

Children and War Foundation
Registered in Bergen, Norway

Business Register Number 882 577 252

Annual Report and Financial Statements 2017

Reference and administrative Information

The Children and War Foundation (CAW) is incorporated in Bergen, Norway, and registered in Norway by Stiftelsestilsynet (The Norwegian Foundation Authority) and Brønnøysundsregisteret (The Norwegian Registry of Legal Entities).

The Foundation is also registered in the UK to receive Gift Aid.

Registered office:	Children and War Foundation c/o Kluge Law Firm AS P.O. Box 394 Sentrum 5805 Bergen, Norway
Board of Directors:	Harald S. Kobbe (Chair) Unni Heltne Maria M. Callias Hege Solbakken Jacob Grieg Eide
Auditors:	Ernst & Young AS
Bankers:	Den norske Bank (DNB)
Company Number:	NO registration - 882577252 UK registration – HMRC Ref No: NO2

**The Board of Directors of the Children and War Foundation
hereby submit their
Report and Financial statements of Children and War Foundation
for the year ended 31 December 2017:**

1. REPORT FROM THE BOARD OF DIRECTORS

1.1 THE PURPOSE OF THE FOUNDATION

The Children and War Foundation aids and supports children who are affected by war, warlike situations and disasters as well as their families by providing knowledge- and evidence-based interventions.

The Foundation focuses on the following activities:

- Promote and support research concerning the short- and long-term effects of war, warlike situations and disasters on children and their families
- Develop evidence-based interventions, i.e. to prepare, compile and maintain manuals and instruments that may be used to help the children and their families, and implement such evidence-based interventions

The Foundation works to obtain grants, contributions and other kinds of financial support for its activities.

The Foundation makes results of the research available to the public to increase the general and international understanding of the effects of war, warlike situations and disasters on children and their families.

The Foundation maintains the manuals developed and makes them available to the public and administers training in the use and implementation of the manuals on a cost only basis, but may ask for reasonable fees and request donations to be able to maintain the manuals and develop new ones relevant to the purpose of the Foundation.

The Foundation strives to minimize its own costs, and to ensure that the grants and contributions received shall be allocated to the activities mentioned above.

1.2 GOVERNANCE AND MANAGEMENT

The bodies of the Children and War Foundations, according to its By-Laws adopted in January 2017, are:

- The Board of Directors
- The Board of Research and Implementation
- The Board of Overseers

The members of the Board of Directors who served from 1 January 2017 to the date of this report were:

- Harald S. Kobbe (Chair. Elected January 2017)
- Unni Heltne (Member. Elected January 2017)

- Maria M Callias (Member. Elected May 2017)
- Hege Solbakken (Member. Elected May 2017)

Jacob Grieg Eide was elected member of Board of Directors in February 2018.

The members of the Board of Directors are elected for a period for 2 years. To achieve a reasonable continuity among the members, at least two members are to be elected every year. The terms of Kobbe and Heltne are set to expire in 2018, while Callias, Solbakken and Grieg Eide terms expire in 2019.

The Board of Directors has held four meetings in 2017, 27 January, 9 May, 21 June and 10 October.

The Board of Directors are i.a. responsible for:

- The election of new members of the Board
- To prepare and approve a yearly budget to be decided in the fall of each year for the coming year, including planning of fundraising activities
- To prepare and approve annual accounts to be finalised before 1 July each year
- To prepare and present the yearly report to the Board of Overseers
- Strategic and important decisions to the Foundation. These include, but are not limited to
 - establishing and keeping of paid administrative assistance,
 - operations and activities outside Norway, including to what extent they may be organised as separate legal entities subject to local law, cf. Article 1, second paragraph.
 - plans and overall strategy for fundraising
- The overall relationship between the Foundation and groups of supporters
- Strategic communication

The members of the Board of Research and Implementation who served from 1 January 2017 to the date of this report were:

- Unni M. Heltne (Chair. Elected January 2017)
- Atle Dyregrov (Elected January 2017)
- William Yule (Elected January 2017)
- Patrick Smith (Elected January 2017)
- Ragnhild Dybdahl (Elected January 2017)
- Richard Meiser-Stedman (Elected January 2017)
- Masa Al-kurdi (Elected January 2017)
- Tori Snell (Elected January 2017)

According to the By-Laws, Article 9, second paragraph, Unni M. Heltne served as both Chair of the Board of Research and Implementation and member of the Board of Directors.

