

**Coalition to Stop the Use
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The Company assumed the name “Stop Child Soldiers” on 1 April 2008. An explanation is provided in the section on Structure and Governance in this report.

Front cover photo: © Christian Relief Network, 2005. Former child soldier talks to a professional counsellor at a rehabilitation centre in Beni, Democratic Republic of the Congo.

The Coalition to Stop the Use of Child Soldiers unites national, regional and international organizations and Coalitions in Africa, Asia, Europe, Latin America and the Middle East. Its Steering Committee members are Amnesty International, Defence for Children International, Human Rights Watch, International Federation Terre des Hommes, International Save the Children Alliance, Jesuit Refugee Service, and the Quaker United Nations Office-Geneva.

www.child-soldiers.org

COALITION TO STOP THE USE OF CHILD SOLDIERS
(Company limited by guarantee no. 04411965)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2008

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COALITION TO STOP THE USE OF CHILD SOLDIERS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS DIRECTORS AND ADVISERS For the year ended 31 March 2008

Company Directors	Jo Becker Martin Macpherson
Company Secretary	Andrew Lowton
Director/Chief Executive	Victoria Forbes Adam
Company reg. no.	04411965
Registered office	4th Floor 9 Marshalsea Road London SE1 1EP
Auditors	Gotham Erskine LLP Chartered Accountants & Registered Auditors Friendly House 52 - 58 Tabernacle Street London EC2A 4NJ
Bankers	Natwest Bank plc P.O Box 8036 218 Upper Street London N1 1RR
Solicitors	Bates Wells & Braithwaite 2-6 Cannon Street London EC4M 6YH
Members of Steering Committee	Amnesty International Defence for Children International Human Rights Watch International Federation Terres des Hommes Jesuit Refugee Services Quaker United Nations Office - Geneva Save the Children Norway (for the International Save the Children Alliance)

DIRECTORS' REPORT

For the year ended 31 March 2008

INTRODUCTION

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 2008. 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" (revised 2005). 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 are similar to that of a charitable entity.

On the 31 March 2008 The Coalition to Stop the Use of Child Soldiers changed its name to 'Stop Child Soldiers' when its activities were merged into the Child Soldiers Educational and Research Trust as referred to further in note 18.

Structure and governance

The Company leads a network of organizations established in 1998 and entitled the Coalition to Stop the Use of Child Soldiers (the Coalition).¹ The eight founding members of the Coalition established a Steering Committee to set broad strategic directions and define policies and priorities.² Current members are: Amnesty International, Defence for Children International, Human Rights Watch, International Federation Terre des Hommes, International Save the Children Alliance, Jesuit Refugee Service and the Quaker United Nations Office-Geneva.³ Each organization is represented by a designated individual on the Steering Committee. A management committee comprised of individuals appointed by the Steering Committee is responsible for overseeing operations. Some of the Coalition's work is undertaken by the Child Soldiers Educational and Research Trust (the Trust), established in 2002 to fund aspects of the Company's work which are charitable under UK law or which are not within the objects of the company.⁴

Following a wide-ranging strategic review of the Coalition's work in 2005, and changes to UK charity law, the Coalition's Steering Committee agreed to merge the company with the trust in order to facilitate financial management of the organization's affairs. In April 2007 the Charity Commission agreed to the establishment of a single charitable entity with all the Coalition's work falling under the rubric of human rights promotion. The Company's assets were transferred to the Trust on 31 March 2008, and the Trust assumed the name of the Coalition to Stop the Use of Child Soldiers. The Coalition will retain its identity as a group of leading international NGOs and is currently in the

¹ The Company is limited by guarantee. It was incorporated on 9 April 2002, and on that date took over the assets and liabilities of an unincorporated association of the same name and with similar aims. In the event of insolvent liquidation members' liability is limited to £1.

² The Company's Articles of Association state that the Steering Committee of the Company "shall be and shall fulfil the functions of the Board of Directors of the Company".

³ The International Committee of the Red Cross, the International Labour Organization and UNICEF act as observers and participate in the Steering Committee's twice-yearly meetings.

⁴ The Trust was incorporated on 11 June 2002 and registered as a charity on 6 January 2003. 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 commissioned work, as determined by the Trust's directors.

DIRECTORS' REPORT

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process of formalizing its organizational membership and diversifying and strengthening its Board of trustees.

Objectives

The Coalition's objectives are the promotion, adoption and implementation of national, regional and international legal standards prohibiting the military recruitment or use in hostilities of any person below the age of 18 years. The Coalition's mission statement, agreed by the Steering Committee in February 2004, states that it works to prevent the recruitment or use of child soldiers – girls and boys, to secure their release from armed forces and groups, and to promote their reintegration into community and society.

Strategy and operational aims

Following the 2005 strategic review, the Steering Committee agreed the following four operational objectives. They are:

- To work for the universal ratification (with a minimum age of 18 for voluntary recruitment) and effective implementation of the Optional Protocol to the Convention on the Rights of the Child on the involvement of children in armed conflict.
- To advocate for an end to the recruitment and use of child soldiers by armed groups and to secure the release of those children in their ranks.
- To end the culture of impunity for those who recruit and use child soldiers.
- To promote improved and effective practices for the demobilization, disarmament and reintegration (DDR) of child soldiers.

A fifth, internal, objective identified the need to clarify the governance and organizational structure of the Coalition, including support provided to regional and national Coalition networks.

Management and staff

The Coalition's director is responsible for managing the organization's programs and activities and for directing a team of eight professional staff members. The team comprised three full-time program managers and a Europe outreach officer (based in the UK but travelling frequently for long periods to Brussels). The Coalition's operations were supported by a finance manager, fundraiser and officer manager. A project manager/research coordinator was employed to direct research and production of the Coalition's major triennial publication, the *Child Soldiers Global Report* throughout the financial year, bringing the staff total to nine. In the regions, advisors working on a consultancy basis supported the organization's activities with NGO partners in the Great Lakes of Africa and West Africa (based in Uganda and Senegal respectively). A clinical psychologist provided part-time consultancy services on a voluntary basis. Interns periodically assisted Coalition staff with research and documentation tasks throughout the year. In addition, from March 2007 the Coalition funded the Southeast Asia Coalition to employ a regional coordinator based in Manila. From February 2008 it funded the national coalition in the Democratic Republic of the Congo (DRC) to employ a staff member to support its activities.

