

Company Registration Number: 03963000
Charity Number: 1084243

THE TOYBOX CHARITY

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018



TOYBOX
Changing the world
for street children

**WE DO NOT EXIST FOR
OURSELVES; WE EXIST
TO HELP CHILDREN
MARGINALISED AND
ABUSED BY THOSE
WHO SHOULD BE
PROTECTING THEM.**



TOYBOX
Changing the world
for street children

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LETTER FROM THE CHAIR

This year has been an exciting one for Toybox as we have worked alongside over 75,000 beneficiaries in six countries excluding our Action for Street Kids (ASK) partners. We continue to focus on preventing children being forced onto a life on the streets, we continue to support children who are living and/or working on the streets and we continue to work with children who want to leave the streets behind, to either go home or start a new life elsewhere.

We have successfully grown the organisation through our merger with Action for Street Kids (ASK) which has been an exciting venture, with thanks to the ASK Trustees and staff for making this a smooth process with the ultimate aim always focussed on how best to serve street children.

As well as increasing our fund-raised income which allows us to support more children we have also worked very hard to reduce our expenditure within the UK without having a detrimental impact on the programmes we deliver internationally. The focus we have to be a stronger, more effective Toybox has seen a reduction in our UK costs of over 3% this year. As part of reviewing our efficiencies we looked at our Customer Relationship Management system and decided to invest in a new database which would ensure a more cost effective and customer focussed delivery for the Toybox supporters. We are delighted to say we successfully migrated all of our supporters' data over to the new system and the project ran on time and under budget.

However we have also faced our challenges over the year; external challenges including the concerns associated with Brexit and the fluctuating international currencies; and the internal challenges including our lack of success in receiving grants from institutional bodies. But we have faced each challenge head on and worked carefully to deliver solutions which will have most impact on changing the lives of street children.

By God's grace we have had a good year, and I would like to take this opportunity to thank all our amazing donors, philanthropists, volunteers, supporters, suppliers and staff. I would also like to acknowledge the tremendous effort of all our partners in the consistent and considered support they offer street children around the world.

I hope you enjoy reading this report as much as we enjoyed writing it!

Yours sincerely

Ian R Gray
Chair, Toybox Board

Report of the Trustees of The Toybox Charity for the year ended 31 March 2018

The Trustees are pleased to present their annual report and audited Financial Statements for the year ended 31 March 2018. The Trustees' report also contains the information required in a strategic report.

OUR CHARITABLE OBJECTIVES, ACTIVITIES AND APPROACHES

We do not exist for ourselves; we exist to help children marginalised and abused by those who should be protecting them.

Meet Edith

When Edith* was six, her father died. It was from this point that life for Edith really started to change, as her mother began physically and emotionally mistreating her. For a long time, Edith shut down and just tolerated the abuse, while trying her hardest to protect her younger brother. When Edith was ten, her mother had her new partner come and live with the family. For a short while the children's situation seemed to improve, but it was not long before the terrible violence and verbal abuse towards them continued - and became even worse.

After her father's death, home was no longer a place of calm or safety for Edith. She began taking the long route home from school to minimise the amount of time she would have to spend there. On her way home one afternoon, Edith met two teenage girls in the park who were getting high on glue, they told her that sniffing the glue would make her feel better and forget her problems.

When Edith got home later that afternoon, her mother smelled the glue and beat her even more viciously than usual. Edith screamed at her mother, berating her for all the abuse she had inflicted and ran from the house.

Edith returned to the park where she had met the two girls and they introduced her to "Aunty", who they said would help her earn some money to survive. Aunty was in fact a drug dealer who sold glue in the local area. She invited Edith into her home, gave her food, drink and a bed for the night. For the first time in years, Edith finally felt safe. However, the following morning, Aunty said that she would have to repay her for the hospitality. >

*Names of the children have been changed to protect their identities.





On her explanation that she had nothing Edith was told that she could repay her debt by selling glue. Soon Auntie started to threaten Edith as she had not been able to make enough money through selling glue. In desperation, Edith began looking for other ways to repay her debt and had seen some of the older girls earning money as commercial sex workers. Left with no alternative, Edith started selling her ten year old body too.

After nearly two years of living in this way Edith made the decision to go home. When her mother realised how she had been earning money, she offered Edith her own bedroom in the house so that she could contribute to the household income from her sex work. It was at this point outreach workers from Toybox's partner became aware of Edith's situation and started working with her and her mother to create a safer environment at home. Through the counselling she received, Edith's mother began to understand she was sexually exploiting her own her young daughter and soon after Edith stopped working. The outreach workers also supported Edith through the process of gaining her birth certificate. This vital and life changing piece of documentation meant that Edith

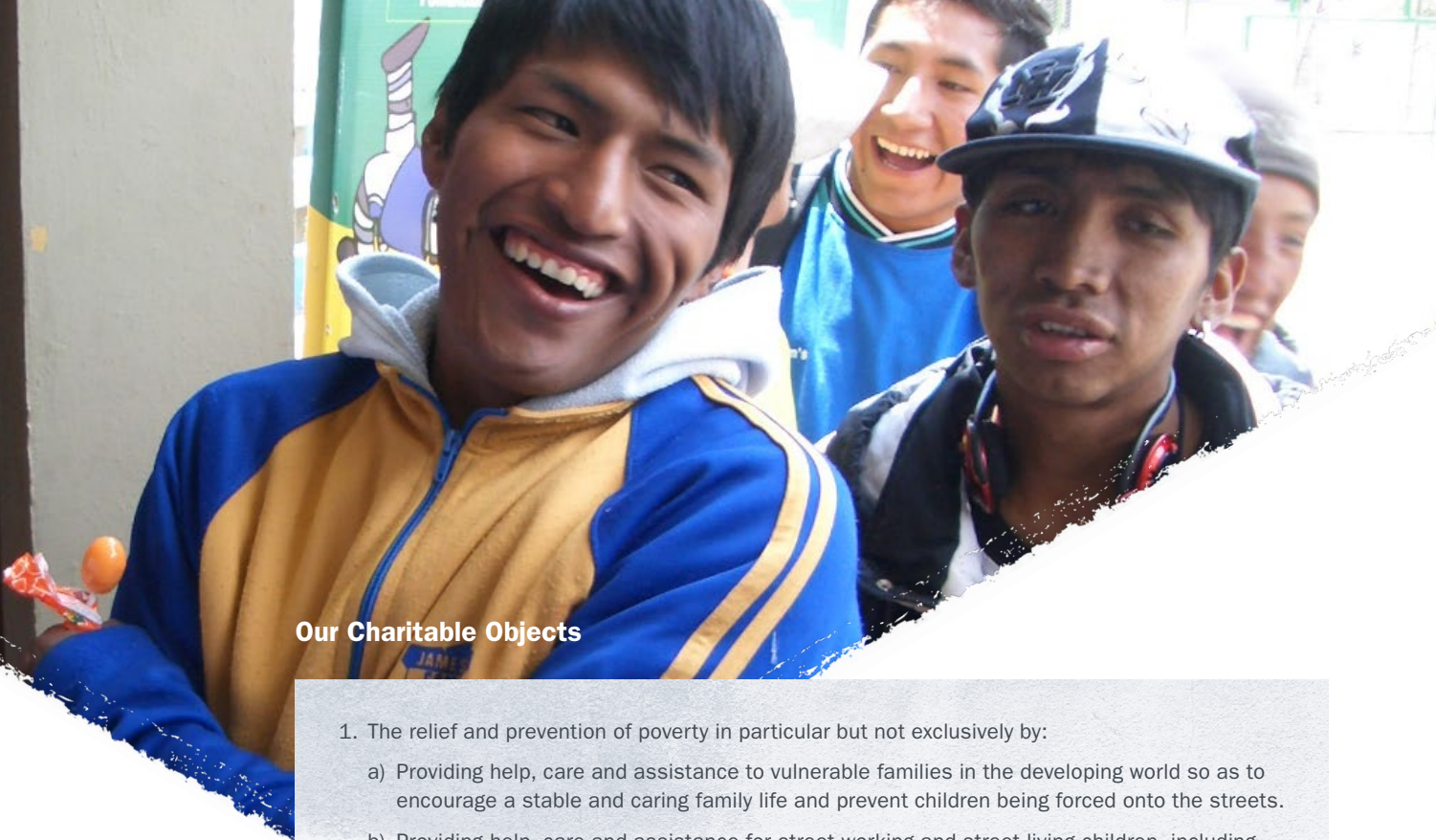
was then able to go to the doctors and receive the treatment she needed for the sexually transmitted infections she had caught through working on the streets. For a number of months, things really started to improve for the family and relationships grew stronger. Edith was determined to go back to school and she would regularly attend life skills workshops. However after a subsequent period of instability at home, Edith left again and returned to her life on the streets, where she is still currently living. Fortunately our dedicated street outreach team continue to work closely alongside her on a daily basis, offering her support, guidance and a listening ear. She also attends the project's craft workshops which are focussed on teaching street children a vocational skill to help them earn money. One of the project's outreach workers told us; "Edith has been learning to make earrings and necklaces, though she is struggling with this as her coordination and fine motor skills are impaired by her high consumption of glue. Her aspirations are currently focussed on her day to day survival, getting money to buy food and accommodation."

