration;
- fostering mutual support and collaboration among our National Coalitions and partner organisations;
- being accountable to the children and communities on whose behalf we work.

The organisational structure of the Coalition was formed in 1998 by leading non-governmental organisations, to combine their separate efforts to end the military recruitment and participation in armed conflict of all children under 18 years of age. The eight founding members are: Amnesty International, Defence for Children International, Human Rights Watch, Jesuit Refugee Service, Quaker United Nations Office (Geneva), the International Save the Children Alliance, International Federation Terre des Hommes, and World Vision International. These founding members established an international Steering Committee to establish strategy and define policies and priorities. The Coalition pursues these objectives by establishing partnerships, and also co-ordinating and supporting the work of regional and National Coalitions around the world. Following incorporation of the Company, this Steering Committee became the Steering Committee of the Company as defined in the Company's Articles of Association.

Regional Coordinators are appointed in designated regions, to coordinate the overall activities of National Coalitions and other members within their region. They also act as regional advisors to the Steering Committee. In regions of the world where the Coalition's networks are less developed, regional focal points or representatives may be appointed temporarily and asked to advise the Steering Committee.

International Steering Committee meetings are held twice a year. The founding members are each represented by one designated individual at the international level. The International Committee of the Red Cross, UNICEF and Handicap International also attend Steering Committee meetings, as official observers. One or more meetings per year are attended by the Regional Coordinators (or regional focal points/representatives) and by staff responsible for regional work. Each year the Steering Committee elects a Management Group from among its members. The Management Group consists of four persons, who hold bi-monthly meetings with executive staff on management issues.

#### **Relationship between the Company and the Child Soldiers Coalition Educational and Research Trust**

In the period under review, activities have been undertaken primarily by the Company according to the decisions of its directors, the Steering Committee, and donors. It is expected that the Company's future activities that are specifically tied to charitable work will be funded by The Child Soldiers Coalition Educational and Research Trust ('the Trust'), a registered charity. The Trust was incorporated on 11th June 2002 and registered as a charity on 6 January 2003. Its purpose is to fund those aspects of the work of the Company which are charitable under United Kingdom Law, and also to undertake those aspects of the Coalition's work which are not within the objects of the Company. As noted further above, this relationship will be reviewed in 2005/06, following completion of a strategic review.

The Trust employs staff in a shared agreement with the Company, as most of its activities are carried out on its behalf by the Company's staff, according to the terms of an agreement between the two entities. The Trust reimburses the Company for carrying out such commissioned work as the Trust's directors determine. In the year to 31st March 2005, such work amounted to £64,005 in value.

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# COALITION TO STOP THE USE OF CHILD SOLDIERS

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## DIRECTORS' REPORT (continued) For the year ended 31 March 2005

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### Strategy

After a period of evaluation and consultation among its partner organisations in 2001, the Coalition's Steering Committee adopted a 2002-2006 Strategic Plan that defined the broad directions for its work in 2004, with longer-term objectives of ensuring the global adoption, implementation and enforcement of international standards for the protection of children. The overall intervention strategies were in three areas:

- . *Advocacy and Public Education:* Securing universal ratification and adherence to the Optional Protocol
  - supporting advocacy for ratification on and in priority countries;
  - sustained campaign appeals on individual countries and armed groups;
  - worldwide awareness-raising and public education on child soldiers;
  - integrating and mainstreaming the issue of child soldiers into the work of international bodies and agencies.
  
- . *Research and Monitoring:* Deepening our research base and capacity for monitoring
  - building a monitoring network, particularly in conflict zones, to sustain and improve the Global Report 2004;
  - developing research, advocacy and action on priority themes;
  - systematic briefings to UN Security Council, International Labour Organisation, UN Committee on the Rights of the Child and other mechanisms;
  - participating in collaborative research and monitoring initiatives such as an NGO watchlist for the UN Security Council and the Special Representative of the Secretary General's research agenda on children and armed conflict.
  
- . *Coalition Development and Capacity-Building:* Strengthening our network and promoting its long-term sustainability
  - improving systems of communication, servicing and support at all levels within the Coalition;
  - continuing programs of coalition development and capacity building in priority regions and countries in Latin America, Middle East and Southeast Asia, and extending this program in South Asia, the Great Lakes and West Africa regions;
  - increasing the involvement of international and regional organisations in the Coalition's steering committee and specialist working groups;
  - securing core funding to sustain the coordinating functions of the international secretariat
  - strengthening relations with parallel humanitarian networks such as small arms and landmines and play a role in international advocacy networks on children and armed conflict.

These three areas of work - campaigning and advocacy, research and monitoring and capacity building - should be seen as fully integrated.

### Review of activities in the year

During 2004, significant activity took place in line with the plans outlined in our three major lines of work. In particular, the publication of the Global Report 2004 was a major undertaking that consumed much of the International Secretariat's resources during the year and became a major focus of research and advocacy activity during the year. Our major achievements in the past financial year include:

#### *Advocacy using the Global Report on Child Soldiers*

On Wednesday 17 November 2004 (in proximity to 20 November, International Children's Day) the Coalition to Stop the Use of Child Soldiers published the second edition of its Child Soldiers Global Report. The Global Report was launched on 17 November 2004 in five locations. The international launch was held in the UK (London), and regional launches took place in Lebanon (Beirut), Colombia (Bogotá), Thailand (Chiang Mai) and Kenya (Nairobi), as well as national events in Berlin (Germany), Madrid (Spain), Manila and Cagayan de Oro (Philippines), Rio de Janeiro (Brazil) and Washington D.C. (USA).