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Risks

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 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.

REVIEW OF ACTIVITIES – PERFORMANCE AND ACHIEVEMENTS

INTERNATIONAL PROGRAM

Child Soldiers Global Report 2008

The Coalition's year was largely devoted to research and production of the organization's flagship publication, the *Child Soldiers Global Report*, launched in May 2008 in New York. This unique 400-page publication (published triennially) provides a country by country account of military recruitment legislation and practice, and the use of children in hostilities worldwide (197 country entries). Entries for conflict countries additionally include an overview of the conflict, a review of disarmament, demobilization and reintegration (DDR) programs and reference to national and international efforts – both judicial and non-judicial – to hold child recruiters accountable for their actions. The report's introduction presents a critical analysis of core issues and developments and sets an agenda for future policy and action by governments, the UN and other stakeholders.

The report's general findings were that while substantial attention has been devoted to child soldiers internationally, the results to date fall far short of what might have been expected. A peace agreement remains the best route out of soldiering for children rather than other initiatives to get children out of hostilities. Where conflict is ongoing, re-ignites or newly erupts, child soldiers continue to be used by governments and non-state armed groups. Governments were found to have recruited children into national armies, civil defence groups and proxy militias, often in violation of international treaties they had pledged to uphold. Governments continued use captured children for intelligence gathering, or detain them rather than supporting their rehabilitation and reintegration. A wide array of armed groups – with diverse aims, methods and constituencies – continue to use children and they have proved remarkably resistant to pressure or persuasion. Despite significant steps on accountability at the international level, weak national justice systems in many settings mean that prosecutions of child recruiters are virtually non-existent and crimes of sexual violence against children involved in armed conflict have yet to be addressed.

Growing knowledge of best practices for the demobilization and reintegration of child soldiers has yet to be systematically applied and the needs of returning child soldiers have been overlooked in many programs. Girls in particular have been excluded – whether deliberately or inadvertently – from DDR programs and their complex physical and psycho-social needs have remained unmet in many cases. Programs to support the sustainable reintegration of boys and girls have been chronically underfunded and non-existent in many regions. While the challenges in conflict and in post-conflict societies are undoubtedly immense, the report's findings make it clear that further concerted strategies by a wide range of constituencies and actors will be needed if child soldiering is to end definitively.

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The report is a crucial resource for national governments, the UN, regional and inter-governmental organizations (the European and African Unions for example), donors and policy makers worldwide. With its high standards of objectivity and accuracy, the report is utilized by all such entities in the development of initiatives to address child soldier use and prevent its future occurrence. The report also argues for renewed commitment and coordinated approaches to the funding, design and implementation of DDR programs for child soldiers. The report is an important advocacy tool for the Coalition's partners across the world to address their own governments' recruitment practices and the need for adherence to international standards. It was launched at major media and diplomatic events in New York in May 2008. Regional launch events were held in Brussels and Jakarta and further events are planned for Geneva and Addis Ababa (the African Union).⁵ Over the next period the report's findings will be used to inform strategic planning and action in all regions.

UN Security Council – Congolese NGO members present on child soldiers

In July the Coalition sponsored representatives of Congolese partner NGOs to present information on the plight of current and former child soldiers in the Democratic Republic of the Congo (DRC) to the Security Council, the highest political body of the UN. Issues raised included the continued recruitment of children into army brigades and non-state armed groups; the unlawful detention of child soldiers for military offences and the inadequacy of reintegration programs for child soldiers. Particular attention was paid to the plight of girl soldiers, many of whom were raped and bore children while in the ranks. Beyond the violence, returning girls are often rejected and stigmatized by their home communities for their involvement in sexual activities. The international Coalition produced a short briefing paper summarizing the key concerns and presenting a series of recommendations. In late July the Security Council issued a statement of concern at human rights and security situation in the eastern DRC, sending a strong message to the government and armed groups on the need to respect the human rights of the population. Several thousand child soldiers were reportedly released from armed forces and groups between July 2007 and May 2008.

Advocating for action on child soldiers at the European Union⁶

The European Union (EU) provides humanitarian and development assistance to countries affected by armed conflict and has a range of diplomatic and political resources at its disposal, which can be utilized to influence and exert pressure for government action in countries where child soldiers exist. The Coalition continued to lobby for the EU to address child soldier issues in conflict and post-conflict situations. It maintained a flow of information from conflict-affected countries, and over the year worked with the German, Portuguese and Slovenian presidencies. Lobbying efforts were focused on pressing for active implementation of the EU's own guidelines on child soldier protection and prevention. Following discussions with the Coalition, the German Presidency instructed EU country offices to implement the February 2007 "Paris Principles and Guidelines on Children associated with armed forces or armed groups" and the associated "Paris Commitments" – now endorsed by 66 governments including many from the EU. The documents reaffirm commitment to international standards and best practice principles for preventing child soldier use and assisting returnees.

One positive development was the EU's inclusion of the Occupied Palestinian Territory in its list of priority countries for action on child soldiers in December 2007, paving the way for more active

⁵ Global Report launch activities are not covered in this report as they occurred after 31 March.

⁶ The EU program is partly funded through the Trust and its activities will be reflected in the Trust report for 2007-08.

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intervention to end children's involvement in the conflict there. The move followed discussions and lobbying by the Coalition and partner organization Defence for Children International in Israel, the OPT and Brussels. As in previous years, the outreach officer conducted workshops on EU institutions for national coalition members and local NGOs, in the DRC and the Middle East – to strengthen their knowledge and assist in the development of lobbying strategies.