Our core purpose today remains consistent with the reason Toybox was created over a quarter of a century ago. Toybox started its work in Guatemala City in 1992, and we are still there today, working with children who have been plunged into the chaos of living or working on the streets. We are committed to ending the global injustice of children living and working on city streets.

Our vision
is of a just world
with no street
children

Our core value
is **Courageous** –
to do the right thing,
to speak the truth
against injustice and
to be unafraid to try
new ideas

Our mission
is to end the
injustice of children
living and working
on the streets



Our Charitable Objects

1. The relief and prevention of poverty in particular but not exclusively by:
 - a) Providing help, care and assistance to vulnerable families in the developing world so as to encourage a stable and caring family life and prevent children being forced onto the streets.
 - b) Providing help, care and assistance for street working and street living children, including access to education and healthcare.
2. The promotion of the human rights of children, as set out in the United Nations Convention on the Rights of the Child, by any means the Trustees in their absolute discretion choose and in particular by raising awareness as to the needs of street living and working children, and advocacy as to how those needs can best be met.
3. The advancement of education of the public in particular but not exclusively by:
 - a) Educating the public about the nature, causes and effects of poverty and of life on the streets and how appropriate help can be provided or improved.
 - b) Conducting and procuring research concerning the same and disseminating the useful results to the public.
4. The advancement of the Christian faith in particular but not exclusively by:
 - a) Promoting the active engagement of the Christian church in the provision of help, care and assistance to vulnerable families, and street working and living children, as well as in the promotion of their rights.
 - b) Being witnesses of God's love through our dedication to our mission, absolute integrity and unprejudiced compassion, working with all people irrespective of race, gender, colour, age or religious belief.

In setting our programmes each year we have regard to both the Charity Commission's general guidance on public benefit and prevention and relief of poverty for the public benefit. The Trustees always ensure the programmes we undertake are in line with our charitable objects and aims. All of our charitable activities are directed towards and motivated by, our desire to help street children and their communities and are undertaken to further our charitable purposes for the public benefit.

What Toybox is all about

We exist to support street children, globally; in doing this our work is divided into three categories:

Prevention: Preventing children from becoming street-connected.

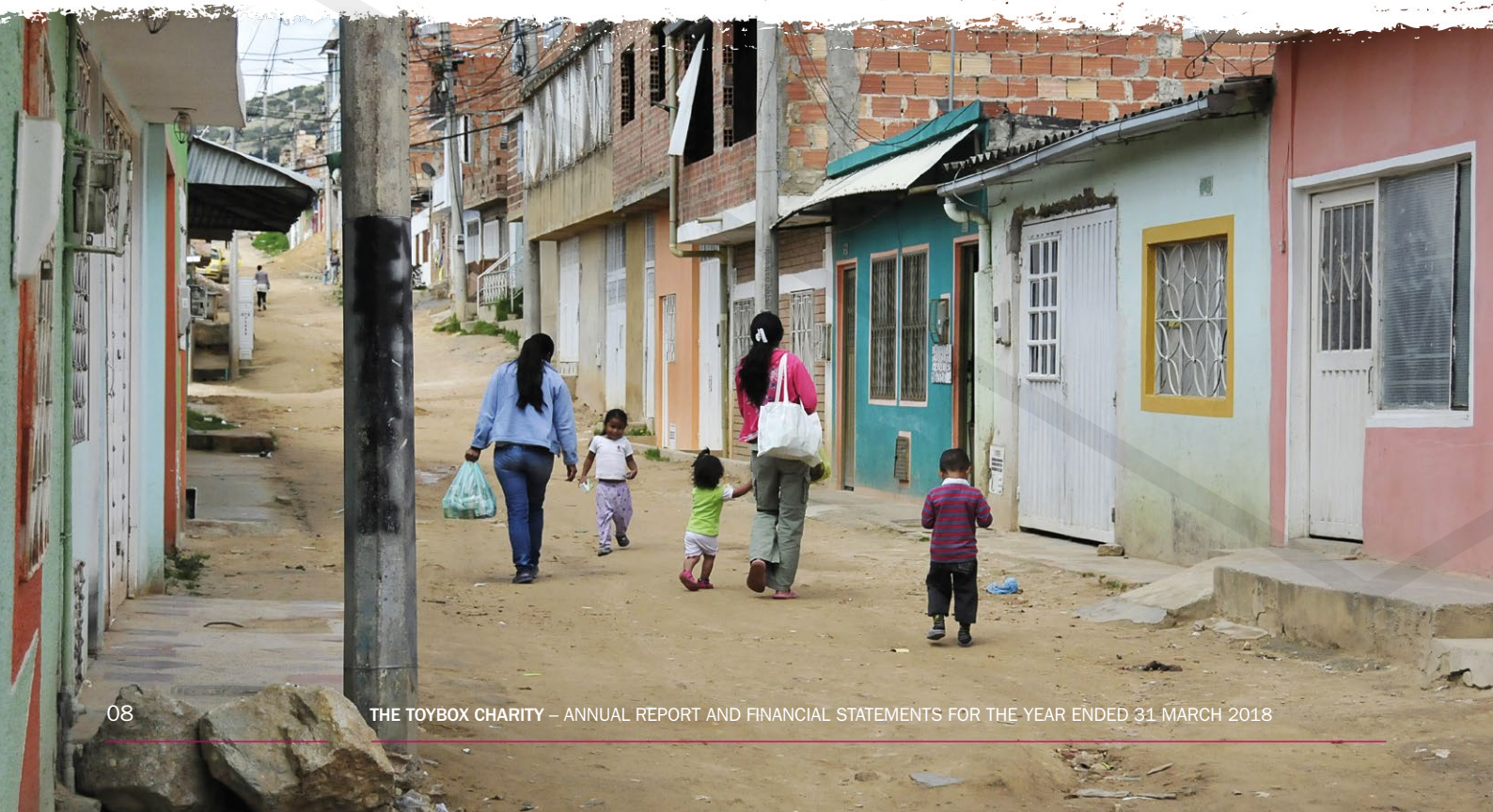
Toybox's prevention work seeks to stop children and young people from becoming increasingly street-connected or living on the streets. This includes awareness-raising not only with the children, but also with their parents and the wider community so that they understand the dangers that a life on the street can mean. It also includes helping young people and their parents with income generation as well as supporting access to education in order to reduce the need for children to be working on the streets to supplement family income. Our Birth Registration projects are also a significant part of our prevention work as without this vital identity document, children cannot progress in school and can therefore end up spending a significant amount of time on the streets.

Intervention: Intervening to support children who are living on the street.

Intervention support is necessary when children and young people are already spending the majority of their time on the streets. Support given is often to meet immediate basic needs and includes the emergency provision of food, clothing and medical treatment. It can also involve helping provide times of fun and relaxation as well as working towards building self-esteem in the children. Our programmes are also working with relevant authorities and state services to get them to be a support to the children rather than ignoring or abusing them.

Restoration: Supporting children and families, if and when, children can return home or move into residential care.

For lasting change Toybox supports the reintegration of children and young people, if appropriate, by reuniting families, if the children have been separated from them. These programmes are helping children to re-enter school or access vocational training to support them to access safe employment in the future. Restoration programming also requires time spent working with parents and families to help them practice supportive approaches as well as assistance with income generating activities so they do not require their children to work to supplement family income.



Additional supporting approaches which are mainstreamed across all our programmes

Strengthening local child protection systems

This involves improving the way that child protection issues are viewed and addressed within the communities and also by the local authorities. By strengthening these systems, children who have been abused are more likely to report an incident knowing they will be listened to, taken seriously and protected from further abuse.

Addressing multiple child exploitation and discrimination issues

A child spending significant time on the street often faces several challenges at once. This could be related to domestic abuse, child labour, sexual exploitation and/or other forms of discrimination in school or with public services. Therefore project outreach workers engage with each child, supporting them around the different areas of abuse or discrimination which they are facing.

Participation and inclusion

Toybox works in a way that children and young people do not just attend activities but instead actively participate and help guide, or even lead many of the activities. An example of this work in Peru is through children being supported to actively participate in local government annual budget planning meetings. As a result of this attendance the local government of Ate Municipality agreed to include activities in the budget which will specifically benefit street-connected children.

Influencing and advocacy

To change a practice or policy in a country requires the need to advocate or influence decision-makers. In Kenya, together with our partner PKL, Toybox brought together decision-makers in Nairobi to explore the child protection issues children face and the support systems they can access. The group identified areas for improvement, then developed and created an action plan for a new consortium. PKL currently lead this newly established Nairobi Street-Connected Children and Youth Consortium. In addition to this, Toybox captured the issues facing street-connected children in Nairobi and developed a report to share with UK Government officials; you can find this report here: www.toybox.org.uk/waysofcoping

OUR PARTNERS AND PROGRAMMES

At Toybox we believe local organisations are best placed to find the most appropriate solutions to prevent children from becoming street-connected. Locally-led development increases the effectiveness, legitimacy and cost effectiveness of our engagement with street children.