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### DIRECTORS' REPORT (continued) For the year ended 31 March 2005

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The launches of the Child Soldiers Global Report 2004 received strong worldwide media coverage. The London launch had a broad impact, with solid participation by more than 30 international journalists. Deputy High Commissioner for Human Rights Mehr Khan Williams lauded the Coalition for its work, and gave a powerful speech. Well-attended press launches in the regions ensured robust coverage in the South.

A cornerstone of the Coalition's work, the Global Report provided a firm basis for advocacy. The Human Security Network, chaired by the Government of Canada, sponsored a 1 December briefing on the findings of the Global Report. Some 40 diplomats and UN agency representatives attended the briefing in New York, including most permanent and non-permanent members of the Security Council. Follow-up bilateral meetings with the five permanent members were also held.

In Brussels, the Coalition presented the Global Report to the EU parliament on 9 December. The meeting focused on follow-up to the EU Guidelines on Children and Armed Conflict, and the role of girl soldiers in demobilization programs. Further lobbying based on the Global Report was done in February 2004 at the Security Council, in a closed-door briefing for member States.

The 2004 Child Soldiers Global Report provides - in addition to country by country entries on some 170 nations - an analytical overview with regional highlights, a comparative table of key indicators across all the countries, a review of relevant international legal standards, and a methodology on how the research had been conducted. Parts of the report have been published in print form in French, Arabic and Spanish, and by CD-Rom, as well as through a website.

In contrast with the first Global Report of 2001, the production of the Global Report 2004 involved collaborative research with local Coalitions, intended to result in other NGOs within our umbrella organisation increasing their capacity to research, monitor and document child soldier issues in their own and neighbouring countries.

Preparatory work was extensive. In July the Coalition's international coordinator initiated preparations for the report's introduction - intended to provide a summary of the report's principal findings and an analytical overview. During July and August, brief overviews were written for each of the five world regions (Africa, Americas, Asia/Pacific, Europe and Middle East and North Africa). In a time-consuming information gathering and fact-checking effort, Coalition partners, NGOs and members of national coalitions reviewed and commented on draft country entries produced by seven consultants over several months, with further research, review and editing by regional program officers in a process lasting through July 2004. The Coalition also sent letters to governments and non-state armed groups about their recruitment and use of children, with responses incorporated and entries modified. A professional editor began in April to shape and polish the entries, while a copy editor began in July to carry out final corrections, ensure that all tables and charts were correctly formatted, and cited sources checked for accuracy.

During July and August preparation of a number of resource materials for inclusion in the report were under way. These included a map at the front showing countries where child soldiers have been reported. An 18-page "data summary" in table form provided: population and armed forces figures for all countries, indications of where child soldiers were used by governments or armed groups, and shows whether governments had ratified relevant international treaties. A summary of the provisions of these treaties was provided separately, along with a section on the report's methodology and research process and an explanation of key terms and definitions. The report ends with a comprehensive glossary and tips on how to locate documents via key internet sources.

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### DIRECTORS' REPORT (continued) For the year ended 31 March 2005

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Media materials were also prepared, including an international press release and regionalised versions for Arabic, Central/East Africa, Latin American and Southeast Asian audiences; internal and external Frequently Asked Questions sheets; and overviews for journalists on the issue and the Coalition. The process of defining the communications strategy and key messages involved input from a consultant, regional NGO representatives as well as the Steering Committee member organisations.

A CD-ROM version of the report was also published and distributed. An inter-active map was created to utilise cutting-edge technology to illustrate the problem of child soldiers. And translations of portions of the report were created in Arabic, French and Spanish; with final full versions of the Global Report in production as the year came to an end.

#### *Mobilizing international support.*

In February 2005, the Coalition continued to press for the United Nations Security Council to enforce sanctions against users of child soldiers and extend its action to some 20-conflict situations in a close-door briefing to Security Council members. This also involve high-level lobbying of individual Security Council member states and other progressive governments that play a key role in shaping the agenda for protecting children from armed conflict.

Campaigning continued at national, regional and international level to press governments to ratify the Optional Protocol to the Convention on the Rights of the Child on the involvement of children in armed conflict (the Optional Protocol), which came into force on 12 February 2002. This sets 18 as the minimum age for direct participation in hostilities and for compulsory recruitment by government forces, and for any recruitment or use in hostilities by non-state armed groups. Momentum has gathered on this. As of May 2005, 117 states had signed and 97 states had ratified or acceded to the Optional Protocol.

A leap in the number of ratifications of the Optional Protocol took place in 2004, with 21 states ratifying the Optional Protocol (and two more signing). While it is difficult to attribute a precise causality, Coalition campaigning clearly played a role. Amnesty International and the Coalition collaborated strategically to launch a web-based campaign for Optional Protocol ratification. Each month, beginning in June 2004, a different government was targeted for emails and letters.

In June 2004, Bolivian officials informed the Coalition's Latin American Regional Representative at the Organisation of American States meeting in Ecuador that they would not consider ratifying the Optional Protocol. The Coalition, in conjunction with Amnesty International, launched an email and letter writing campaign targeting the Bolivian authorities and on 22 December 2004 they ratified. It would appear that international pressure had some influence in this 180° turnaround in government attitude, and it is making a difference in several others.