Working with the UN Committee on the Rights of the Child

The Coalition has continued to interact with the Committee, which is mandated to receive reports from governments on their progress in implementing the Convention on the Rights of the Child and its Optional Protocol on the involvement of children in armed conflict.⁷ Government reports on the Protocol, the main international treaty dealing with child soldier recruitment and use, have been submitted to the Committee in growing numbers since its entry into force in 2002. The Committee's concluding observations on the reports have begun to delineate the modalities for and actions required by governments to protect children from involvement in armed conflict and its damaging consequences. This important work provides a benchmark for measuring future progress, and as such was analysed and discussed in the Global Report's introduction, and reflected in relevant country entries. The Global Report and its main findings will be presented to Committee members in Geneva in September 2008. As in previous years, the Coalition supported a national NGO (in this case a German organization) to submit supplementary information to the Committee to inform its review of the German government's progress report on the Optional Protocol.

Research and publications – contributing to policy and action⁸

A range of research projects resulted in occasional papers on relevant themes or situations where child soldier issues had escaped international scrutiny. Where possible these built on information and insights drawn from NGO partners working in the regions. All the Coalition's publications are disseminated as widely as possible, with priority given to relevant government authorities, UN bodies, donors and NGO partners worldwide. Publications included:

- A 39-page report of the Coalition's **International Forum on children's involvement in armed groups** was published in August 2007. This unique meeting, held near Geneva in summer 2006, brought together grassroots activists, UN experts, peace mediators and many others to discuss this difficult issue. The report summarized the discussions and looked at what initiatives have been effective and what has proved counter-productive, when addressing human rights, humanitarian and child protection issues with armed groups. The Coalition contributed a short article summarizing these themes to a book on child rights published by the Swiss government in 2007.⁹
- **Lebanon: children's vulnerability to involvement in armed conflict** was published in October 2007. The report showed that in a context of growing political factionalism, tension and militarization, existing legal protections for children are inadequate. These, along with flaws in the education system have increased children's vulnerability to recruitment and use by armed groups. The report was written to support a national campaign to engage parliamentarians in dialogue on

⁷ The treaty sets 18 as the minimum age for participation in hostilities in national armed forces and prohibits the recruitment or use of any person below the age of 18 years by non-state armed groups.

⁸ A full list is included as Appendix I.

⁹ "Child Soldiers: How to engage in dialogue with non state armed groups," *Realizing the Rights of the Child*, Federal Department of Foreign Affairs, Switzerland, 2007.

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child rights protection and to press the government to ratify the Optional Protocol. The campaign was led by Permanent Peace Movement (PPM), the Coalition's main partner in Lebanon.

- **Returning home – children's perspectives on reintegration** describes the situation of returning child soldiers in the Teso region of eastern Uganda. Abducted by the opposition Lord's Resistance Army (LRA), children interviewed for the survey described difficulties they faced when returning to their home communities. These included bullying, stigma, isolation and problems dealing with their own intrusive thoughts and violent reactions. The children described the positive and negative aspects of programs established to assist their return. The resulting case study was published in February 2008 and the findings will contribute to planning for the reintegration of the estimated 2,000 women and children expected to be released from the LRA in forthcoming months. The report is also available via the psycho-social webpage, circulated to practitioners worldwide.
- Research was carried out in **southern Thailand**, where government forces are fighting separatist insurgent groups. There is evidence that children are recruited by insurgent groups and that indoctrination of children by such groups begins at a young age in schools and in mosques. Children are believed to be used mainly for propaganda purposes and to support armed attacks. Children accused of association with armed groups are among hundreds of people who have been arbitrarily detained by the Thai authorities and some have been the victims of unlawful execution or excessive use of force by Thai security forces. The Coalition will be the first organization to address and document this issue which has thus far escaped international scrutiny. The resulting report will be published in mid-2008 and will be the basis for discussions with the Thai government and other stakeholders on measures to improve protection for children in the southern provinces of Thailand.

The Coalition's website

The website expanded over the year and provides an extensive array of legal and bibliographic resources, and news items. French and Spanish versions of the site are available. All the Coalition's publications can be downloaded from the site, including the 2004 and 2008 editions of the *Child Soldiers Global Report*. More than 400 individuals – predominantly field staff of the UN and humanitarian organizations – have signed up to receive regular Coalition updates from the website. Extensive bibliographies are available on DDR programs and on strategies to address armed groups on human rights and humanitarian issues. News on child soldiers across the world is regularly posted and updated and we have begun to create space for National Coalitions and their member NGOs to post information on their own work and priorities. There were more than four million hits and 250 thousand visits to the website in 2007/8.

Psycho-social webpage

The psycho-social web page serves as a forum for constructive inter and intra-disciplinary dialogue on psycho-social issues relating to children affected by armed conflict. A wide range of practitioners, with differing experience, views and perspectives have provided articles for the page, which is edited and managed by a clinical psychologist. The Coalition's report on the experiences of returning child soldiers in the Teso region of eastern Uganda (see above) was published on the page in early 2008. Other articles included a discussion of the situation of children born in the ranks of the Lord's Resistance Army in Uganda; and a reflection on the debilitating effects of war on family, cultural and social structures, and the need to take account of these when developing psycho-social rehabilitation

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programs for children affected by conflict. Practitioners and NGOs have emphasized the importance of the Coalition's role in creating a neutral forum where controversial and sensitive topics can be discussed.

REGIONAL PROGRAM

Africa - Great Lakes¹⁰

The region continued to be afflicted by human rights violations, displacement and insecurity, infrastructure devastated by war, poverty, poor governance and endemic corruption. Child recruitment and use continued in Burundi, DRC and Uganda and the reintegration of former child soldiers was a major challenge across the region. Under these circumstances national Coalitions of grassroots NGOs in the DRC and Uganda struggled to establish and carry out sustained programs given a lack of material and human resources. Despite the challenges, these organizations showed courage and creativity in their endeavors to stop child soldiering and raise community awareness of the problem. A major achievement in the DRC included pledges by regional military commanders to end child recruitment into their units and to support the work of local NGOs to stop the practice. Several thousand child soldiers were estimated to have been released during the year, as a result of ongoing efforts to end hostilities, settlements with armed groups, and pressure for children to be unconditionally released.