Toybox has significant experience, skills and resources which can help build impactful partnerships and in addition to these we monitor and provide training activities whilst enabling capacity building with our partners. This joint working helps our partners to respond more effectively and efficiently whilst growing as an organisation in their own right. For example we have run sessions on Adaptive Programming and Security Training for all project staff which means that projects are now taking an ongoing learning approach which deepens impact and relationships with the community as well as improving staff and community security. During this year we asked our partners for their honest feedback and suggestions of how our partnership with them could be improved. We took their answers seriously and have been planning and implementing their recommendations.

During the year we supported the following partners and their projects:

GUATEMALA
VIVA GUATEMALA;
ASOCIACION
NACIONAL
CONTRA EL
MALTRATO
INFANTIL
(CONACMI)

PERU
ASOCIACION
AGAPE

EL SALVADOR
VIVA
EL SALVADOR

BOLIVIA
FUNDACION
ALALAY

KENYA
PENDEKEZO LETU (PKL)

**NEPAL, SIERRA LEONE,
UGANDA, RWANDA,
ZIMBABWE, EGYPT & KENYA**
ASK PARTNERS

INDIA
CHILDHOOD
ENHANCEMENT
THROUGH TRAINING
AND ACTION (CHETNA)

Communities and beneficiaries

For a project to have impact it is important the beneficiaries and communities are involved through all stages of the project. In Kenya it was great to have members of the community, including children and young people involved in the annual review, saying what they felt had worked and what they recommended for the year ahead. We also had beneficiary stakeholders involved in two of our new project designs in Guatemala.

Other organisations and networks

Toybox believes that in order for us to have a significant impact on improving the lives of street children, it is vital that different organisations and agencies work together. As a result during this past year Toybox was a member of BOND, Keeping Children Safe and the Consortium for Street Children.

Furthermore, a Toybox team member and three of our partners from Latin America, Asia and Africa led sessions during the International Summit on the Legal Rights of Street Children and Youth run by the American Bar Association in Brazil. This has led to the drafting of international guidance for governments to use when applying child rights for street-connected children (via the UN General Comment 21).

How do we know we are making a difference?

Summary of Impact FY18: Below are a sample of some of the activities and ways that children and communities have been impacted:



Beneficiary numbers for the year

During the year Toybox worked with the following numbers of children and adults across these countries through our programmes, reaching a total of 75,367 people. To ensure the maximum impact for each child we work with, we also engage with their parents, carers, teachers and the wider community they live within. This ensures consistent, long-term changes and thus we have included the figures of adult beneficiaries in table below.

* **Direct Beneficiaries** are those who participate and directly benefit from the projects' activities.

** **Indirect Beneficiaries** are those who benefit indirectly from the services provided by the projects to the direct beneficiaries, such as family members and their wider communities.

Country	Direct Beneficiaries*		Indirect Beneficiaries**		Total Beneficiaries
	Children	Adults	Children	Adults	
Bolivia	397	314	1,025	5,350	7,086
El Salvador	4,931	2,241	4,734	5,167	17,073
Guatemala	6,757	1,228	6,610	3,445	18,040
India	611	1,027	6,723	5,630	13,991
Kenya	1,233	1,359	7,654	6,796	17,042
Peru	340	185	1,004	606	2,135
TOTAL	14,269	6,354	27,750	26,994	75,367

REACHING OUT TO A TOTAL OF **75,367** PEOPLE ACROSS THE GLOBE

GUATEMALA

Total Beneficiaries
Children – 13,397
Adults – 4,673

EL SALVADOR

Total Beneficiaries
Children – 9,665
Adults – 7,408

PERU

Total Beneficiaries
Children – 1,344
Adults – 791

BOLIVIA

Total Beneficiaries
Children – 1,422
Adults – 5,664

INDIA

Total Beneficiaries
Children – 7,334
Adults – 6,657

KENYA

Total Beneficiaries
Children – 8,887
Adults – 8,155



Toybox is committed to collecting robust evidence on effectiveness and impact to help us make informed decisions on programming. Toybox has done this by piloting new approaches as well as strengthening its Theory of Change and monitoring and evaluation systems.

Theory of Change and Adaptive Programming

Toybox takes an Adaptive Programming Approach. This means when designing a project a Theory of Change is developed based on information from the communities, local stakeholders and implementing partner staff with the theory being tested and learnings captured. As the project progresses, Toybox encourages the Theory of Change to be updated and improved based on the learnings and programmes' response to complex and changing urban contexts.

Monitoring and evaluation

Our implementing partners collect baseline data at the beginning of a project, with strong monitoring throughout its life to see progresses made. Beneficiary numbers are tracked, reviews held and case studies gathered. The larger projects have evaluations where impact and sustainability are considered as well as progress and effectiveness. All of this evidence is retained and used to improve the programme plan and implementation. During this year Toybox strengthened its Project Cycle Management processes which have now been trialled with our partners who have all reported these were a welcome improvement.

Pilot programming

Toybox is keen to try new approaches and pilot them to see the impact. Generally an approach is piloted for a year or two. Then the learnings are considered and, if successful, the approach is picked up in one or more of the main projects. An example of this is the piloting of an approach to work with children in conflict with the law. This has proved successful and the learnings have now been considered in programming carried out in Kenya with our partner PKL.

Ways in which our programming has had impact

Prevention

Awareness-raising with communities on the dangers of being street-connected and ways to prevent this is an important part of prevention work in many of our projects. In Nairobi, Toybox has been supporting the development and running of child rights clubs. During the year 60 peer educators (30 boys and 30 girls) were trained on child rights, protection and positive behaviour and they have gone on to run seven child rights clubs in their schools which meet regularly to talk about their rights and responsibilities. As well as reaching out to others in the schools the children have addressed their wider communities, sharing how each child has rights including to education and well-being. The clubs also follow up with the parents to help them understand the benefit of education and to either enrol their children or, if already enrolled, to ensure they remain attending school and so to reduce the time children spend on the street.

A name, a nationality and citizenship is every child's right and is enshrined in the Convention on the Rights of the Child. The lack of official birth registration is a key reason why children cannot access education and health services and young people and their parents cannot access safe employment. This reinforces the cycle of poverty which results in children and families living or spending a lot of time of the street. According to UNICEF the births of around three million children under the age of five in Latin America and the Caribbean have never been recorded (Birth Registration In Latin America And The Caribbean: Closing the Gaps, 2016, UNICEF). Toybox is supporting birth registration work in Bolivia, El Salvador and Guatemala and over the year across these three countries Toybox has helped 1,577 people get their birth certificates and become official citizens.

A NAME, A NATIONALITY AND CITIZENSHIP IS EVERY CHILD'S RIGHT AND IS ENSHRINED IN THE CONVENTION ON THE RIGHTS OF THE CHILD. IN NAIROBI, TOYBOX HAS BEEN SUPPORTING THE DEVELOPMENT AND RUNNING OF CHILD RIGHTS CLUBS.

**CHILDREN IN STREET SITUATIONS ARE AT GREATER RISK OF EXPERIENCING EXPLOITATION AND VIOLENCE EVERY DAY...
CHILDREN WHO EXPERIENCE VIOLENCE AND ABUSE AT HOME AND IN SCHOOL ARE AT GREATER RISK OF EXPLOITATION THROUGH MODERN SLAVERY AND STREET-CONNECTEDNESS...**



Intervention

Some children and young people still live with their families but spend significant amounts of time on the streets – working, socialising or just passing time. Being on the streets can open them to risk of abuse from other children and adults physically, sexually and psychologically. The hardship of the street often makes the taking of drugs and alcohol attractive in order to numb the pain. This in turn results in dependency and further abuse as well as robbing them of their self-confidence, good health and child-development. Toybox, along with its partners works in several ways to offer support to these children which often includes meeting immediate needs such as the provision of food, clothing and medication.

Toybox is mainly focused on development work but sometimes a disaster happens and emergency response is required. In March 2017 there was a fire in a girls' residential home in Guatemala City and all children (from babies to teenagers) had to be moved to temporary accommodation. Whilst neither the original home nor the temporary accommodation were supported by (Toybox or) our partner, they were drafted in to support the emergency response due to their skills and expertise in supporting vulnerable, at-risk children. Toybox provided funds for emergency supplies of food, nappies and clothing so that residents of the home, including 50 infants, could continue to be cared for well during this difficult time.

Intervention work involves reaching out to street children and engaging them in times to share their experiences and feelings as well as fun times to be involved in sport, games or craft. As these children and young people face abuse and discrimination from adults around them, the programmes include elements of working with the police and local authorities to help protect them. In Nairobi, Toybox has been supporting a project paralegal staff member to locate children and young people who have been arrested and provide legal representation which otherwise they would not have. Over this last year the project has also worked with local police and children's courts, engaging them around appropriate ways to deal with children on the streets.