Other advocacy activities included Regional Coordinators securing meetings with diplomats and government officials, national media campaigns within countries organised by national or regional coordinators, letters from the International Secretariat to heads of state, and public awareness and letter-writing campaigns. For example, Central African Regional Coordinator Henri Nzeyimana met with government officials in Uganda, Burundi, Rwanda and the Democratic Republic of Congo on the issue. In situations where the Optional Protocol had been ratified, national and regional coalition members are involved with monitoring its implementation and giving information to the International Secretariat, which is informs its reports to international bodies. For example, Coalitions in Canada, Spain, Belgium, France, the UK and the USA provided information on adherence to the Optional Protocol.

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### DIRECTORS' REPORT (continued) For the year ended 31 March 2005

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#### *EU Special Representative Campaign*

The Coalition organized a letter-writing campaign prior to the Europe-wide elections for the European Parliament in June 2004, urging political parties putting forward candidates to endorse the EU Guidelines on Children and Armed Conflict and, if elected, to ensure their implementation by publicly supporting the creation of an EU Special Representative on Children and Armed Conflict. For more details on this highly significant issue, see the section on the European Union below.

#### *Action appeal to members of the UN Security Council*

The Autumn 2004 Child Soldiers newsletter carried an action appeal asking readers to write to members of the UN Security Council that will continue to be part of it in 2005 that have not yet committed themselves to a global ban on child soldiers by signing and ratifying the Optional Protocol and implementing its provisions. The four countries targeted by this campaign, which are current members that will continue to be part of the Security Council in 2005, were Algeria, Benin, China and Russia. For the sake of the credibility and effectiveness of the UNSC's resolutions against the use of children as soldiers, it is essential that its members express an unequivocal commitment to end the practice.

#### *Action appeal against impunity for demobilised paramilitaries in Colombia*

The Spring 2005 Child Soldiers newsletter published a letter-writing action appealing to readers to write to key members of the G-24 group of donor countries to Colombia asking for the imposition of conditions on future aid for the demobilisation of paramilitary forces there. The action argued for making sure that the paramilitaries were completely dismantled and were held responsible for child rights violations.

#### *DDR Research and Regional capacity building work*

The Coalition has brought together information about best practices in rehabilitation and shared it across our worldwide membership. This work has been carried out by the Child Soldiers Coalition Educational and Research Trust (as funded by the Diana Princess of Wales Memorial Fund) and further details are available in that company's Directors' Report.

Regional capacity building work has been undertaken in conjunction with the Child Soldiers Coalition Educational and Research Trust (as funded by the Diana Princess of Wales Memorial Fund). As in previous years, we have worked particularly closely with representatives in South East Asia, Africa (Great Lakes), Latin America and the Middle East - North Africa, whilst also expanding our work into West Africa.

This work has formed the backbone of our efforts to create regional representation and facilitation of national partners, and resulted in 2004-2005 in regional meetings for discussion, planning of joint projects such as in Colombia and the Democratic Republic of the Congo and better coordination between local actors in advocacy. This work also included a September 2004 training workshop for regional coordinators and key national partners in London, in which participants learned more about fundraising, the basics in project management and developed skills in media interviews and messaging for the launch of the Global Report.

#### Work in Asia/Pacific

In March 2004 the South East Asia Coalition held a two-day workshop in Chiang Mai, Thailand, bringing together NGOs working on child soldier issues in Myanmar. The 17 participants came from Myanmar, the UK, Uganda, the USA, the Philippines and Thailand. It also organised a joint conference with UNICEF over three days in Bangkok on Disarmament, Demobilization and Reintegration for international agencies. This conference benefited from the participation of Great Lakes Coordinator Henri Nzeyimana and clinical psychologist and consultant to the Coalition, Linda Dowdney. A third meeting was the Regional Coalition Meeting of the South East Asia Coalition in Bangkok, at which a 2-year regional plan of action was adopted. Program Officer Claudia Ricca took part in all three meetings, and also made a community visit to the Thai-Burma border to talk with representatives of Burmese non-state armed groups and with former child soldiers.

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### DIRECTORS' REPORT (continued) For the year ended 31 March 2005

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The National Coalition was strengthened in Thailand/Burma, where continuing dialogue with non-state armed groups and border-based human rights organisations took place. The National Coalition in Indonesia also planted firm roots through a project to document the use of child soldiers in Aceh. In the Philippines, where the regional office was located, the Philippines National Coalition conducted training on child soldier issues, networked extensively with related organisations, was involved in monitoring of the proposed amendments to national law to comply with the Optional Protocol and provided information and advice to individuals and organisations on child soldiers.

The regional coalition office moved in 2004 from Manila to Bangkok, where it is co-located with Amnesty International Thailand.

The Coalition supported research and advocacy in India on child rights issues. The situation in Northeast India is complex since access is so restricted to the region and little is known about the involvement of children in the plethora of armed groups operating there

#### Work in Africa (Great Lakes)

Henri Nzeyimana, Regional coordinator for the Great Lakes, travelled extensively throughout the region in 2004, with field missions to Burundi and the Democratic Republic of Congo between 17 and 30 April 2004; to Rwanda between 26 and 30 May 2004; to Lira District of Northern Uganda, between 19 and 22 July 2004. Advocacy meetings were held with government officials in those countries, as well as group meetings held to discuss organising joint Coalition activities. There are national coalitions in Burundi, DRC and Uganda and a Working Group in Rwanda. Over a hundred organisations are now affiliated with regional networks. Regional strategic planning meetings and workshops were held in February and September 2004 and training workshops in February and December.