National Coalitions, composed of local NGOs working with and for child soldiers in DRC and Uganda, carried out a wide array of advocacy, public education and capacity building activities. In Uganda, one important initiative was a four-month project with local government officials responsible for initial authorization of applications for enlistment into the army and auxiliary local defence groups. The workshops aimed to build knowledge of legal prohibitions on the recruitment of under-18s. Workshops were held to explore young peoples' motivations for enlisting and to analyse why legal prohibitions on child recruitment were not upheld in practice. The sessions revealed that a number of under-18s had joined up as a means of protection from forced recruitment by the LRA, or because of a lack of educational or economic opportunities. Lack of a functioning birth registration system was a factor facilitating the enlistment of under-18s, and those responsible for registering underage recruits were rarely held responsible for their actions. The Coalition plans to press for the implementation of an effective birth registration system and strengthened accountability for those dealing with recruitment procedures.

Other activities included an investigation into ongoing child recruitment in the Uvira district of the eastern DRC, events on the occasion of the African Day of the Child, and seminars with affected communities to build understanding of children's rights and vulnerabilities and the need to protect them from military recruitment. In Uganda, the national coalition published a leaflet on international and national laws prohibiting the use of child soldiers which was distributed nationwide among NGOs, government authorities and communities in conflict-affected areas. Towards the end of the year preparations were in progress for training sessions on "developing a lobbying and campaign strategy" following requests by numerous national coalition partner organizations in the DRC and Uganda. As in previous years, a consultant served as a regional advisor, providing technical assistance and

¹⁰ The Great Lakes program is partly funded through the Trust and will be described in the Trust report for the same period.

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practical support to national coalitions to support project activities and facilitate more consistent delivery of activities.

Africa - West Africa¹¹

With the signing of peace agreements in the last decade, major wars ended in Sierra Leone, Liberia and, in March 2007, in Cote d'Ivoire. Children remained in the ranks of militias in western areas of Cote d'Ivoire and children were reportedly recruited (but not used) by armed groups operating in Liberia in 2007. The risk of re-recruitment was exacerbated by high rates of youth unemployment and corruption and deficiencies in the implementation of DDR programs. An August 2006 report by the UN Office for West Africa (UNOWA) noted that high levels of unemployment, particularly youth unemployment, across West Africa posed a risk to stability in the region.

Since the inception of the West Africa program in 2006, the Coalition has developed partnerships with national NGOs, primarily in Cote d'Ivoire and Guinea. Program activities were strengthened with the appointment of a regional advisor in May 2007. Work in the region has primarily focused on improving child protection, network building and capacity strengthening. Joint campaigns were held in 2007 to press governments to ratify and implement the Optional Protocol in Cote d'Ivoire and Guinea. These aimed to strengthen child protection frameworks and prevent future child recruitment and use in hostilities. The activities were also intended to build awareness and national debate on these issues. The regional advisor also developed and held training workshops for NGOs on best practices for programs to assist former child soldiers in Guinea, Cote d'Ivoire and the Casamance region of southern Senegal. In Guinea, the regional advisor worked with national NGO *Sabou Guinée* on the project design and research methodology for an investigation into the situation of Guinean children who fought in conflicts across the region and returned to Guinea without reintegration support.

Middle East

Children were involved in the armed conflict in Israel and the Occupied Palestinian Territory (OPT). Hundreds of Palestinian children were detained by the Israeli armed forces and some were tortured while in detention. Children were used by Palestinian armed groups in various ways although the numbers appeared to have decreased in recent years. In Lebanon, child protection frameworks were lacking and children were vulnerable to exploitation by armed groups in a context of heightened political tension and factionalism. To address these problems nationally, the Coalition worked mainly with two partner organizations – Defence for Children International (DCI) in the OPT, and Permanent Peace Movement (PPM) in Lebanon.

In Palestine, efforts focused on lobbying member states of the EU, and EU institutions, to monitor and report on children's involvement in the conflict and to influence parties to the conflict to stop human rights violations against children. Coalition and DCI staff also met numerous EU representatives in Israel. One positive response was the EU's inclusion of the OPT on its priority country list, paving the way for more concerted attention and future action. In Lebanon, the Coalition supported a national campaign for the government to ratify the Optional Protocol - to improve legal protections and to raise national awareness on the need for children to be protected from involvement in the activities of armed groups. The campaign was launched with a national conference in July. The Coalition supported the

¹¹ The West Africa program is partly funded through the Trust and will be described in the Trustees report for the same period.

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production of a documentary on the current use of Lebanese children for military purposes by Hizbollah and in the Palestinian refugee camps in Lebanon.¹²

Southeast Asia¹³

Internal armed conflicts involving government forces and a variety of non-state armed groups continued in three countries in Southeast Asia (Myanmar, Philippines and Thailand) where thousands, possibly tens of thousands, of children were recruited and used by various parties to the conflicts. Children were reportedly used by armed groups in Laos, and in Indonesia children were vulnerable to involvement in communal violence and recruitment by Islamist armed groups. The Coalition's work was led by the Southeast Asia Coalition to Stop the Use of Child Soldiers (Southeast Asia Coalition) and focused primarily on activities to address children's involvement in armed groups, including human rights education initiatives among communities affected by conflict. In the Philippines, the Southeast Asia Coalition continued its engagement with the separatist Moro Islamic Liberation Front (MILF) and the surrounding Bangsamoro community. A workshop was held to train community activists to train others on human rights law, international humanitarian law and child protection.¹⁴ The Southeast Asia Coalition and partner NGO, the Human Rights Education Institute of Burma (HREIB), contributed to dialogue with Myanmar armed opposition groups, which resulted in formal commitments by two of the groups to end the recruitment and use of children.

A workshop on engaging with armed groups through human rights education was held to build on the Southeast Asia Coalition's considerable experience in this area. It was attended by NGOs from Indonesia, Myanmar and the Philippines. An information pack based on the discussions and the participants' practical experience and lessons learned was in preparation at the end of the year, and will be available as a resource for other NGOs working with armed groups.

The Southeast Asia Coalition continued to promote the ratification and implementation of the Optional Protocol in Southeast Asia. A campaign on this topic was ongoing in Indonesia, with the Southeast Asia Coalition supporting national actors through advocacy and technical advice. In the Philippines, the Southeast Asia Coalition together with its national partner, the Philippine Coalition to Protect Children in Armed Conflict, prepared and submitted a report on Optional Protocol implementation to coincide with consideration of the Philippine government's report to the Committee on the Rights of the Child.