Restoration

Many of the children and young people living on or connected to the streets want to change their situation. Toybox has been working with its partners to help them achieve this. For those children that are living apart from their parents, the programmes have been helping find their parents and working with the full family establishing if and how the child can return home. For others, the reintegration required is to access school and this has involved working with the parents to help them see the benefit of education as well as working with teachers and school management committees so that the schools can be open to street children joining the schools as well as understanding the support they need to provide for them based on their experiences. Throughout this last year Toybox has helped a total of 539 children to enrol in school or non-formal education or to stay in school.

For young people, being on the streets not only is dangerous in terms of the likelihood of being recruited into gangs but also they are not well prepared to enter formal, safe employment. Toybox has been supporting a youth employment facilitation programme which helps young people get training in a skill as well as knowing how to engage with employers and colleagues in order to get and then retain a job. The programmes have also helped build life skills and leadership skills to enable these young people to move forward with confidence. In Huayacán, Peru, street children had little hope and their parents were often violent with poor parenting skills causing the children to spend time away from home. Toybox has been supporting a project in this community and over the project 368 parents and tutors are now showing more supportive attitudes to children including improvement in how they engaged with the children both physically and emotionally.

Key lessons learned in this year and how we will improve moving forward

Holding annual reviews with representatives of the community and beneficiaries.

This helps to hear their voices and suggestions so we can continually look at how we can achieve the greatest impact. We will apply this learning to other projects as suitable.

Adaptive Management

Having quality programme designs is key but also having the ability to review the design and test assumptions and then adjust plans as required allows the project teams to be open to learning and continual improvement. We will use the Toybox project design and monitoring tool and encourage the updating of these tools regularly based on learnings and feedback.

Applying good practice approaches

Many of the projects are applying good practices but there is room for these to be further strengthened. For example youth employment models could be used more to strengthen our work with young people in order to access quality employment. Or peer to peer methodologies could be used more to increase the number of street children that we are reaching with messages on good life skills.

Beneficiary counting

Improving the way in which we count beneficiaries will capture more accurately the number of street-connected children and families that we are reaching.

Monitoring and reporting capacity

Strengthening the capacity of our partners to monitor indicators and bring about change.

Engaging more with UK and international decision-makers

We will be working to strengthen our engagement work with decision-makers such as the UK Government and authorities in the countries we operate in. This will allow us to have a stronger voice to influence policy and practice in ways that then provide an improved environment for street children.

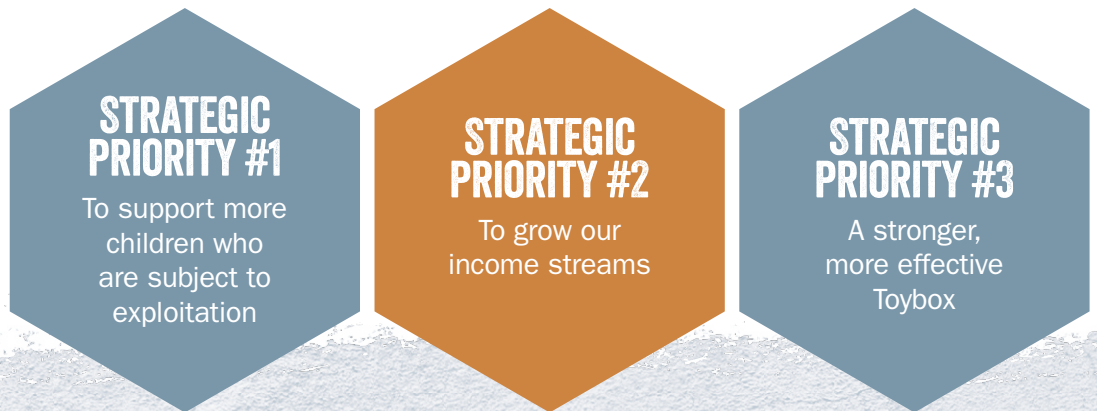
REVIEWING LAST YEAR

What we said we would do and did we achieve it?

No year working with street children and raising the funds to do so is easy. We had a year where raising income continued to be a challenge, regulation continued to become more complex and robust, yet more children needed our support.

A key highlight for the year was the successful merger with Action for Street Kids (ASK). During the year we worked with all ASK partners and successfully mainstreamed all ASK supporters into the appropriate Toybox systems.

Our key strategic priorities for the last financial year were:



STRATEGIC PRIORITY

#1

To support more children who are subject to exploitation

To expand our geographic reach to include two new countries, this would mean we are working in seven countries across three continents by 31 March 2018.

✓ **YES** – By March 2018 we were working in six countries across three continents including: Guatemala, El Salvador, Bolivia, Peru, Kenya, and India. Additionally we worked with seven ASK Partners in: Nepal, Sierra Leone, Uganda, Rwanda, Zimbabwe, Egypt and Kenya.

To support over 12,000 exploited children by 31 March 2018.

✓ **YES** – This year we directly supported over 14,200 children.

To publish three Advocacy and Policy Papers and extend our network of policy influencers.

✗ **NO** – This year we published one advocacy report on the situation of street-connected children in Kenya. However, we have extended our network of policy influencers as this report was shared widely and was well received, including by the UK Government.

To pilot at least one accountability feedback mechanism by which children can give feedback on a project and how well it is being implemented.

✓ **YES** – We implemented an event to receive feedback from children and community members in Nairobi on the progress and implementation of one of the projects. This approach needs to be applied on a regular basis now.

STRATEGIC
PRIORITY

#2

To grow
our income
streams

To grow total income by 7% by 31 March 2018.

✓ **OH SO CLOSE!** – Total income grew by 6.5%.

To submit proposals with two new institutional funders.

✓ **YES** – submissions were made to three institutional funders but unfortunately none were successful.

To secure a growth rate of 2% for the Regular Giving programmes by 31 March 2018.

✓ **YES** – Our growth rate for this financial year was a healthy 5%, including the new Action for Street Kids supporters.

To ensure we only have an attrition rate of our Regular Givers of less than 3%.

✓ **YES** – Our attrition rate was a rather good 2.3%.

To ensure the percentage of complaints received against the active database is less than 1%.

✓ **YES** – We are pleased to say that we did not receive any formal complaints during this year.

To test our products on Direct Response TV by 31 January 2018.

✗ **NO** – we decided this channel was too expensive. We advertised online instead and built a successful pilot which we will build on in the next year.

To diversify the Toybox supporter demographic, testing channels and products throughout the year.

✓ **YES** – We worked with our Creative agencies to deliver our campaigns to reach new audiences with our Christmas Appeal through advertising in publications (in print and online) and through social channels online.

To improve our Philanthropic Giving application success rates with existing donors to 55%

✓ **YES** – We finished the year with a success rate of 59% with current donors.

To merge with an organisation with similar values and thematic focus, allowing us to impact more children, and make cost saving efficiencies.

✓ **YES** – Hurrah, thanks to the Action for Street Kids Board of Trustees, staff and supporters this was successful.

To launch a refreshed website by 1 September 2017.

✓ **YES** – The new website (www.toybox.org.uk) was successfully launched on 1 September 2017 and within budget.

To review, tender for and implement a new supporter database by 31 March 2018.

✓ **YES** – Our new system was fully operational by 1 February 2018 – ahead of the deadline and below budget.

To ensure reserves of no less than 90 days by 31 March 2018.

✗ **NO** – this year reserves were at 140 days by 31 March 2018.

To ensure staff turnover of less than 12% for the year.

✗ **CLOSE** – Staff turnover was 14% for the year.

To continually review our office location and environment and make small improvements.

✓ **YES** – We are currently in negotiations to relocate our office to allow us to continue to reduce our UK costs even more this year. From FY17 to FY18 we reduced our UK overheads by 3% even after taking into consideration the costs incurred in completing the merger with Action for Street Kids.

STRATEGIC
PRIORITY

#3

A stronger,
more
effective
Toybox

In addition to the targets mentioned above we undertook the activities listed below which had a substantial positive impact on Toybox:

1. A full governance review was undertaken, benchmarking the Charity Commission's best practice guidelines against Toybox's current practices. We were delighted that 90% of all activities were already in place and a plan of action is currently in implementation to ensure all guidelines are fully met.
2. The organisation has been working since late 2016 to ensure that all of our Data Protection practices are in line with the General Data Protection Regulation (GDPR) and the Data Protection Act 2018. Our journey towards compliance has seen us undertake various activities from data mapping to updating all relevant policies and reviewing all practices.
3. We continue to follow all new guidance from the Fundraising Regulator to ensure that we are respectful, open, honest and accountable to the general public from whom we fundraise.