Research was undertaken in the Democratic Republic of Congo between March and June 2004 to investigate the recruitment of girl soldiers by non-state armed groups. This was followed up with a regional workshop on girls' participation in armed conflict. The Coalition supported Disarmament, Demobilisation and Rehabilitation (DDR) work in the region by undertaking a cross-border study in the Democratic Republic of Congo on the DDR of Rwandan former child soldiers in armed groups, holding joint meetings with UNICEF, and sharing good practices in DDR through field visits in DRC, Rwanda and Uganda.

#### Work in Latin America

The Latin American Coalition, co-produced with UNICEF a regional media kit on the use of children in armed conflict. Coalition representatives travelled to Ecuador in 2004 for the Organisation of American States General Assembly and an NGO parallel summit where they were able to hold a public meeting on violence against women and girls and lobby governments and regional NGOs. The regional coordinator has worked to support national coalitions in Brazil, Ecuador, Paraguay, Peru and Bolivia. Local partners worked with UNICEF at the regional level to develop materials and systematise the process of ratification of the Optional Protocol in the region, and mounted ratification campaigns for both Bolivia and Nicaragua. A new Spanish website was launched, featuring a weekly news update.

The regional coordinator and members of the Ecuador coalition conducted preliminary research into the impact of the Colombian armed conflict in border areas, where internal displacement, school closures, and sexual exploitation of girls have been reported. A major research project on this by the Colombian, Ecuadorian and Venezuela coalitions continued during the year. The Paraguay Coalition began research on military schools in the Mercosur region, where ill-treatment of children in these institutions has been reported but access to independent observers has so far been blocked by military authorities.

The program officer travelled to Colombia in February 2005 to meet with the Colombia Coalition as well as the diplomats of the United Kingdom and Norway, as well as staff at UNHCR, UNHCHR and UNICEF.

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### DIRECTORS' REPORT (continued) For the year ended 31 March 2005

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#### Middle East - North Africa

The Middle East - North Africa (MENA) Regional Network to Stop the Use of Children as Soldiers is co-ordinated by a volunteer, Nuha Ma'ayta, based in Amman, Jordan. Around 30 NGOs are now associated with the MENA coalition. Information is shared via their website, [www.child-soldiers-mena.org](http://www.child-soldiers-mena.org), which has become a well-known reference in the region. Two research projects on the use of child soldiers in Israel and the Palestinian Territories were facilitated by the MENA Coalition. Later follow up projects were planned for next year. Training on research and advocacy, provided in regional coalition meetings, has increased the research capacity of individual members in the region and of the Coalition as a whole. During 2004 the MENA Coalition contributed information on the region to major Coalition publications, also to research submissions to the UNSC, and co-ordinated the translation of Coalition material into Arabic.

#### West Africa

A program officer visited West Africa in August 2004. He reaffirmed Coalition contacts with UNICEF, met with Oxfam, PLAN International's regional coordination, and others to discuss possible involvement in a West Africa Coalition. He also interacted with Save the Children experts in child soldiers at a major international meeting held in Senegal, during a second visit in February 2005.

An agreement in principle was reached with Save the Children Sweden for a Regional Project Coordinator to be based in their Dakar office, to carry out a survey of DDR work in the sub-region. This work will be undertaken by the Child Soldiers Coalition Educational and Research Trust, as funded by the Diana Princess of Wales Memorial Fund. This sets the foundation for the further organisation of a West Africa Coalition in the coming year

#### *Global networking through the Coalition Newsletter and website*

The Coalition publishes the Child Soldiers newsletter with news and information on the issue and campaign worldwide. The newsletter is distributed in English, Spanish, French and German in print or electronic versions to more than 5,000 subscribers. The Coalition continued to upgrade its website in the year to provide new and updated information on the child soldiers issue as it occurs in more than 180 countries. In particular, a special forum for those interested in the psychosocial aspects of child soldier rehabilitation is attracting comment and participation by a number of practitioners in the field. This web page project is edited and facilitated by a nationally recognised British lecturer in psychology. It is expected to be a clearing house of ideas about psychological rehabilitation of former child soldiers by allowing free discussion about ideas, articles and approaches in this field within secure boundaries of privacy.

In another initiative to support Coalition members' activities in the demobilisation and rehabilitation of child soldiers, the Coalition began translation of key documents and the development of a bibliography of documents on DDR. These will be posted on the web site to facilitate useful access. Important studies that have remained little known through lack of translation will be made available to practitioners.

#### *Briefings and background papers*

The Coalition is systematically briefing the UN Security Council, the UN Committee on the Rights of the Child (CRC) and the UN Commission on Human Rights as they review country situations involving child soldiers. In particular, the Coalition has supported the UN Committee on the Rights of the Child. For the 37th session held in June 2004 it submitted briefing papers on Angola, Brazil, Antigua and Barbuda, Bahamas, Botswana, Croatia, Equatorial Guinea, Iran and Kyrgyzstan. For the 38th session due to be held in January 2005 it submitted briefing papers on Albania, Austria, Belize, Bolivia, Iran, Luxembourg, Nigeria, Sweden and Togo. For the 39th session it has submitted briefing papers on Bosnia Herzegovina, Costa Rica, Ecuador, Mongolia, Nepal, Nicaragua, Norway, Philippines, St Lucia and Yemen. For the 40th session the Coalition submitted information on Australia, China, Denmark, Saudi Arabia, Russian Federation, Trinidad and Tobago and, Uganda.