The Board of Research and Implementation had four meetings in 2017, 27-28 January in London, where the new board was constituted, 13 March, 19 June and 1 December.

The Board of Research and Implementation shall i.a.:

- Assess relevant research projects concerning the short- and long-term effects of war, war-like situations and disasters on children and their families
- Advise the Board of Directors as to which projects should be supported by the Foundation
- Advise the Board of Directors as to which sums should be set aside for each project
- Advise the Board of Directors regarding collaboration with other partners
- Assist the Board of Directors in seeking funding for projects
- Follow up and revise research projects on behalf of the Foundation
- Prepare, compile and maintain evidence-based material, i.a. manuals that may be used to help the children and their families exposed to war, war-like situations and disasters
- On behalf of the Foundation ensure the implementation of such material
- Advise the Board of Directors as to which sums should be allocated to finance the activities of the Board of Research and Implementation in the yearly budgets and report to the Board of Directors of its activities within 1 May each year.

The Board of Overseers shall i.a. assist and support the Board of Directors in its management of the Foundation.

The Board of Overseers shall consider the annual report of Board of Directors and the summarised account.

Whenever there is conflict of interest regarding grants, contributions or allocation of economic resources for any one member of the Board of Directors or the Board of Research and Implementation, the Director concerned should withdraw from the decision making. If necessary, the Board of Directors may ask the Board of Overseers to appoint one of its own members to take part in this decision of the Board of Directors as a substitute member.

The members of the Board of Overseers who served from 1 January 2017 to the date of this report were:

- Cole Dodge
- Florence Baingana
- Maia Gedevanishvili
- Nigel Fisher
- Richard Bryant
- Rosalie Kwong
- Stephen Regel
- Tom Ollendick
- Youssef Oomar
- Emily Holmes
- Joop de Jong
- Lisbet Palme

Through all of 2017 and before the Children and War Foundation has enjoyed the support of a group of volunteers in the UK. The By-Laws of 2017 Article 1 open up for the establishment and agreement with such groups. This was formalized during 2017 by a Constitution of the UK Group accepted by the Foundation and an agreed Memorandum of Understanding between the UK Group and the Foundation. In

short, the UK Group i.a. shall aid and assist the Foundation in its effort to achieve its objectives, work to obtain grants, contributions and other kinds of financial support for the Foundation, including fundraising. In so doing follows the policy and strategy for the Foundation as set by the Board of Directors of the Foundation. However, the Group is welcome and encouraged to make suggestions for policy alterations and is also invited to propose projects and activities to be funded with money raised by the Group, through the Board of Research and Implementation is responsible for advising the Board of Directors in this respect.

1.3 MAIN ACTIVITIES IN 2017

The Foundation, which was established in 2000, was restructured in early 2017.

Formerly one Board of Directors was responsible for all activities of the Foundation. Through the years this proved to be ineffective and unsatisfactory with a too heavy and diversified work load. New By-Laws adopted and approved in 2017 established the new Board of Directors and the Board of Research and Implementation. The purpose was to have one board focusing on strategy and Finance, and another board focusing on preparing and maintaining the evidence-based materials, that may be used to help children and their families, as well as research projects and other similar activities.

1.3.1 The priorities of the Board of Directors in 2017 were set in its meeting of June 21, 2017:

- A primary focus has been to get the new structure of CAW settled.
- A secondary focus was to establish a full CAW Board of Directors by electing two new members.
- A third focus has been to consolidate our IPR regarding manuals and other material that the Foundation has produced. A written policy statement that can be referred to and used in various situations was considered necessary.
- A fourth and main focus of the Board of Directors has been finances and improving the funding of CAW. The status is that CAW in June held 600 000 NOK, which was much too low, and not enough to maintain necessary activities nor develop new ones.
- The fifth focus of the Board of Directors is the improving/development of a new Web-page and the maintenance of it.

It has taken some effort in 2017 to present and establish the new structure and make the two boards work effectively. However, it is our view that we have come a very long way in this respect, and that the purpose of the whole reorganization by the end of 2017 was accepted and to quite some degree already achieved.

Through the election of Hege Solbakken and Jacob Grieg Eide, see above, the Board of Directors now has 5 members, which is considered ideal.