Our business as usual

So many of the day to day tasks we undertake to run Toybox are excellently delivered but we just see them as normal, here is a snapshot of some of the things that we consider to be normal:

- A quick income report produced on the first working day of the month.
- Monthly Income and Expenditure statements produced by the tenth working day of each month.
- We have a rolling review programme for our Board and Management Policies.
- Each quarter we have a week of team learning sessions and meetings which include a review of the previous quarter, organisational training days, innovation days and annual days of prayer and restoration.
- We have a two year rolling programme for a financial review of all our partners.
- Our supporters are thanked for their donations within two working days.
- We carry out an annual survey of staff satisfaction.
- Quarterly narrative and Financial Reports are received for each project with progress and learnings discussed with each partner.
- Visits to partners and projects are carried out, with the aim of facilitating discussion on quality and learning of the projects.
- Organisational development for all of our partners either via Toybox directly running training or by funding provided for partners to use in-country consultants to build their own capacity.
- We have a continuous improvement cycle in place for our communications with our supporters to ensure we are providing robust feedback about how their donations are making a difference.
- In-bound communications from our supporters are responded to within two working days.
- Submit funding proposals to new and existing philanthropic donors.
- Undertake two annual appeals to current and prospective supporters.
- Mail three supporter magazines each year to highlight work that is being undertaken by our partners.

PLANS AND ASPIRATIONS FOR THE FINANCIAL YEAR ENDING 31 MARCH 2019

In December 2016 the Toybox Board signed off a new strategic plan which will take us to March 2020. Below are our three strategic priorities for this period and the goals for each we will be working to achieve:

STRATEGIC PRIORITY #1

To support more children who are subject to exploitation

- To support 38,755 direct and indirect beneficiaries by 31 March 2019
- To be working in seven countries with nine partners
- Promote accountability feedback approaches with at least five partners
- Fully integrate a new partner from Nepal and appropriate due diligence completed by 31 March 2019

STRATEGIC PRIORITY #2

To grow our income streams

- To grow total income by 5% by 31 March 2019
- To secure institutional funding of £80,000
- Achieve a Regular Giving growth rate of 3%
- Ensure the Regular Giving attrition rate does not exceed 3%
- Ensure we do not receive a complaints rate of above 2% of active supporters
- Increase of 18% in Philanthropic Giving donations

STRATEGIC PRIORITY #3

A stronger, more effective Toybox

- Office relocation, to reduce costs, by 1 August 2018
- Staff turnover of less than 25% by 31 March 2019
- Full review of IT provider and strategy by 1 December 2018
- To continue exploring new merger and acquisition opportunities completing at least one due diligence exercise by 31 March 2019
- Number of restricted reserves days of 90
- To complete the final aspects of our governance review by the end of the financial year
- Strengthen partners on their safeguarding policy and procedures

OUR FUNDRAISING

Toybox raises £4 for every £1 we spend on fundraising activities.

At Toybox we want the money our supporters entrust to us to have the widest and deepest impact it possibly can. In order to do this we sometimes take the decision to buy in professional fundraising services when we recognise that our in-house Marketing and Fundraising team has a knowledge or skills gap.

We work with some brilliant agencies and have spent time with each of them developing strong and strategic partnerships which enable us to buy-in the specific skills for just the time we require them. We believe that by employing a specialist agency we are maximising our opportunities to raise the most money we can whilst striving towards our ultimate aim which sees us always working to reach and change the lives of more street children.

During the year we used the following agencies for the projects listed:

Agency	Project(s)	Service provided
Beanwave	Street Life magazine	Creative
Bell Fundraising	Make a Difference and Together for Change Consortium Payroll Giving activities	Donor Recruitment
Creatiscope	Street Light Magazine	Creative
Data Processing Company	Action for Street Kids (ASK) data migration	Data Management
Different Kettle	Spring Appeal, Christmas Appeal	Creative, Production Management
DM Focus	Spring Inserts, Street Light and Street Life magazines, ASK migration and mailing, Christmas Inserts, Christmas Appeal, Spring Appeal	Data Management, Media buying
Payroll Giving In Action	Payroll Giving promotional activity	Donor Recruitment
Propack	Street Light Magazine, ASK mailing	Print, Fulfilment
RNB	Child Ambassador update mailing	Print, Fulfilment
Snap	Spring Inserts	Print, Fulfilment
Videobeat	Online advertising	Creative, Media production, Media buying
Vir2/RSM2000	Text fundraising	Inbound text donation processing

Toybox is registered with the Fundraising Regulator and have worked hard to ensure that we are delivering fundraising practices and activities that are compliant with the Code of Fundraising practice.

Bell Fundraising and Payroll Giving in Action were the only agencies who carried out fundraising on our behalf during the year. The project leads working with both of these agencies were in regular communication with the account managers to ensure that all is working as it should. Both of these agencies work within the Fundraising Regulator's Code of Fundraising Practice and we have not received any complaints regarding their work on our behalf.

We believe that fundraising should be a positive experience for all, whether an individual is an existing donor or potential supporter. We recognise it is inevitable that our fundraisers will come into contact with people who may be vulnerable, or need additional support to make an informed decision about making a donation to us. With all of the fundraising activities we undertake ourselves and those that are operated on our behalf by the agencies listed above we work hard to ensure that we conduct our fundraising under the four principles set out by the Institute of Fundraising's Treating Donors Fairly: Respect; Fairness; Responsive; and Accountable. For more information about how we take reasonable and appropriate steps to ensure we treat all supporters with dignity please visit our website: www.toybox.org.uk/policies.

In preparation for the enforcement of the General Data Protection Regulations and Data Protection Act 2018 on 25th May 2018 Team Toybox worked tirelessly to ensure that all appropriate actions, updates to policies and procedures were undertaken and in place. For more information on our Data Protection Policy and Privacy Policy please visit our website: www.toybox.org.uk/policies.

Within this year Toybox had a team of six Marketing and Fundraising professionals, working to raise funds from the UK general public and the philanthropic community. Members of our International Development team also worked to raise funds from Institutional Donors. During the year we did not receive any complaints about specific fundraising activities.



FINANCIAL REVIEW

Income

Total income for the year was £1,681,719, an increase of 6.5% compared to the previous year (2017: £1,578,348). Voluntary income, excluding institutional grants and legacies, increased during the year by 11% to £1,630,491 (2017: £1,473,077). There was a decrease in institutional grant income of £66,116.

The income from regular giving decreased this year: Best Friends income decreased by £21,533 (9%) and income from Child Ambassadors decreased by £27,545 (6%); however income from our non-specific regular giving increased by £105,352 (346%). Philanthropic Income increased by £105,352 (47%) this year.

Investment income decreased this year from £5,110 to £3,918 due to continuing low interest rates. There was a currency loss of £2,630 (2017: £374 gain) due to the timing of purchases of US dollars.

We strive to use our resources for generating income in the most cost effective and productive way possible. Our fundraising activities are limited to: event fundraising, online advertising and Direct Mail activities, including inserts in publications. In addition we send appeals to engage with our current supporters.

Expenditure

Total resources expended during the year were £1,649,321 (2017: £1,695,349). Charitable expenditure decreased this year by 6.3% from £1,302,703 to £1,220,496, and comprised 74% of total expenditure.

Grants to partners totalled £648,338 for the year. Monitoring and evaluation costs of £239,763 comprised all international and UK support costs including staff costs and travel.

UK costs decreased by 3% from the previous financial year.

This year £428,825 was spent on raising funds, an increase of £36,179 compared to last year, due to the decision by the Trustees to invest in the merger with Action for Street Kids.

Expenditure continues to be closely controlled, and efficient and effective use of our resources is pursued in every area of our work.

Reserves

Regular giving provides income stability which allows the charity to commit to existing and new projects and make long-term decisions to help more street children. The reserves provide a cushion in the event of shortfalls in income compared to the budget so that projects can be planned and approved within the project planning cycle. The reserves policy is reviewed annually by the Finance and Audit Committee and was most recently reviewed in May 2018.

The level of reserves required is based on budgeted expenditure for the financial year, with the aim being for reserves to be three months expenditure, plus an amount to cover any contingency or risk identified in section 2 above. In this respect a provision for a possible decline in income of £100k or 5%, plus a provision for a fall in value of the GB Pound against the US Dollar of £50k or 5%, is made.

At 31 March 2018 general unrestricted reserves, excluding fixed assets was £605,591 and equivalent to 4 months expenditure (2017: £601,957 or 4 months).

In March 2014 the Trustees designated £150,000 of the unrestricted reserves to be for the development of overseas work with partners. At the beginning of this period, £54,702 remained. During the year £9,560 was spent to develop work with new partners and the remaining funds of £45,142 were returned to reserves.

Restricted reserves represent income which has been received to fund specific projects and the balance therefore needs to be carried forward to be expended by projects this financial year. At 31 March 2018 restricted reserves amounted to £21,673 (2017: £25,611).

At 31 March 2018 the total funds of the charity amounted to £728,408 (2017: £696,010). Therefore, the Trustees are of the view that the Charity is a going concern because it continues to be able to meet its obligations as they fall due.