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# COALITION TO STOP THE USE OF CHILD SOLDIERS

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## DIRECTORS' REPORT (continued) For the year ended 31 March 2005

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The Coalition prepared a major briefing to the UN Study on Violence against Children, which detailed concerns about violence against children in military schools and in peacetime armed forces. Submitted in March 2005, it included information from Child Soldiers Global Report, as well as recent reports of violence in the Russia Federation, Paraguay and the United Kingdom

### *Internal organizing and planning*

The Coalition is in the process of setting its new four-year Strategic Plan for the Coalition's work from 2006 to 2010. Members of our organisation's Steering Committee began a full survey of stakeholders, including governments, UN agencies and local NGOs to help indicate possible future directions. Strong support was registered for adding an additional objective to our advocacy - that we campaign for more children, particularly girls, to participate in well-funded, quality prevention and DDRR programs (disarmament, demobilization, rehabilitation and reintegration programs). The future advocacy work would include issues such as promoting prevention of recruitment or re-recruitment, and advocating for increased funding for reintegration programs to benefit former child soldiers. An organisational review, involving operational and strategic analyses, will be carried out by several independent consultants with Coalition-wide consultation and comment.

As part of this review, the Directors will be carefully considering recent changes to Charity Commission guidelines on campaigning, and on human rights as a charitable objective, to establish whether the current structure (as described further above) is the most effective way to organise the work of the Coalition.

### **Fundraising and volunteers**

Substantial financial support was obtained from several national governments and from international grant making organisations. Steering Committee organisations contributed annual subscriptions of £11,348. These funds were enhanced by small donations from individuals and groups in the United Kingdom and elsewhere, indicating the broad base of popular support enjoyed by the Coalition. Our thanks go to all those who contributed financially.

Volunteers contribute significantly to the Coalition's work. Last year the Company benefited from several dedicated volunteers working in newsletter production, research and translation. Our thanks go out to those who contributed in this way, especially to Dr Linda Dowdney for her work on psychosocial aspects of DDR and children in armed conflict.

### **Plans for the future, and events since the year end**

In July 2004, the London-based International Secretariat staff held a day out for reviewing the Coalition's strategy and working arrangements. These themes were presented to the Steering Committee meeting in September 2004. In December 2004, the staff held further meetings to plan their operational activities for 2005-2006. In essence, the Activity Plan was revised with the three operational areas retained but given more detail. New priority themes, identified during the production of the Global Report 2004, were inserted into the Strategic Plan based upon the Global Report findings. Staff elaborated upon them to set realistic work plans for the next year ahead.

This document is based upon an activity plan approved in March 2005 by the Coalition's Steering Committee meeting convened in Geneva, Switzerland. The new one-year Activity Plan describes activities in Research to fill gaps in information identified in producing the Global Report 2004 (e.g. Afghanistan, India, etc.), capacity building on research and monitoring, and doing further research on gender.

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### DIRECTORS' REPORT (continued) For the year ended 31 March 2005

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On DDR / Prevention, staff identified further work on developing the psycho-social webpage and bibliography; mapping of DDR programs in West Africa and worldwide, then sharing of that information; focusing on the DDR of girl child soldiers; helping find financial support to existing programs on prevention; research into causes of recruitment; and using lobbying tools and meeting armed political groups to prevent re-recruitment.

On advocacy and lobbying, staff identified their work priorities as establishing links and lobbying the UN Security Council, Committee on the Rights of the Child, European Union. They saw the opportunity for a stronger coordinator role in this. Other work priorities lay in establishing an advocacy planning calendar; capacity building for local partners on how to do advocacy; developing a policy on justice and accountability mechanisms at the ICC and at the regional/national level.

Finally, staff identified cross-program priorities in management (including supporting regional structures such as the regional coordinators and regional coalitions), administration, fund-raising and information sharing / networking (including translations, the website and bringing regional coordinators to other regions). Capacity building and network development was seen as a theme, like gender, that applied to all operational work.

In addition, some cross-regional projects were identified, including country-specific research on patterns of recruitment and response to local and international pressure on selected armed political groups (current and past) to end child soldier recruitment. This research would probe possible similarities across the range of armed political groups in the world and help devise strategies for advocacy/lobbying on existing armed political groups. Other cross-regional projects include violence in military schools and in armed forces; research and documentation on legal voluntary recruitment; and preparations for CRC briefings in February and August.

#### **Financial Results, risk management and reserves policy**

##### Risks policy

The directors examine the major strategic, business and operational risks when preparing and updating strategic plans and budgets, and when considering upcoming operations. In particular, the directors are aware of the risks arising from working internationally, and with young people, and have developed a risk register and a framework for a formal annual risk review.

This identifies and monitors risks faced by the Coalition, helps mitigate significant impacts, and helps systematically embed such procedures into day-to-day operations.

##### Reserves policy

It is the Coalition's policy to maintain free reserves (those unrestricted reserves not invested in fixed assets or designated for specific purposes) at a level which can finance at least four months of unrestricted support costs (see note 5 to the financial statements), and at least four months of unrestricted expenditure on management and administration (see note 6 to the financial statements). This level is considered sufficient to enable the directors to take corrective action in the event of unexpected shortfalls in funding or increases in expenditure. Such costs totalled approximately £1,650 per month in the year under review. Free reserves at 31 March 2005 were approximately £72,500, thereby more than covering four months of expenditure.