Representatives of the Philippine Coalition attended the Committee's pre-session meeting to present the report and provide additional information. Follow-up activities to disseminate the Concluding Observations of the Committee were in progress. A workshop to enhance the capacity of government officials of member states of the Association of Southeast Asian Nations (ASEAN) to implement the Optional Protocol was run by the Southeast Asia Coalition in partnership with the Office of the Presidential Adviser for the Peace Process in the Philippines and the Commission on Human Rights of the Philippines. The workshop was attended by 21 representatives from ministries of social welfare,

¹² Permanent Peace Movement, "Children in Arms," public release scheduled for 2008.

¹³ The Southeast Asia program is partly funded through the Trust and will be described in the Trust report for the same period.

¹⁴ The Bangsamoro community has been at the centre of ongoing conflict since the late 1970s, where the Moro Islamic Liberation Front (MILF) has fought the government for an independent Moro state. Bangsamoro community support for the MILF is strong, and many young people have been recruited as soldiers. A precarious ceasefire is in place and peace talks are ongoing.

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youth and development, national human rights institutions and child protection institutions from Cambodia, Indonesia, Laos, the Philippines, Myanmar, Thailand and Vietnam. The workshop provided a platform for sharing country experiences, identifying obstacles to implementation and produced consensus among participants of the need for ASEAN to establish an effective mechanism to address the problem of children in armed conflict in Southeast Asia.

FINANCIAL REVIEW

Substantial financial support in 2007-08 was obtained from six national governments, and from two grant-making organizations. Steering Committee organizations contributed annual subscriptions of £18,771. These funds were enhanced by small donations from individuals and groups in the United Kingdom and elsewhere. Our thanks go to all those who contributed financially. As anticipated, levels of expenditure increased significantly during the year, as a result of costs incurred for the research and production of the *Child Soldiers Global Report*. The increased costs were met by both additional funds secured from several governments and use of the Coalition's unrestricted working reserves.

It is the Coalition's policy to maintain free reserves (unrestricted reserves not invested in fixed assets or designated for on immediate specific purposes) at a level which can finance at least four months of unrestricted support costs. 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 £12,000 per month in the year under review. Free reserves at 31 March 2008 were £76,510, thereby covering more than four months of expenditure.

A major challenge for the Coalition remains its reliance on grants restricted in time (most government grants are allocated annually) or by activity and purpose. This creates insecurity for staff and difficulties for strategic planning and budgeting. Where possible, an additional £50,000 consolidated working reserves fund is therefore maintained across the Coalition to Stop the Use of Child Soldiers and the Child Soldiers Educational & Research Trust. This fund is intended to bridge any delays in donor funding so that program activities can be maintained as consistently as possible. At 31 March 2008, the Coalition to Stop the Use of Child Soldiers held working reserves of £28,510. Consolidated working reserves for the Coalition to Stop the Use of Child Soldiers and the Child Soldiers Educational & Research Trust totalled £42,313.

The Coalition's current fundraising strategy is directed at securing core funding and developing multi-year funding sources. This had yielded positive results by the end of the year, with two additional multi-year funding contracts secured. Secured grants for the next period include funds to develop tools and resources to evaluate the impact of the Coalition's work.

FUTURE PLANS

Over the next three years we expect to continue a process of managed growth and consolidation of our programme and activities. The detailed research contained in the Global Report, and its main findings, lay out an agenda for the Coalition's future work in pursuit of its strategic objectives. Wide distribution of the Global Report will be accompanied by presentations of its findings and round table discussions with relevant staff from governments, the UN, inter-governmental bodies and child rights organizations. Efforts will be made to engage practitioners working in the broader fields of mediation, peace building, post-conflict recovery and development. The discussions will aim to achieve

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consensus on the need for child soldier issues to be integral to the design and implementation of programs in these areas.

Two multi-year grants have been awarded and will increase our ability to plan strategically and consolidate progress made in recent years, particularly through moving to a longer planning cycle (from annual planning to a three-year cycle). One important aim will be to fully articulate the links between work carried out with local communities, and in the national and international arenas – to ensure that all achieve their full potential to address our common goals. A structured process for planning and evaluation, introduced in 2006, will further aid our efforts to ensure that all our activities have a clear strategic purpose, and measurable objectives. We will continue to strengthen partnerships with national NGOs and to weave their knowledge of local needs and priorities into the fabric of our international strategy.

Funding has been secured for the recruitment of a senior staff member to develop and manage our international program, to include the coordination of thematic and country-based research, and assisting with the development of targeted, country-specific strategies to address child recruitment and use and related issues. A major research project over the next two years will investigate the impact of transitional justice mechanisms – judicial and non-judicial – on the reintegration of child soldiers into civilian life. We will continue to carry out country research and publish occasional papers on child soldier recruitment and use, particularly in situations where the problem has escaped international scrutiny. The plight of girl soldiers, and their subjection to rape and other sexual violence remains a priority, along with pressure for sustained funding and effective reintegration programs for children returning from hostilities.

Evaluating the impact of the Coalition's work at every level has continued to present a challenge, particularly in countries affected by civil conflict, poverty, poor governance, weak state institutions and lack of infrastructure. It is also difficult to assess the specific Coalition contribution to broader initiatives to end child soldiering internationally, nationally and even locally. To effectively measure the impact of advocacy, capacity-building, public education and research activities we will need to focus on the careful development of relevant skills and resources; funding has been awarded to facilitate the achievement of this goal over the next three years. Consultation with child soldiers and their communities will be essential if this is to be meaningfully accomplished

As the child soldiers movement has evolved, so too has our understanding of the challenges and complexities of the responses required – by the international community, by national governments, by NGOs and by local communities. Sophisticated analysis, nuanced thinking and innovative strategies are needed to address the continued involvement of children in hostilities. We must all endeavour to respond to the very real needs of children – those actively involved in armed conflict and those who have returned to civilian life. We hope that the work of the Coalition, both internationally and in partnership with local NGOs, will contribute to this endeavour.

DIRECTORS' REPORT

For the year ended 31 March 2008

ANNEX I

**Coalition to Stop the Use of Child Soldiers
List of publications 2007-08**

All publications are available on www.child-soldiers.org (some are available in French and Spanish, check website).