Regarding the IPR issue related to manuals and other material, a policy and statement was adopted by the Board of Directors in the meeting of 10 October 2017. The policy statement will be part of the Children and War general policy and presentation, and referred to in communications related to projects. The short assertion of IPR along with the logo will be included on the manuals and other material produced by and for the Foundation.

The Board of Directors will revert to the finances and funding of the Children and War Foundation under the Financial Statements below. However, an agreement with Plan Norge entered into in the fall of 2017 represents a funding of 1 000 000 NOK, 500 000 in 2017 and 500 000 in 2018. The agreement establishes an obligation for the Foundation to do some work for and in cooperation with Plan Norge, but part of the

funds may and will be spent on training and on research and projects to be decided by the Foundation itself. Furthermore, we have received 10 000 GBP from the Wyn and Ken Lo Memorial Fund, which will fund two new projects to be decided by the Board of Research and Implementation. In short the funding of the Foundation has improved considerably during 2017. However, the Foundation still has a list of projects that it would like to support and finance. Funding will in the foreseeable future be a high priority for the Board of Directors.

Regarding the web page, the UK Group, assisted by Lisa Grundberg did an important job discussing i.a. content and structure in several meetings. The result of this work has been the basis for the further process which is now being carried out. In 2017 it was decided that a new web page would be up and going together with a new communication strategy in 2018.

It follows from section 2 above, that preparing and approving a budget is one of the main responsibilities of the Board of Directors. Under the former By-Laws this was never done, but it is considered an important part of the planning of the various activities of the Foundation. Due to the necessity to prioritize our limited resources, it was decided not to focus on a budget for 2018 during the fall of 2017. However, the Board of Directors has during the spring of 2018 established a draft budget for this year both to facilitate the control and supervision of the ongoing activities, making it possible to prioritize new ones, and to establish a format that will be used for future budgeting.

1.3.2 Board of Research and Implementation has focused on the following issues:

Revision for the Teaching and Recovery Manual (TrT) is complete and the next step will be developing a new layout for all CAW material.

The Board for Research and Implementation has prioritized the following projects:

- (1) Impact of olfactory hallucinations on children and how to alleviate difficulties experienced
- (2) Fear of water in those who have fled their countries by sea

These projects are to be developed and will be a focus in 2018 and 2019

- (3) A pilot project trying out short version of TrT for refugee children from Syria living in SOS Villages is planned and starting in 2018
- (4) Systematizing gathered pre and post data from TrT groups with Syrian children living outside and inside Syria. This project is in progress. By now, the data from children participating in TrT groups are set up in spread sheets, and the information is put out in statistics. Next step will be to present the data in a report for BRI and decide whether the data could be used for further analysis and publication. The funds from the Wyn and Ken Lo Memorial fund have been allocated to this project.

During 2017 training in the TrT manuals have been arranged 6 times by members of BRI. Some of these trainings have been carried out by members of the UK Group. Approximately 160 persons took part in these training sessions which took place in Europe and Hong Kong. There has been additional training conducted in the neighboring countries to Syria. Many of the people we have trained have gone on to train a wide number of people. At present the Foundation does not have a system for overseeing how the trainings have cascaded.

1.3.3 The UK Group met 7 times in 2017. Two of these meetings specifically addressed issues for the web-site. Additional working meetings were held i.a. to plan and run specific training and fundraising events.

The fundraising events included a concert and participation in a half-marathon in Windsor Park. Four two-day training events on the TrT manuals were held. These were attended by delegates mainly from the United Kingdom but also from several European countries and the USA.

2. FINANCIAL STATEMENT

During 2017 the Children and War Foundation acquired a new accounting system. The accounts have been kept by Svanhild Gjesdal of Kluge Law Firm and been audited by Ernst & Young AS.

The accounts are kept in accordance with Norwegian laws and regulatory statements.

It is the opinion of the Board of Directors that they represent a true and fair view of the state of affairs of the Foundation as at the balance sheet date and if its income and expenditure. All judgements made and estimates are reasonable and prudent.

The Board of Directors is of the opinion that the Children and War Foundation is not facing any relevant financial risks. However, it is as mentioned above still a primary activity of the Foundation, and especially the Board of Directors, to secure and expand further funding. The funds are placed in Den norske Bank (DNB) with sufficient government bank guarantees.