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### **DIRECTORS' REPORT (continued)** **For the year ended 31 March 2005**

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#### **Directors' responsibilities**

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period. In preparing those financial statements the Directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis (unless it is inappropriate to presume that the Company will continue in operation).

The Directors have overall responsibility for ensuring that the Company has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

#### **Auditors**

A resolution proposing that Gotham Erskine be re-appointed as auditors of the Company will be put to the Annual General Meeting.

This report was approved by the Directors on 22 June 2005 and signed on its behalf, by:

Casey Kelso (Secretary)

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# COALITION TO STOP THE USE OF CHILD SOLDIERS

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COALITION TO STOP THE USE OF CHILD SOLDIERS

Under section 247B of the Companies Act 1985

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We have audited the financial statements of the Coalition to Stop the Use of Child Soldiers for the year which comprise the Statement of Financial Activities and Balance Sheet, with the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention and the accounting policies set out therein. This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

### RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the Directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities", published in October 2000. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### OPINION

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 March 2005 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

### Gotham Erskine

Chartered Accountants  
& Registered Auditors

Friendly House  
52 - 58 Tabernacle Street  
London EC2A 4NJ

Date:

## COALITION TO STOP THE USE OF CHILD SOLDIERS

### STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account) For the year ended 31 March 2005

	Note	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds Year ended 31 March 2005 £	Total Funds Year ended 31 March 2004 £
<b>INCOMING RESOURCES</b>					
Donations, legacies and similar incoming resources	2	226,515	106,846	333,361	313,145
Activities in furtherance of the company's objects		-	11,348	11,348	19,142
Bank interest		-	277	277	345
Sundry income		-	282	282	-
<b>TOTAL INCOMING RESOURCES</b>		<b>226,515</b>	<b>118,753</b>	<b>345,268</b>	<b>332,632</b>
<b>RESOURCES EXPENDED</b>					
<i>Costs of generating funds:</i>	3	-	13,619	13,619	15,557
<i>Charitable expenditure:</i>					
Subscriptions to related organisations	4	-	2,658	2,658	2,882
Costs of activities in furtherance of the company's objects:					
Africa		22,476	3,068	25,544	42,721
Asia and Middle East		24,062	7,726	31,788	67,160
Europe		-	-	-	5,330
Latin America		6,816	3,425	10,241	23,854
Research and publications		134,292	27,425	161,717	70,047
Other		10,574	16,441	27,015	1,216
Support costs	5	43,533	15,007	58,540	32,407
Management, administration, governance	6	5,294	4,764	10,058	11,177
<b>TOTAL RESOURCES EXPENDED</b>	7	<b>247,047</b>	<b>94,133</b>	<b>341,180</b>	<b>272,351</b>
<b>NET INCOMING RESOURCES / (RESOURCES EXPENDED), CARRIED FORWARD</b>		<b>£ (20,532)</b>	<b>£ 24,620</b>	<b>£ 4,088</b>	<b>£ 60,281</b>

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account) For the year ended 31 March 2005

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	Note	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds Year ended 31 March 2005 £		<i>Total Funds Year ended 31 March 2004 £</i>
<b>NET INCOMING RESOURCES / (RESOURCES EXPENDED), BROUGHT FORWARD</b>		(20,532)	24,620	4,088		60,281
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		(20,532)	24,620	4,088		60,281
TOTAL FUNDS AT 1 APRIL 2004		36,341	51,830	88,171		27,890
<b>TOTAL FUNDS AT 31 MARCH 2005</b>		<b>£ 15,809</b>	<b>£ 76,450</b>	<b>£ 92,259</b>		<b>£ 88,171</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 26 form part of these financial statements.

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### BALANCE SHEET As at 31 March 2005

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	Note	£	31 March 2005 £	£	31 March 2004 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	10		3,952		3,463
<b>CURRENT ASSETS</b>					
Debtors	11	45,288		28,856	
Cash at bank and in hand		70,994		115,127	
			116,282		143,983
<b>CREDITORS:</b> amounts falling due within one year	12	(27,975)		(59,275)	
<b>NET CURRENT ASSETS</b>			88,307		84,708
<b>NET ASSETS</b>	15		£ 92,259		£ 88,171
<b>CHARITY FUNDS</b>					
Restricted Funds	14		15,809		36,341
Unrestricted - Designated Funds	14		3,952		3,463
Unrestricted - General Funds	14		72,498		48,367
			£ 92,259		£ 88,171

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the directors on 22 June 2005 and signed on their behalf, by:

Martin Macpherson

The notes on pages 17 to 26 form part of these financial statements.

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# COALITION TO STOP THE USE OF CHILD SOLDIERS

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## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

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### 1. ACCOUNTING POLICIES

#### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in October 2000, applicable accounting standards and the Companies Act 1985.

#### 1.2 Company status

The Company is a company limited by guarantee. The members of the company are the directors named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

#### 1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### 1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

#### 1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Overheads have been allocated on the basis of staff time.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

#### 1.6 Cash flow

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

# COALITION TO STOP THE USE OF CHILD SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

### 1. ACCOUNTING POLICIES (continued)

#### 1.7 Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer Equipment	-	25%	reducing balance
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#### 1.8 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the net income/(expenditure) result.