Merger with Action for Street Kids

Toybox merged with Action for Street Kids in May 2017 and this financial year has seen the full integration of all partners, projects and supporters into Toybox systems. We have been delighted at how engaged Action for Street Kids supporters have been and the ease of the transition. In year one, we expected the merger to contribute a deficit of just over a £1,000 for all activities including payments to partners; in the end we received donations of almost £12,000 more than we forecast and spent £15,000 less than we had planned whilst honouring all the commitments we made to partners for their programming.

Investment Policy

The aim in investing funds is to provide a maximum income return, whilst ensuring that there is appropriate liquidity to cover both operational costs as timing requires and other reserves as determined by the Reserves Policy.

Our investment policy is to adopt a prudent approach with regard to the investments held and to accept lower rates of returns to reduce the level of speculative risk. As a result the investment practice is to invest in bank or building society deposits on terms to match the timing of returns to meet the needs of the charity. Toybox does not have a bespoke ethical policy but where practically possible Toybox will make investments covered by an ethical policy of the bank with which investments are held.

Risk Management

The Trustees have considered the major risks to which the charity is exposed and have reviewed those risks, establishing systems and procedures to manage major risks.

The positive risk management strategy adopted by the Trustees comprises:

- Quarterly review of the major risks of the charity, the overall risk map, movement in risks, actions taken and an updated risk map presented and discussed at each Trustee meeting;
- Ongoing systems and procedures to mitigate major risks identified;
- Implementation of procedures designed to minimise any potential impact on the charity should these risks materialise.



This strategy of positive risk management identifies significant risks, along with the probability of such risks occurring, the likely level of impact, together with mitigating action. Particular attention is given to those risks having the potential to have the greatest impact on the charity such as safeguarding, reputation, finance, funding, international partnerships and health and safety. Procedures to mitigate other identified significant risks are implemented covering areas such as staff retention, erosion of values, mission drift, key relationships and efficiency. Significant opportunities and threats are discussed in more detail at the Trustee meetings. Outcomes of these discussions feed into the strategic and operations plans.

During the year we monitored and identified risks in the areas of Strategy, Governance, Management, Regulatory Issues, Global and Charity Sector and Significant Projects that are under way. The principal risks that were identified included:

Risk	Strategy for managing this risk
Political and economic uncertainty, including dialogue around Brexit.	Constant monitoring and evaluation and the assessment of likely risks and implications.
Fluctuation in international currencies values.	We entered into participations schemes to ensure we could fulfil our obligations to partners, particularly those we remit to in US\$.
Media reporting around safeguarding concerns in the Third Sector.	Full audit to ensure all safeguarding issues had been dealt with appropriately – they had. Review of plans for the next financial year to ensure safeguarding is central to our engagement with partners.
New General Data Protection Regulation (GDPR).	We have been working on our GDPR preparedness plan for the last two years and will continue to comply with all relevant regulations.
Assurance framework in respect of partnership working.	Continuing to develop agreements with partners and implement a system of project transition from prototype to pilot to mainstream.
Staff turnover of 14% this financial year.	As a small team, staff turnover can result in challenges; this year this has been managed by reviewing the use of suppliers in outsourcing some tasks.

Safeguarding incidents

During the financial year no safeguarding incidents occurred at Toybox in the UK, nor were any incidents reported from international partners.

Issues relating to safeguarding are always reported to the Board, through the quarterly Organisational KPI Dashboard and the International Department report which highlights the compliance status of our partner organisations. During the year all Toybox staff and Trustees received safeguarding training and were made aware of the Toybox Safeguarding Policy and Code of Conduct. All partners also have signed the Toybox policy and Code of Conduct.

Prevention and detection of fraud

Toybox has a zero-tolerance approach to fraud of any type, in any circumstance, whether perpetrated by staff, volunteers, contractors or partners. We are determined to prevent it and where this is not possible to detect and investigate such acts. Fraud of any size will be taken seriously.

Toybox expects that its Trustees, staff and volunteers will have the highest standards of honesty at all times. Fraud prevention and detection is the responsibility of everybody in Toybox; staff, volunteers and management. Processes may be devised to prevent and detect many frauds but the commitment and dedication of staff and volunteers is a vital ingredient to improve protection.

Some of the measures we take to prevent fraud include identifying the risks to which operations, locations and assets are exposed and developing adequate controls and ensuring effective compliance with these controls, these include:

- thorough recruitment procedures
- physical security of assets
- clear organisation of responsibilities and reporting lines
- adequate staffing levels
- supervision and counter checking
- separation of duties
- random spot checks by managers
- complete and secure audit trails
- performance monitoring by management
- budgetary and other Financial Reports
- reviews by independent bodies such as the annual audit

As we work with partner organisations we have additional control systems to detect and prevent fraud, such as:

- ensuring a thorough, documented Partner Assessment is undertaken prior to engagement to assess the Partner's control environment;
- ensuring relevant Toybox policies are shared and understood by partner staff;
- ensuring reporting requirements are effectively communicated to partner staff, including the type of documents expected to support all reports;
- ensuring a signed Partnership Agreement supports all work with partners and;
- ensuring Financial Reports received from partners are thoroughly reviewed, fully supported and compared to the approved budget prior to sending the next tranche of funds.

It is the responsibility of all staff to report suspected, actual or attempted fraud. All reported instances of actual, attempted or suspected fraud are investigated and appropriate action taken. Control weaknesses identified as a result of reported instances will be addressed with immediate effect to prevent future similar occurrences.

We are pleased to report that in the last financial year there were no fraudulent activities suspected or reported.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Toybox Charity is a registered charity and charitable company limited by guarantee governed by its Memorandum and Articles of Association dated 29 March 2000 as amended by special resolution dated 6 December 2000 and further on 28 June 2010 which sets out the objects and powers.

Directors and Trustees

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and on the date the report was approved were:

Mr D Lowbridge	<i>Chair, resigned 27.09.17</i>
Mr I Gray	<i>Chair, appointed 27.09.17</i>
Mr A de Sousa Caires	<i>Treasurer, resigned 12.06.18</i>
Ms N Battle	
Mr F Caicedo	
Mrs G Derham	
Mr F Goss	
Mrs J Hytner	
Mr S Shrouder	<i>Resigned 05.12.17</i>
Ms J Watson	

Appointment of Trustees, Induction and Training

The recruitment process for a new Trustees is as follows: after an open recruitment process, selected candidates are interviewed by the Board nominated Recruitment Panel; if successful at this stage they are then invited to observe a Board meeting and at this meeting the candidate will or will not be approved by the full Board.

When appointed new Trustees are provided with an information pack containing copies of all the governing documents, annual report, strategic plan, core documents and other supporting papers. Each new Trustee receives a full induction programme and spends time in the UK office meeting staff and gaining a detailed understanding of each department. After initial attendance at Trustee meetings, new Trustees may undertake an international awareness visit. Training is made available as required and can include providing suitable publications, in-house updates and external events.

Trustee and Committee Meetings

The Trustees met four times during the year to make strategic and policy decisions. The CEO and members of the Leadership Team attended these meetings but held no voting powers. The CEO reports to and is appointed by the Trustees to manage the day-to-day operations of the charity. There is also a Finance and Audit Committee which met four times during the year.

All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in Note 5 to the accounts. Trustees are required to disclose all relevant interests and register them with the CEO and in accordance with the charity's policy withdraw from decisions where a conflict of interest arises. One third of Trustees are required to retire and if appropriate, seek reappointment annually.

At each Board meeting the Trustees receive quarterly management accounts, a Key Performance Indicator (KPI) Dashboard and an Organisational Risk Report in order to determine the strategic direction of the charity.

Board Evaluation and Diversity Monitoring

Evaluation

The Trustees complete an annual skills audit every financial year. Additionally, they completed an annual Board survey which is undertaken anonymously and disseminated to the full Board for discussion. In the next year we will complete reviews of the effectiveness of the Chair of Trustees and the Treasurer.

Diversity

The Board has agreed to complete an annual diversity audit and this will be reported on in all future Annual Reports and Financial Statements.

Reported conflicts of interest

During this Financial Year no Trustee conflict of interest was reported.

Governance and Board due diligence

In September 2017 the CEO presented a governance review to the Board comparing Toybox's governance practices with the latest guidelines released by the Charity Commission in June 2017; the Charity Governance Code. The Board reviewed this document and agreed to a three point action plan to implement over the next 12 months to ensure Toybox is compliant with every aspect of the Charity Governance Code. In addition to this work the Board continues to embrace all current regulations ensuring best practice and a high functioning Board.