Child Soldiers Global Report 2008

Returning Home: Children's perspectives on reintegration. A case study of children abducted by the Lord's Resistance Army in Teso, eastern Uganda, February 2008

International Forum on armed groups and the involvement of children in armed conflict. Summary of themes and discussions, August 2007

Lebanon: the vulnerability of children to involvement in armed conflict, October 2007

Democratic Republic of the Congo: Priorities for children associated with armed forces and groups, July 2007

Child recruitment in South Asian conflicts: Bangladesh, April 2007.

Contributions to other publications

Child Labor World Atlas: a reference encyclopaedia

Entries on: Myanmar, Nepal, Sri Lanka

Published by Appalachian State University, Boone, NC, USA

Realizing the Rights of the Child

"Child Soldiering: How to engage in dialogue with non state armed groups"

Human Rights and Policy Division, Federal Department of Foreign Affairs, Switzerland

DIRECTORS' REPORT

For the year ended 31 March 2008

Statement of Directors' Responsibilities

Company and charity law applicable to charities in England and Wales require 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 these 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.

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

Statement of disclosure of information to auditors

We, as the directors of the Company who held office at the date of approval of these financial statements as set out on page 1 each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

DIRECTORS' REPORT

For the year ended 31 March 2008

Auditors

The auditors, Gotham Erskine, have indicated their willingness to accept reappointment under Section 385(2) of the Companies Act 1985.

Small company special provisions

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies act 1985 relating to small companies.

This report was approved by the Directors on **28 JULY 2008** and signed on its behalf, by:



Martin MacPherson

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

We have audited the financial statements of Coalition to Stop the Use of Child Soldiers for the year ended 31 March 2008 which comprise Statement of Financial Activities, (Summary of Income and Expenditure Account), the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the Company's Directors, 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 Directors 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 Directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

The responsibilities of the Directors for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of the Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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. We also report to you whether in our opinion the information given in the Directors' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Annual 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 International Standards on Auditing (UK and Ireland) 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

We planned and performed our audit so as to obtain all 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, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities of the Company's affairs as at 31 March 2008, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Annual Report is consistent with the financial statements.



Gotham Erskine LLP
Chartered Accountants
Friendly House
52 - 58 Tabernacle Street
London

Date: 29 July 2008

COALITION TO STOP THE USE OF CHILD SOLDIERS

STATEMENT OF FINANCIAL ACTIVITIES

**(incorporating Income and Expenditure Account & Statement of Total Realised Gains and Losses)
For the year ended 31 March 2008**

	Unrestricted Funds	Restricted Funds	Total Funds	<i>Total Funds</i>
Note	2008 £	2008 £	2008 £	2007 £
INCOMING RESOURCES				
Incoming resources from generated funds:				
Voluntary income	2 168,592	273,294	441,886	423,376
Activities for generating funds	3 23,757	-	23,757	13,794
Bank interest receivable	4,843	114	4,957	5,061
TOTAL INCOMING RESOURCES	197,192	273,408	470,600	442,231
RESOURCES EXPENDED				
Costs of generating voluntary income	4 48,621	-	48,621	29,820
Costs of charitable activities:				
Subscriptions to related organisations	2,906	-	2,906	2,982
Regional Programmatic Work	33,756	108,327	142,083	154,158
Research and Publication	71,131	168,485	239,616	133,813
Advocacy and Coalition Development	42,624	19,492	62,116	150,008
Governance costs	5 33,195	776	33,971	17,377
TOTAL RESOURCES EXPENDED	232,233	297,080	529,313	488,158
Net resources before transfers	(35,041)	(23,672)	(58,713)	(45,927)
Transfer between funds	(11,643)	11,643	-	-
Net resources after transfer	(46,684)	(12,029)	(58,713)	(45,927)
Taxation	14 (968)	(23)	(991)	(962)
NET MOVEMENT IN FUNDS AFTER TAXATION	(47,652)	(12,052)	(59,704)	(46,889)
TOTAL FUNDS AT 1 APRIL 2007	135,383	14,457	149,840	196,729
TOTAL FUNDS AT 31 MARCH 2008	£ 87,731	£ 2,405	£ 90,136	£ 149,840

The annexed notes form part of these financial statements

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

BALANCE SHEET
As at 31 March 2008

	Notes	£	2008 £	£	2007 £
FIXED ASSETS					
Tangible assets	11		8,656		12,319
CURRENT ASSETS					
Debtors	12	62,969		45,351	
Cash at bank and in hand		75,608		179,545	
		<u>138,577</u>		<u>224,896</u>	
CREDITORS: amounts falling due within one year	13	(57,097)		(87,375)	
NET CURRENT ASSETS			81,480		137,521
NET ASSETS			<u>£ 90,136</u>		<u>£ 149,840</u>
FUNDS					
Restricted funds	16		2,405		14,457
Unrestricted funds:					
Designated funds	16		8,656		12,319
General fund	16		79,075		123,064
			<u>£ 90,136</u>		<u>£ 149,840</u>

The financial statements have been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2007). They were approved and authorised for issue by the Directors on

28 JULY 2008

and signed on their behalf by:-"



MARTIN MACPHERSON

The annexed notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards, the Charities SORP (Statement of Recommended Practice: "Accounting and Reporting by Charities (revised February 2005)"), the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective January 2007).

The effects of events relating to the year ended 31 March 2008 which occurred before the date of approval of the financial statements by the Directors has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 March 2008 and the results for the year ended on that date.

Company status

Coalition to Stop the Use of Child Soldiers is a company limited by guarantee. 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.

Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

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, except as follows:

- When donors specify that voluntary income is given to the company that must be used in a future accounting period, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that voluntary income is for a particular restricted purpose this income is included in incoming resources of restricted funds when receivable.

COALITION TO STOP THE USE OF CHILD SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

Resources Expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Support costs, which cannot be directly attributed to particular activities, have been apportioned proportionately to the direct staff time allocated to the activities. Governance costs include the costs of servicing Trustees' meetings, audit and strategic planning.

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 and other equipment - 25% reducing balance

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income and expenditure account.