### 2. DONATIONS, LEGACIES AND SIMILAR INCOMING RESOURCES

	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
Finnish Foreign Ministry	54,923	-	54,923	81,322
Swedish Government	-	77,646	77,646	53,806
Government of the Netherlands	124,987	-	124,987	46,250
Swiss Government	-	18,273	18,273	39,700
Irish Government	-	-	-	34,258
New Zealand Agency for International Development	-	-	-	17,378
UK Department for International Development	-	-	-	14,300
Trocaire	-	-	-	10,232
German Government	-	-	-	8,425
Luxembourg Government	-	10,261	10,261	6,811
Quakers Geneva Meeting	-	-	-	214
Unicef	2,557	-	2,557	-
French Government	20,799	-	20,799	-
Canadian Government	20,249	-	20,249	-
Philanthropic Trust	3,000	-	3,000	-
Other donations	-	666	666	449
Donations, legacies and similar incoming resources	£ 226,515	£ 106,846	£ 333,361	£ 313,145

# COALITION TO STOP THE USE OF CHILD SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

### 3. COST OF GENERATING FUNDS

	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds Year ended 31 March 2005 £	Total Funds Year ended 31 March 2004 £
Consultants	-	1,119	1,119	3,244
Materials	-	-	-	122
Overheads	-	2,850	2,850	547
Accommodation and subsistence	-	-	-	733
Travel	-	1,590	1,590	176
Other costs	-	177	177	-
Salaries and national insurance	-	7,710	7,710	10,620
Depreciation	-	173	173	115
<b>Total</b>	<b>£ -</b>	<b>£ 13,619</b>	<b>£ 13,619</b>	<b>£ 15,557</b>

### 4. SUBSCRIPTIONS TO RELATED ORGANISATIONS

	Number	Total Year ended 31 March 2005 £	Number	Total Year ended 31 March 2004 £
Women's Commission for Refugee Women and Children, Watchlist on Children and Armed Conflict	1	£ 2,658	1	£ 2,882

### 5. SUPPORT COSTS

	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds Year ended 31 March 2005 £	Total Funds Year ended 31 March 2004 £
Staff costs	27,648	4,228	31,876	40,555
Depreciation	-	1,142	1,142	1,154
Premises costs	15,885	2,420	18,305	16,439
Office costs	-	10,128	10,128	9,038
Finance and legal costs	-	329	329	957
Expenses recharged to the Trust	-	-	-	(17,614)
Transfer to cost of generating funds	-	(2,850)	(2,850)	(11,282)
Transfer to management and administration costs	-	(390)	(390)	(6,840)
<b>Total</b>	<b>£ 43,533</b>	<b>£ 15,007</b>	<b>£ 58,540</b>	<b>£ 32,407</b>

# COALITION TO STOP THE USE OF CHILD SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

### 6. MANAGEMENT, ADMINISTRATION, GOVERNANCE

	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds Year ended 31 March 2005 £	Total Funds Year ended 31 March 2004 £
Staff costs	-	390	390	6,535
Depreciation	-	3	3	53
Auditors' remuneration - audit	-	3,290	3,290	2,773
Auditors' remuneration - other	-	832	832	753
Overheads	-	52	52	252
Governance costs	5,294	197	5,491	811
Total	£ 5,294	£ 4,764	£ 10,058	£ 11,177

### 7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff Costs 2005 £	Depreciation 2005 £	Other Costs 2005 £	Total Year ended 31 March 2005 £	Total Year ended 31 March 2004 £
<b>Costs of generating funds:</b>					
Fundraising costs (note 3)	7,710	173	5,736	13,619	15,557
<b>Charitable expenditure:</b>					
Subscriptions to related organisations (note 4)	-	-	2,658	2,658	2,882
Africa	13,194	-	12,351	25,545	42,721
Asia and Middle East	20,072	-	11,716	31,788	67,160
Europe	-	-	-	-	5,330
Latin America	8,508	-	1,734	10,242	23,854
Research and publications	59,080	-	102,637	161,717	1,216
Other projects (including advocacy)	21,469	-	5,544	27,013	70,047
Support costs (note 5)	31,876	1,142	25,522	58,540	32,407
Management, administration, governance (note 6)	390	3	9,665	10,058	11,177
Subtotal charitable expenditure	154,589	1,145	171,827	327,561	256,794
Total resources expended	£ 162,299	£ 1,318	£ 177,563	£ 341,180	£ 272,351

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

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#### 8. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	<b>Year ended 31 March 2005 £</b>	<i>Year ended 31 March 2004 £</i>
Depreciation of tangible fixed assets: - owned by the charity	<b>1,318</b>	<i>1,154</i>
Auditors' remuneration - statutory audit	<b>3,290</b>	<i>2,773</i>
Auditors' remuneration - other	<b>832</b>	<i>753</i>
	<b>=====</b>	<i>=====</i>

During the year, no Directors received any remuneration (2004 - £NIL).

During the year, no Directors received any benefits in kind (2004 - £NIL).

During the year, no Directors received any reimbursement of expenses (2004 - £NIL).

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

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#### 9. STAFF COSTS AND NUMBERS

Staff costs were as follows:

	<b>Year ended 31 March 2005 £</b>	<i>Year ended 31 March 2004 £</i>
Wages and salaries	142,019	118,132
Social security costs	16,420	12,496
Consultants	-	7,750
Recruitment	1,511	2,249
Staff travel	-	382
Other staff costs	2,348	1,344
	<u>£ 162,298</u>	<u>£ 142,353</u>

The average monthly number of employees during the year was as follows:

	<b>Year ended 31 March 2005 No.</b>	<i>Year ended 31 March 2004 No.</i>
Full time	3	3
Part time	3	2
	<u>6</u>	<u>5</u>

No employee received remuneration amounting to more than £50,000 in either year.