During the year Trustees attendance at Board and Sub-Committee meetings was as follows:

Trustees	Board meetings	Sub-committee meetings
Mr D Lowbridge	2	1
Mr I Gray	1	-
Mr A de Sousa Caires	4	4
Ms N Battle	3	1
Mr F Caicedo	3	-
Mrs G Derham	4	-
Mr F Goss	4	-
Mrs J Hytner	3	-
Mr S Shrouder	1	-
Ms J Watson	3	-

Leadership Team

The Chief Executive Officer (CEO) is responsible for the day to day operation of the charity and managing the staff of the charity on behalf of the Trustees. The CEO heads the Leadership Team, the staff team who deliver the strategy and programmes of Toybox. The Leadership Team comprises of:

Lynne Morris	CEO
Graeme Everist	Director of Finance and Resources (from 19th April 2018)
Naomi Lewis	Director of Marketing and Fundraising
Al Richardson	Director of International Programmes
Caroline Taylor	Director of Finance and Support Services (until 30th April 2018)

The salaries of Leadership Teams in the Third Sector are constantly under scrutiny. At Toybox we strive to employ dedicated professionals whilst ensuring a pay structure which is fair, equitable and reflects the mission and values of the organisation. For this Financial Year, the ratio between the highest paid employee and the median FTE salary was 2.02 (2017: 2.34); our aim is to keep this ratio below three.

We do not want a situation where the Leadership Team are paid vastly different from the other team members; salary information for the Leadership Team is shown in Note 5 to the accounts.

Salaries are reviewed annually and any increase is based on the cost of living increase over the last 12 months and will give consideration to the Consumer Price Index movement for the previous year to 31 December. This salary increase applies to every member of staff and is determined by the Trustees.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of The Toybox Charity for the purposes of company law) are responsible for preparing the Trustees' report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare Financial Statements for each Financial Year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees:

- are aware there is no relevant audit information of which the charitable company's auditors are unaware and;
- have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

**BEING ON THE STREETS CAN OPEN CHILDREN AND YOUNG PEOPLE
TO RISK OF ABUSE FROM OTHER CHILDREN AND ADULTS
PHYSICALLY, SEXUALLY AND PSYCHOLOGICALLY...THE HARDSHIP OF THE STREET
OFTEN MAKES THE TAKING OF DRUGS AND ALCOHOL
ATTRACTIVE IN ORDER TO NUMB THE PAIN.**



REFERENCE AND ADMINISTRATIVE DETAILS

Charity number 1084243

Company number 03963000

Registered Office and Principal Address Challenge House, Sherwood Drive, Bletchley, Milton Keynes, Buckinghamshire MK3 6DP
Telephone: 01908 360050
Email: info@toybox.org
Website: www.toybox.org.uk

Auditors Kingston Smith LLP, 4 Victoria Square, St Albans, AL1 3TF

Bankers Co-operative Bank, 10 Warwick Lane, London, EC4M 7BP

Solicitors Franklins LLP, 8 Castellan Street, Northampton NN1 1JX

Approved by the Board of Trustees on 11 September 2018 and signed on its behalf by:



Mr I R Gray, Chair of Trustees

Date: Tuesday 11th September 2018

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE TOYBOX CHARITY

Opinion

We have audited the Financial Statements of The Toybox Charity for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, Cashflow Statement and notes to the Financial Statements, including a summary of significant accounting policies. The Financial Reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of Financial Statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the Financial Statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' annual report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the Financial Statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page XX, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statements

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

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

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

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Silvia Vitiello
Senior Statutory Auditor

Date:

For and on behalf of
Kingston Smith LLP, Statutory Auditors
4 Victoria Square
St Albans
AL1 3TF

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an income and expenditure account)

Year Ended 31 March 2018

	Notes	Unrestricted Funds £	Restricted Funds £	2018 Total £	Unrestricted Funds £	Restricted Funds £	2017 Total £
Income from:							
Donations and legacies	2	1,393,775	284,026	1,677,801	1,219,421	353,817	1,573,238
Investments	3	3,918	-	3,918	5,110	-	5,110
Total income		1,397,693	284,026	1,681,719	1,224,531	353,817	1,578,348
Expenditure on:							
Raising funds		428,825	-	428,825	392,646	-	392,646
Charitable activities		485,901	734,595	1,220,496	525,745	776,958	1,302,703
Total expenditure	4	914,726	734,595	1,649,321	918,391	776,958	1,695,349
Net income/(expenditure) for the year	6	482,967	(450,569)	32,398	306,140	(423,141)	(117,001)
Transfers between funds		(446,631)	446,631	-	(364,019)	364,019	-
Net movement in funds		36,336	(3,938)	32,398	(57,879)	(59,122)	(117,001)
Funds at 1 April		670,399	25,611	696,010	728,278	84,733	813,011
Funds at 31 March		706,735	21,673	728,408	670,399	25,611	696,010

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

Movements in funds are disclosed in note 13 to the accounts.

The notes on pages 37 to 45 form part of these accounts.

BALANCE SHEET AS AT 31 MARCH 2018

Company Number: 03963000

	Notes	2018 £	2017 £
Fixed Assets			
Intangible assets	9	27,652	-
Tangible assets	10	23,492	13,740
		51,144	13,740
Current Assets			
Debtors	11	159,870	145,550
Short term deposits		308,461	442,307
Cash at bank		251,799	138,827
		720,130	726,684
Creditors: amounts falling due within one year	12	(42,866)	(44,414)
Net Current Assets		677,264	682,270
Net Assets		728,408	696,010
Funds			
Unrestricted:			
General		656,735	615,697
Designated		50,000	54,702
Restricted		21,673	25,611
TOTAL FUNDS	13	728,408	696,010

The accounts were approved by the Board of Trustees on 11 September 2018 and were signed on their behalf by:



Mr I R Gray, Chair of Trustees.

The notes on pages 37 to 45 form part of these accounts.

STATEMENT OF CASH FLOWS

Year Ended 31 March 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Net cash used in operating activities	7	(24,902)	(269,268)
Cash flows from investing activities			
Purchase of intangible assets		(32,684)	-
Purchase of tangible fixed assets		(19,486)	-
Bank interest received		3,918	5,110
Net cash used in investing activities		(48,252)	5,110
Change in cash and cash equivalents in the year			
Cash and cash equivalents at the beginning of the year		379,854	644,012
Cash and cash equivalents at the end of the year	8	356,504	379,854

NOTES TO THE ACCOUNTS

1. Accounting Policies

a) Basis of preparation

The charity is a company limited by guarantee and has no share capital. The liability of each Trustee in the event of winding up is limited to £10. The total number of members at 31 March 2018 was eight (2017:8).

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Public benefit entity

The Toybox Charity meets the definition of a public benefit entity under FRS 102.

c) Going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

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

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

f) Volunteer services and gifts in kind

No amounts are included in the accounts for services donated by volunteers. The charity received £2,000 worth of training and £400 of consultancy through gifts in kind during the year.

g) Resources expended

Expenditure is recognised when there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Overseas grant payments were recognised when a constructive obligation arose which resulted in the payment being unavoidable. Grants to partners may be remitted before the start of the period to which they relate in order to assist partners with their cash flow, and accordingly have been treated as a prepayment at the year end. Should the grant conditions not be met, the payment could be refundable.

Certain expenditure is directly attributable to specific activities and has been allocated to those cost categories. Certain other costs and some staff costs are attributable to more than one activity. In these cases the costs have been apportioned to the other individual activities on the basis of the time spent by staff on those activities.

Support costs represent the costs incurred by UK based staff directly providing support to charitable activities including governance, management, technical and prayer support.

h) Fund accounting

Restricted funds are those which are to be used for particular purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received for charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees to be used for the development of international projects, marketing investment and organisational development.

i) Intangible assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Goodwill and database 5 years straight line

j) Tangible fixed assets

All fixed assets acquired for more than £5,000 are capitalised. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Furniture and fittings 10% per annum straight line

Equipment 25% per annum straight line

k) Debtors

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

m) Foreign currencies

Foreign currency transactions are recorded at the exchange rate achieved when the foreign currency was purchased. In order to minimise the risk from buying foreign currencies, forward contracts are entered into. The expenditure is recorded at the average rate of the balance held in the foreign currency account when the payment is made.

Assets and liabilities at the balance sheet date are translated into sterling at the rates of exchange ruling at that date, with exchange gains and losses taken to the Statement of Financial Activities.

n) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

o) Creditors and provisions

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

p) Pensions

The charity operates a defined contribution stakeholder pension scheme. The pension charge represents the amount payable by the charity to the scheme during the year.

q) Operating leases

Rental charges are applied on a straight line basis over the period of the lease.

r) Taxation

Toybox is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

s) Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the Financial Statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Material derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

2. Income from donations and legacies

	Unrestricted £	Restricted	2018 £	2017 £
Regular Giving:				
Child Ambassadors	406,130	-	406,130	433,675
Best Friends	206,609	-	206,609	228,142
Non specific	135,835	-	135,835	30,483
Trusts	-	186,857	186,857	127,462
Other donations	538,953	156,107	695,060	653,315
Voluntary income	1,287,527	342,964	1,630,491	1,473,077
Institutional grants	-	4,132	4,132	70,248
Legacies	43,178	-	43,178	29,913
	1,330,705	347,096	1,677,801	1,573,238

3. Income from investments

All of the investment income arises from interest bearing deposit and current accounts.