Pensions

The Company operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

2. VOLUNTARY INCOME

	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Total Funds 2008 £	<i>Total Funds 2007 £</i>
Swedish Government	145,826	-	145,826	149,208
Irish Government	-	47,299	47,299	30,368
Norwegian Government	-	89,477	89,477	52,186
Canadian Government	-	50,640	50,640	389
French Government	-	27,488	27,488	26,569
Open Society Institute	-	18,943	18,943	-
Swiss Government	16,368	21,201	37,569	29,287
Luxembourg Government	-	16,850	16,850	-
Dutch Government	-	-	-	93,736
Belgium Government	-	-	-	40,918
Other donations	6,398	1,396	7,794	715
	£ 168,592	£ 273,294	£ 441,886	£ 423,376

COALITION TO STOP THE USE OF CHILD SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

3. INCOMING RESOURCES FROM OPERATING ACTIVITIES

	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Total Funds 2008 £	<i>Total Funds 2007 £</i>
Membership subscriptions	18,771	-	18,771	12,323
Sale of publications	51	-	51	1,292
	<u>£ 23,757</u>	<u>£ Nil</u>	<u>£ 23,757</u>	<u>£ 13,794</u>

4. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Total Funds 2008 £	<i>Total Funds 2007 £</i>
Staff costs	31,205	-	31,205	15,358
Direct costs	1,059	-	1,059	1,657
Allocation of support costs	16,357	-	16,357	12,805
	<u>£ 48,621</u>	<u>£ Nil</u>	<u>£ 48,621</u>	<u>£ 29,820</u>

5. GOVERNANCE COSTS

	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Total Funds 2008 £	<i>Total Funds 2007 £</i>
Staff costs	15,287	-	15,287	2,720
Legal	5,658	-	5,658	3,959
Audit fees payable to auditors	3,500	-	3,500	6,463
Other fees payable to auditors	313	600	913	750
Steering meeting committee expenses	425	-	425	765
Travel costs	-	-	-	453
Allocation of support costs	8,012	176	8,188	2,267
	<u>£ 33,195</u>	<u>£ 776</u>	<u>£ 33,971</u>	<u>£ 17,377</u>

COALITION TO STOP THE USE OF CHILD SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

6. RESOURCES EXPENDED

	Staff costs £	Direct costs £	Support costs £	Total 2008 £	Total 2007 £
Regional Programmatic Work	44,814	73,264	24,005	142,083	154,158
Advocacy and Coalition Development	26,958	20,718	14,440	62,116	150,008
Research and Publication	115,595	62,100	61,921	239,616	133,813
Subscriptions to related organisations	-	2,906	-	2,906	2,982
Total charitable expenditure	187,367	158,988	100,366	446,721	440,961
Governance costs	15,287	10,496	8,188	33,971	17,377
Costs of generating voluntary income	31,205	1,059	16,357	48,621	29,820
Support costs	31,086	93,825	(124,911)	-	-
	<u>£ 264,945</u>	<u>£ 264,368</u>	<u>£ Nil</u>	<u>£ 529,313</u>	<u>£ 488,158</u>

7. SUPPORT COSTS

	2008 £	2007 £
Staff costs	31,086	55,923
Premises costs	30,759	19,375
Office costs	50,464	38,296
Finance and legal costs	10,174	4,557
Depreciation	2,428	3,769
	<u>£ 124,911</u>	<u>£ 121,920</u>

8. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:	2008 £	2007 £
Depreciation of tangible fixed assets	2,428	3,769
Auditors' remuneration - statutory audit	3,500	6,463
Auditors' remuneration - other	913	750
	<u>913</u>	<u>750</u>

9. STAFF NUMBERS AND COSTS

	2008 £	2007 £
Salaries	306,970	240,220
Social security costs	32,927	23,706
Pension	6,282	4,409
Salaries recharged to the Trust	(81,234)	(80,607)
	<u>£ 264,945</u>	<u>£ 187,728</u>

COALITION TO STOP THE USE OF CHILD SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

The average weekly number of employees, calculated as full time equivalents, during the period was:

	Number	<i>Number</i>
Director	1	1
Office and Finance Staff	3	3
Programme Managers	5	4
	<u>9</u>	<u>8</u>

No employee received remuneration of more than £60,000.

10. DIRECTORS

During the year, no Directors received any remuneration (2007 - £NIL). None of the Directors received reimbursement of expenses (2007 - £NIL).

11. TANGIBLE FIXED ASSETS

	Computers and other equipment £
Cost	
At 1 April 2007	21,536
Additions	1,833
Disposals	<u>(5,551)</u>
At 31 March 2008	<u>£ 17,818</u>
Depreciation	
At 1 April 2007	9,217
Charge for the year	2,317
On disposals	<u>(2,372)</u>
At 31 March 2008	<u>£ 9,162</u>
Net book value	
At 31 March 2008	<u>£ 8,656</u>
At 31 March 2007	<u>£ 12,319</u>

12. DEBTORS

	2008	<i>2007</i>
Due within one year	£	£
Trade debtors	7,000	297
Amounts owing from Child Soldiers Coalition Educational and Research Trust	30,738	-
Grants receivable	6,875	36,862
Prepayments	18,356	3,151
Other debtors	-	5,041
	<u>£ 62,969</u>	<u>£ 45,351</u>

COALITION TO STOP THE USE OF CHILD SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2008	2007
	£	£
Trade creditors	32,772	18,607
Amounts owing to Child Soldiers Coalition Educational and Research Trust	-	18,384
Corporation tax	991	962
Social security and other taxes	9,706	7,379
Other creditors	2,404	10,620
Accruals and subscriptions in advance	11,224	14,573
Deferred grant income	-	16,850
	£ 57,097	£ 87,375

	2008	2007
	£	£
<u>Deferred income</u>		
Balance at 1 April 2007	16,850	-
Amount released to incoming resources	(16,850)	-
Amount deferred in the year	-	16,850
Balance at 31 March 2008	£ Nil	£ 16,850

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. TAXATION	2008	2007
	£	£
Corporation Tax	£ 991	£ 962

The Company is not a charity but the directors consider there to be no liability to tax on grant funded activities as they are not in the nature of a trade. Bank interest receivable is taxable at an effective rate of 20%. (2007 - 19%).