2.1 Annual accounts of 2017

OPERATING INCOME	Note	2017	2016
Income from arrangements/trainings			
Award from DU		0	29 233
Donations from private individuals		1 500	300
Award from organizations		105 368	152 350
Award from Just Giving	2	110 456	197 527
Total income		217 324	379 410
OPERATING EXPENSES			
Projects/trainings/seminars		37 463	0
Paid support other projects		108 195	0
Fast Name (annual fee domain name)		2 381	1 469
Lotteri- og stiftelsestilsynet – annual fee		1 540	1 540
Travel expenses Board Meetings		38 986	4 970
Expenses Board of Research & Impl		34 445	
Expenses various meetings		3 758	4 499
Expenses manuals		0	8 281
Tripletex - annual fee		2 385	4 035
Audit fee	1	25 881	34 750
Paid support UD projects		0	62 224
UD projects, fees/expenses		772	107 913
Other projects (Hellas)		0	27 569
Expenses arrangements		0	19 552
Monthly charge Just Giving: GBP 126		2 120	2 456
Expenses Kluge		250	388
Bank charges/annual fees		5 060	5 131
Total operating expenses		263 237	284 777

OPERATING RESULT	-45 913	94 633
FINANCIAL INCOME AND EXPENSES		
Interest income	557	956
Profit on exchange (agio)	481	0
Loss on exchange (disagio)	-311	-56 600
FINANCIAL RESULT	-45 186	38 989
Transfers:		
Transfer other reserves	-45 186	38 989

2.2 Balance for 2017

ASSETS	Note	2017	2016
Bank deposits			
GBP deposit (31,734.65 GBP)		673 435	350 624
Accounts receivable		468 704	336 705
Current assets		1 142 139	687 325
TOTAL ASSETS		1 142 139	687 325
EQUITY			
Deposited equity			
Original capital		50 000	50 000
Total invested equity		50 000	50 000
Retained earnings			
Other equity		592 139	637 325
Total retained earnings			
Total equity		642 139	687 325
Advance payment (award) from Plan Norge		500 000	
Total liabilities		500 000	
TOTAL LIABILITIES AND EQUITY		1 142 139	687 325

2.3 Auditors report enclosed.

Ernst & Young were appointed by the Board at the start of the year. Their independent report is enclosed to this Report and Financial Statement.

2.4 Comments to the annual accounts

Part of this income from Plan Norge is restricted in the sense that it shall cover the expenses of training and a project carried out in Sudan concerning psychosocial support to children in crisis, and to analyze how such support is integrated in education in Sudan. The total amount is NOK 1 000 000 to be paid to the Foundation in 2017 and 2018. Based on the advice from the Auditor, this income is only booked and reported when corresponding expenses are accrued. This is to avoid a substantial deficit in 2018. The money is however at all times available for the Foundation to be spent according to an agreement with Plan Norge.

The 10 000 GBP from the Wyn and Ken Lo Memorial Foundation was unrestricted, and has, based on a proposal from the Board of Research and Implementation, been allocated to systematizing pre and post data from TrT groups with gathered from Syrian children living outside and inside Syria. This project is in progress. By now, the data from children participating in TrT groups are set up in spread sheets, and the information is put out in statistics. Next step will be to present the data in a report for BRI and decide whether the data could be used for further analysis and publicized.

The UK Group has through the year of 2017 raised GBP 24 670, 97, and was also instrumental when the Foundation received GBP 10 000 from the Wyn and Ken Lo Memorial Foundation. These funds are considered as unrestricted.

The Board of Directors is on behalf of the Children and War Foundation extremely grateful for all contributions. They are necessary for the further work and development of the Foundation to enable help to more children as more and more children are exposed to situations where the expertise and efforts of this Foundation is highly needed.

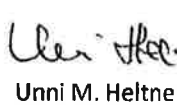
2.5 Comments to the balance sheet

The balance of the Foundation has improved through 2017, but the Board of Directors is still not satisfied with the situation. We need further funds to enable us to maintain and improve the manuals, develop new manuals and ways to teaching them and follow up on training. In addition, there is a need for research concerning the short- and long time effects of war and warlike situations on children and their families.

All funds are deposited in Den norske Bank (DNB), and are protected by a Norwegian state guarantee for bank deposits.

London 12 June 2018


Harald S. Kobbe


Unni M. Heltne


Maria Callias


Hege Solbakken


Jacob Grieg Eide