No income from investments was attributable to restricted funds (2017: nil)

4. Analysis of expenditure on charitable activities

	Charitable Activities				Support costs £	Total 2018 £	Total 2017 £
	Raising funds	Grants to partners £	Monitoring & Evaluation £	Advocacy & Awareness £			
Overseas projects	-	648,338	-	-	-	648,338	675,616
International support costs	-	-	47,442	-	-	47,442	55,456
UK staff costs	124,988	-	147,001	88,176	129,041	489,206	534,959
Marketing and fundraising	260,448	-	-	42,436	-	302,884	274,368
UK office costs	43,389	-	46,866	28,613	42,583	161,451	154,950
	428,825	648,338	241,309	159,225	171,624	1,649,321	1,695,349
Support costs allocated	-	97,250	44,808	29,566	(171,624)	-	-
	428,825	745,588	286,117	188,791	-	1,649,321	1,695,349

Grants were made to partner organisations to implement programmes with street children. Our partner organisations during the year are detailed in the Trustees Report. Details of grants made to partners are shown in note 2.

UK staff costs include those who are working in the UK and internationally and consist of all costs relating to UK staff employed, including their training and development. Staff and support costs are allocated to the areas of activity according to staff time spent on each activity.

Support costs include governance costs of £8,640 for audit fees and £165 for Trustee expenses.

5. Staff costs and numbers

The average number of contracted employees during the year was:

	2018 Actual Number	2018 FTE Number	2017 Actual Number	2017 FTE Number
Overseas	4.2	3.8	4.2	4.0
Advocacy and Awareness	2.7	2.1	3.1	2.5
Fundraising	3.8	3.2	3.8	3.2
Support	3.9	3.2	4.4	3.8
	14.5	12.3	15.5	13.5

The cost of employing these staff was:

	2018 £	2017 £
Salaries	435,910	463,910
Social security costs	37,506	42,031
Employer's pension contributions to defined contribution scheme	27,059	28,299
	500,475	534,240

The total employee benefits including salaries and pension contributions of the Leadership Team were £225,418 (2017: £219,523). No employees earned within the range £60,001 to £70,000 during the year (2017: One). One employee earned within the range £70,001 to £80,000 during the year (2017: none).

The charity Trustees were not paid nor received any other benefits from employment with the charity in the year, and no Trustee received payment for professional or other services supplied to the charity (2017: nil). During the year Trustees expenses were incurred of £165 (2017: £38).

6. Net income/(expenditure) for the year

This is stated after charging/(crediting):

	2018 £	2017 £
Depreciation	9,734	9,178
Amortisation	5,302	-
Operating lease rentals: office premises	45,360	40,346
Currency loss/(gain)	2,630	(374)
Auditors remuneration: UK audit (excluding VAT)	7,200	7,200
Provision of corporation tax services by auditors	1,000	-

7. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2018 £	2017 £
Net expenditure for the reporting period	32,398	(117,001)
Depreciation charges	9,734	9,178
Amortisation charges	5,032	
Bank interest	(3,918)	(5,110)
Decrease in short term deposits with 120 days notice	(2,476)	(101,280)
Increase in debtors	(14,320)	5,403
Increase/(decrease) in creditors	(1,548)	(60,458)
Net cash used in operating activities	24,902	(269,268)

8. Analysis of cash and cash equivalents

	At 1 April 2017 £	Cash Flows £	At 31 March 2018 £
Cash in hand	138,827	112,972	251,799
Short term deposits up to 90 days notice	241,027	(136,322)	104,705
Total cash and cash equivalents	379,854	(23,350)	356,504
Short term deposits 120 days notice	201,280	2,476	203,756
Total cash and short term deposits	581,134	(20,874)	560,260

9. Intangible Assets

	Goodwill and Database £	Total £
Cost		
At 1 April 2017	-	-
Additions	32,684	32,684
Disposals	-	-
At 31 March 2018	32,684	32,684
Amortisation		
At 1 April 2017	-	-
Charge for the Year	5,032	5,032
Disposals	-	-
At 31 March 2018	5,032	5,032
Net Book Value		
At 31 March 2018	27,652	27,652
At 31 March 2017	-	-

10. Tangible non-current assets

	Furniture & Fittings £	Equipment £	Total £
Cost			
At 1 April 2017	30,688	57,851	88,539
Additions	-	19,486	19,486
At 31 March 2018	30,688	77,337	108,025
Depreciation			
At 1 April 2017	27,875	46,924	74,799
Charge for the Year	2,813	6,921	9,734
At 31 March 2018	30,688	53,845	84,533
Net Book Value			
At 31 March 2018	-	23,492	23,492
At 31 March 2017	2,813	10,927	13,740

The assets owned by the charity are used for direct charitable purposes.

11. Debtors

	2018 £	2017 £
Gift Aid recoverable	18,363	14,860
Prepayments	26,008	24,121
Grants to partners	115,000	106,229
Other debtors	499	340
	159,870	145,550

The grants to partners shown above were remittances which were made before the year end relating to budgeted expenditure for the period April to June in the next financial year.

12. Creditors: amounts falling due within one year

	2018 £	2017 £
Taxation and social security	9,604	10,704
Accruals and other creditors	33,262	33,710
	42,866	44,414

13. Movements in funds

	At 1 April 2017	Income	Expenditure	Transfers	At 31 March 2018
	£	£	£	£	£
Restricted Funds					
Guatemala					
Street Outreach and Child Ambassadors	-	43,888	130,771	86,883	-
Birth Registration, Guatemala City	25,611	30,987	52,550	-	4,048
Vocational Training, Santa Faz	-	12,500	91,338	78,838	-
Birth Registration, Guatemala City West	-	14,375	13,914	-	461
El Salvador					
Street Outreach and Child Ambassadors	-	51,460	152,172	100,712	-
Birth Registration, San Salvador	-	15,000	-	-	15,000
Bolivia					
Street Outreach	-	18,798	37,184	18,386	-
Birth Registration	-	25,634	27,218	1,584	-
Peru					
Agents of Change – Health	-	4,132	30,447	26,315	-
India					
Street to School, West Delhi	-	53,130	68,075	14,945	-
Street to School, North East Delhi	-	12,122	9,958	-	2,164
Kenya					
Safe from the Streets	-	-	47,657	47,657	-
Financing Futures	-	2,000	29,990	27,990	-
General					
	-	-	43,322	43,322	-
	25,611	284,026	734,595	446,631	21,673
Unrestricted Funds					
Designated Funds					
International Development	54,702	-	9,560	(45,142)	-
Marketing Investment	-	-	-	50,000	50,000
	54,702	-	9,560	4,858	50,000
General Funds					
	615,697	1,397,693	905,166	(451,489)	656,735
	670,399	1,397,693	914,726	(446,631)	706,735
TOTAL FUNDS	696,010	1,681,719	1,649,321	-	728,408

Details of the work of overseas projects are given in the Trustees Report.

Income is restricted to the project when the donation is received specifically for the work of that project. Most of the income received by the charity is unrestricted, and so is transferred to fund projects where there has been no specific donor commitment.

Designated funds represent those amounts that have been set aside for specific expenditure in International Development and Marketing in the current financial year.

14. Analysis of Net Assets Between Funds

	General Unrestricted £	Designated £	Restricted £	Total Funds £
Intangible Fixed Assets	27,652	-	-	27,652
Tangible Fixed Assets	23,492	-	-	23,492
Current Assets	648,457	50,000	21,673	720,130
Current Liabilities	(42,866)	-	-	(42,866)
Net assets at the end of the year	656,735	50,000	21,673	728,408

15. Operating Lease

The charity's total future commitments under a non-cancellable operating lease for its office property are as follows:

	2018 £	2017 £
Less than one year	52,844	52,844
One to five years	39,633	92,478
	92,478	145,322

16. Pension Scheme

The charity operates a defined contribution stakeholder pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the charity. At 31 March 2018 there were no outstanding contributions (2017: nil).

17. Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

18. Commitments

On 13 December 2017 Toybox entered into three non-cancellable contracts to purchase 145,000 US Dollars on 1 June 2018, 1 September 2018 and 1 December 2018. The type of contract entered into was a Participating Collar. On maturity 50% of each contract will be purchased at a rate of 1.305; the remaining 50% of the contract will be purchased at 1.305, the spot rate on the day or 1.415, whichever is the higher rate, up to a maximum achievable rate of 1.415.

At 31 March 2017 there were commitments to buy 200,000 US dollars in forward exchange forward contracts. These commitments were made in order to reduce the risk that the charity faces should the value of the GB pound decline against the US dollar over the next 12 months.

19. Contingencies

The Trustees have confirmed that there were no contingent liabilities which need to be disclosed (2017: nil).



TOYBOX

Changing the world
for street children

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**WE DO NOT EXIST FOR
OURSELVES; WE EXIST
TO HELP CHILDREN
MARGINALISED AND
ABUSED BY THOSE
WHO SHOULD BE
PROTECTING THEM.**