All staff time is for direct charitable purposes, except that the equivalent of approximately 12% of the Co-ordinator's time and 20% of the Finance Manager's time is spent on the cost of generating funds and 6% of the Co-ordinator's time and 20% of the Finance Manager's time is spent on the management and administration of the charity.

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

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#### 10. TANGIBLE FIXED ASSETS

	<b>Furniture, fittings and equipment £</b>
<b>Cost</b>	
At 1 April 2004	5,063
Additions	1,807
	6,870
<b>Depreciation</b>	
At 1 April 2004	1,600
Charge for the year	1,318
	2,918
<b>Net book value</b>	
At 31 March 2005	£ 3,952
<i>At 31 March 2004</i>	£ 3,463

#### 11. DEBTORS

	2005 £	2004 £
<b>Due within one year</b>		
Trade debtors	1,442	572
Amounts owing from Child Soldiers Coalition Educational and Research Trust	2,155	28,284
Prepayments and accrued income	10,441	-
Grants Receivable	31,250	-
	£ 45,288	£ 28,856

#### 12. CREDITORS: Amounts falling due within one year

	2005 £	2004 £
Trade creditors	10,938	6,246
Other creditors	785	-
Accruals and subscriptions in advance	5,210	21,785
Deferred income (See note 13)	11,042	31,244
	£ 27,975	£ 59,275

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

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#### 13. DEFERRED INCOME

	2005 £	2004 £
Amount bought forward	31,244	-
Amount released in the year	(31,244)	-
Deferred income (see note 12)	11,042	31,244
	£ 11,042	£ 31,244
	£ 11,042	£ 31,244

Income is deferred where funds are received in the current year but restricted to expenditure on the programme of activities occurring in future years.

#### 14. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers in/(out) £	Carried Forward £
<b>DESIGNATED FUNDS</b>					
Fixed Asset Fund	£ 3,463	£ -	£ -	£ 489	£ 3,952
<b>GENERAL FUNDS</b>					
General Funds	£ 48,367	£ 118,753	£ (94,133)	£ (489)	£ 72,498
Total unrestricted funds	£ 51,830	£ 118,753	£ (94,133)	£ -	£ 76,450

The fixed asset fund has been established to represent the net book value of unrestricted tangible fixed assets. Each year an amount will be transferred to or from the fund representing the movement in the net book value of unrestricted tangible fixed assets in the year.

# COALITION TO STOP THE USE OF CHILD SOLDIERS

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

### 14. STATEMENT OF FUNDS (continued)

#### RESTRICTED FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers in/(out) £	Carried Forward £
Finnish grant	-	54,923	(54,765)	-	158
Dutch grant	5,644	124,987	(128,491)	-	2,140
Research and publications	30,697	23,356	(46,446)	-	7,607
Newsletter	-	20,249	(17,345)	-	2,904
Other projects	-	3,000	-	-	3,000
Subtotal	<u>36,341</u>	<u>226,515</u>	<u>(247,047)</u>	<u>-</u>	<u>15,809</u>
Total of Funds	<u>£ 88,171</u>	<u>£ 345,268</u>	<u>£ (341,180)</u>	<u>£ -</u>	<u>£ 92,259</u>

Restricted funds are funds given for specific purposes. The movement on the restricted funds during the year are detailed above. For a description of the restricted funds refer to the review of activities in the Directors' Report.

### 15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds Year ended 31 March 2005 £	Total Funds Year ended 31 March 2004 £
Tangible fixed assets	-	3,953	3,953	3,464
Current assets	15,809	100,472	116,281	143,981
Creditors due within one year	-	(27,975)	(27,975)	(59,274)
Total	<u>£ 15,809</u>	<u>£ 76,450</u>	<u>£ 92,259</u>	<u>£ 88,171</u>

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## COALITION TO STOP THE USE OF CHILD SOLDIERS

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### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

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#### 16. RELATED PARTY TRANSACTIONS

The 'Child Soldiers Coalition Educational and Research Trust Ltd', a charitable company (Company Number - 4458380) works closely with the 'Coalition to Stop the Use of Child Soldiers'. Martin Macpherson is a director of both companies. There were payments made in the year totalling £64,000 (2004 - £73,891) in respect of costs incurred on Trust's projects, recharged salary and overhead costs. There was also grant income received in the year by the Trust on behalf of the Coalition totalling £NIL (2004) £42,684. At the year end the Trust owed the Coalition £2,155 (2004 - £28,284) (see note 11). The directors consider that the charges were made on an 'at arms length basis'.

All the directors are employed by companies that are members of the Steering Committee of the Coalition. These organisations paid subscriptions of £7,107 (2004 - £11,868) in the year. The Coalition also paid these companies for various services in the year totalling £ 14,850 (2004- £26,684).

The Company rents its premises from one of the members of the steering committee at annual rent of £14,155 (2004- £14,155). This is considered to be a fair charge.

#### 17. TAXATION

The company is not a charity but the directors consider there is no liability to tax on grant funded activities as they are not in the nature of a trade. Bank interest receivable is taxable but the amount is below the current tax threshold.