15. PENSION COMMITMENTS

The Company does not operate any pension scheme for its employees but does administer contributions to a stakeholder pension scheme. Contributions payable during the year amounted to £6,282 (2007 - £4,409). At the balance sheet date there were outstanding contributions of £783 (2007 - £NIL).

COALITION TO STOP THE USE OF CHILD SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

16. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and tax £	Carried Forward £
DESIGNATED FUNDS					
Fixed Assets Fund	£ 12,319	£ Nil	£ Nil	£ (3,663)	£ 8,656

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.

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and tax £	Carried Forward £
RESTRICTED FUNDS					
Multi-project grant	-	89,477	(87,357)	-	2,120
Production of 2008 Global Report	-	142,277	(142,277)	-	-
Regional Capacity-building for Advocacy	14,457	41,654	(67,446)	11,620	285
	<u>£ 14,457</u>	<u>£ 273,408</u>	<u>£ (297,080)</u>	<u>£ 11,620</u>	<u>£ 2,405</u>

- The multi-project government grants was provided by the Norwegian Royal Ministry of Foreign Affairs to support the production of the 2008 Global Report and the regional programme in South East Asia, the Great Lakes region of Africa, and West Africa.

- Grants were received from various governmental organisations for the production of the 2008 Global Report.

- The Regional Capacity-building for advocacy project is strengthening the advocacy skills of partners in Latin America, Great Lakes region of Africa, Southeast Asia and the Middle East.

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and tax £	Carried Forward £
SUMMARY OF FUNDS					
Designated Funds	12,319	-	-	(3,663)	8,656
General Funds	123,064	197,192	(232,233)	(8,948)	79,075
	<u>135,383</u>	<u>197,192</u>	<u>(232,233)</u>	<u>(12,611)</u>	<u>87,731</u>
Restricted Funds	14,457	273,408	(297,080)	11,620	2,405
	<u>£ 149,840</u>	<u>£ 470,600</u>	<u>£ (529,313)</u>	<u>£ (991)</u>	<u>£ 90,136</u>

COALITION TO STOP THE USE OF CHILD SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2008

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds			Total Funds 2008 £	Total Funds 2007 £
	Designated Funds 2008 £	General Funds 2008 £	Restricted Funds 2008 £		
Tangible fixed assets	8,656	-	-	8,656	12,319
Net current assets	-	79,075	2,405	81,480	137,521
	<u>£ 8,656</u>	<u>£ 79,075</u>	<u>£ 2,405</u>	<u>£ 90,136</u>	<u>£ 149,840</u>

18. RELATED PARTIES - POST BALANCE SHEET EVENTS

The 'Coalition to Stop the Use of Child Soldiers' works closely with the 'Child Soldiers Coalition Educational and Research Trust Ltd' a charitable company (registered number - 4458380). Martin Macpherson is a director of both companies. There were payments made in the year totalling £116,160 (2007 - £98,218) in respect of costs incurred on Trust's projects and recharged salary and overhead costs. The Trust also incurred costs of £14,988 (2007 - £38,958) on behalf of the Coalition. Grant income was received in the year by the Coalition on behalf of the Trust totalling £51,579 (2007 - £75,870). At the year end the Trust owed the Coalition £30,738 (2007 - Coalition owed the Trust - £18,385). The directors consider that the charges were made on an 'at arms length basis'.

All the directors are employed by organisations that are members of the Steering Committee of the Coalition. These organisations paid subscriptions of £9,377 (2007 - £6,280) in the year.

The Coalition paid member organisations for various services in the year totalling £3,013 (2007 - £20,948).

On the 1 April 2008 the Coalition merged with the Child Soldiers Coalition Educational Research Trust. The Trust took over the assets and liabilities of the Coalition. At that date the charity changed its name to the 'Coalition to Stop the Use of Child Soldiers' and this company changed its name to 'Stop Child Soldiers'. In the forthcoming year once the merger has taken place this company will be wound up.

Coalition to Stop the Use of Child Soldiers
Income and Expenditure Analysis
For the year from 1 April 2007 to 31 March 2008
(For management information only)

	£	2008 £	£	2007 £
Income				
Grants and donations				
Dutch Government	-		93,736	
Irish Government	47,299		30,368	
Norwegian Government	89,477		52,186	
Canadian Government	50,640		389	
French Government	27,488		26,569	
Belgian Government	-		40,918	
Swiss Government	37,569		29,287	
Luxembourg Government	16,850		-	
Swedish Government	145,826		149,208	
Open Society Institute	18,943		-	
Other donations	7,794		715	
		441,886		423,376
Other income				
Membership subscriptions	18,771		12,323	
Sale of publications	51		1,292	
Cash at bank (interest receivable)	4,957		5,061	
Sundry income	4,935		179	
		28,714		18,855
		£ 470,600		£ 442,231

Coalition to Stop the Use of Child Soldiers
Income and Expenditure Analysis
For the year from 1 April 2007 to 31 March 2008
(For management information only)

	£	2008 £	£	2007 £
Expenditure				
Staff Costs				
Wages and Salaries	225,736		159,613	
Employers NI	32,927		23,706	
Pension	6,282		4,409	
Consultants	-		675	
Recruitment	3,025		12,140	
Other Staff costs	<u>3,528</u>		<u>1,613</u>	
		271,498		202,156
Direct Project Costs				
Regional Programmatic Work	73,264		83,678	
Research and publications	62,100		54,498	
Advocacy and development	20,718		64,800	
Subscriptions to support related organisations	<u>2,906</u>		<u>2,982</u>	
		158,988		205,958
Administration Costs				
Premises costs	30,759		19,375	
Office costs	49,569		42,255	
Fundraising	1,059		1,657	
Finance and legal costs	10,174		4,557	
Audit fees payable to auditors	3,500		6,463	
Other fees payable to auditors	913		750	
Steering committee meeting expenses	425		1,218	
Depreciation	<u>2,428</u>		<u>3,769</u>	
		98,827		80,044
		<u>£ 529,313</u>		<u>£ 488,158</u>