

ANNUAL REPORT 2013

World Vision UK Trustees' report and accounts
for the year ended 30 September 2013



World Vision®



EVERY CHILD FREE FROM FEAR

OUR VISION

Our vision for every child, life in all its fullness;
Our prayer for every heart, the will to make it so.

OUR MISSION

To inspire the UK to take action that transforms the lives of the world's poorest children.

OUR GOAL

To be transforming the lives of eight million children around the world with the help of 500,000 supporters in the UK.

OUR VALUES

The core values that guide our behaviour are:

- We are Christian
- We are committed to the poor
- We value people
- We are stewards
- We are partners
- We are responsive

OUR ACTIVITY

World Vision is the world's largest international children's charity, working to bring real hope to millions of children in the world's hardest places. And we do it all as a sign of God's unconditional love.

Poverty, conflict and disaster leave millions of children living in fear. Fear of hunger and disease. Fear of violence, conflict and exploitation. Fear that robs them of a childhood.

Our local staff work in thousands of communities across the world. They know the names and stories of each child they help to support – children like Jouri and George, whose stories you can read on pages 3 and 14 of this report. They live and work alongside these children, their families and communities to help change the world they live in for good.

Our worldwide presence means we're quick to respond to emergencies like conflict and natural disasters. We also use our influence and global reach to ensure that children are represented at every level of decision-making.

World Vision UK is part of the World Vision Partnership, which works in close to 100 countries.

As a charity, World Vision UK's activities must be carried out for the public benefit. This report outlines specific activities – based on our 2011/15 strategy – which were undertaken for this purpose during the financial year ended 30 September 2013 under four priorities:

- Evidence of real change for children
- A transformed supporter experience
- Growing our income and influence
- Being an inspiring and effective organisation.

This page: Women return home with water pulled from a nearby 'berkat' built by World Vision in Somalia.
© 2012 Ashley Jonathan Clements/World Vision

Front cover: Sedra, 7, (pictured right) in a refugee camp in Jordan where she and her six siblings now live.
© 2013 Jon Warren/World Vision



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FROM THE CHAIR AND CHIEF EXECUTIVE

It's been a year of incredible impact and one of real challenge. The pages of this report bring to life vividly the scale, scope and depth of this for the 3.9 million children and almost seven million people whose lives World Vision UK has touched across the world in 2013.

Two unforgettable days in 2013 illustrate the joys and sorrows that we can face in World Vision.

The first one – a bright summer's day in June when Rose, a frontline World Vision health worker from Kenya, spoke powerfully to world leaders at a summit which resulted in governments and companies pledging £2.7 billion to fight malnutrition. Across London, World Vision friends and supporters raised their voices amidst the 45,000 gathered in Hyde Park for the culmination of the Enough Food for Everyone IF campaign. This was a day that will make a life changing difference to millions of children who may now be able to grow up without the fear of hunger.

The other – a chilly September evening in a tiny refugee tent in Lebanon, just a few miles from the Syrian border. Meeting Tasnim, just eight years old, was the year's most harrowing encounter: "Death. Bombs every day. Fear. No food, no bread. We barely ate. We moved from place to place to stay alive. I saw little children dead, people crying everywhere. That night I saw death."

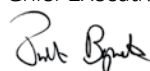
Tasnim and her mother told us how they survived hunger, bombing and the chemical weapons attack that massacred hundreds in Damascus. She is just one of the seven million Syrians who've fled their homes from a conflict that has taken more than 100,000 lives and one which, as we strive to bring relief and advocate for peace and protection for Syria's children, has affected us deeply.

These two days illustrate the brokenness that still confronts our world but also the hope that is at our heart – that one day every child can live life to the full. Free from fear. Able to grow up loved and protected, healthy and educated. Able to fulfill their God-given potential.

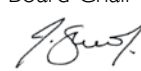
Closer to home, there have been achievements and challenges. Our partnership with and support from the UK government has continued to grow. We are bringing children and their sponsors closer together through richer, digital communications. Like all UK charities though World Vision is finding it harder to attract new supporters. It's a tough, competitive fundraising environment and 2013 saw our income dip for the first time in over five years. We've had to make further organisational and financial changes to ensure we can sustain and grow our impact for children in the long term. We give thanks for our highly committed, talented staff through this.

This year also saw Typhoon Haiyan, the world's biggest ever storm. Amidst the devastation we thank God that the deaths were so much fewer than they could have been – a tribute to the incredible resilience of the Filipino people and the impact of strong disaster preparedness. The generosity of our supporters and the UK public as World Vision and the UK's other leading agencies came together in this 50th year of the Disasters Emergency Committee (DEC) was overwhelming. Thank you to all our supporters and partners that are such an inspiration to us at World Vision and who have made such a transforming difference in the lives of so many children.

Justin Byworth
Chief Executive



Mark Sheard
Board Chair



Justin meets Syrian refugees Ziad and baby Qassen in Lebanon.



© 2013 Patrica Mouamar/World Vision

In Myanmar, Mark meets a child supported by World Vision.



© World Vision

FROM THE CHAIR AND CHIEF EXECUTIVE



© 2012 Sandy Mouamar/World Vision

Just like Tasnim (pictured above, second right), Jouri (main picture), 8, felt fear as she sheltered from bombs in Syria. A talented student, one of Jouri's biggest sadnesses about leaving Syria for Lebanon was leaving school behind. Now Jouri has a place in a World Vision education project and says: "Coming here is the best thing that happened to me since we [left Syria]".

We continue to work in Lebanon, to help stop children like Tasnim and Jouri becoming part of a lost generation - providing them with education opportunities and safe places. Find out more on page 15.

HOPE FROM CAMBODIA

“I didn’t want to do the job but we didn’t have a choice. No one could come to help me.”

At just 17 years of age, Srey*, from Cambodia, became a prostitute. After her father fell gravely ill and the family fell into serious debt covering his medical expenses, Srey felt she had no choice but to enter prostitution to help her family pay off their ever increasing debts.

Here Srey shares how the pain and fear she felt while working as a prostitute turned to hope with support from World Vision staff:

“I didn’t know if the men I was servicing would hurt me. My only purpose was to work and get money so that my Dad could get better. I didn’t want to do the job but we didn’t have a choice. No one could come to help me.

“I was a virgin. The price to sell that is high. I felt scared and felt so much pain. I started taking two to three clients every day. When I felt pain in my body, I asked the other girls to serve on my behalf.

“Then the police caught us all. I met a woman from World Vision, who asked if I’d like to come to a Recovery Centre.

“[At the Centre] they’re kind and tell me it’s okay. [They] ask me what will I do when I leave. I say: ‘I will use the skills [learnt there] to earn a living and not do the same thing again.’

“Before I didn’t have a dream... but now I’m living at a Centre I’ve got a dream of what I want to do. I’m so thankful and appreciative of all the work they’ve done for me.”

*To protect her identity, Srey is an assumed name.



© 2013 Sepheak Kong/World Vision

HOPE FROM NIGER

“I dropped out of school because my parents did not have money. Now I am in training school learning to sew clothes.”

Charifa, 15, is a WorldVision sponsored child. She lives with her parents, two sisters and three brothers in a rural region in east Niger. Until recently Charifa was studying at school, but her parents, both unable to find work, struggled to pay her fees. Eventually, the struggle was too much for Charifa's parents and she had to stop going to school.

Like many other girls in the region, Charifa feared that after dropping out of school she would be married off while still just in her teens. Thankfully, World Vision prevented this happening, offering Charifa a placement at a vocational training centre that they run.

At the Centre, Charifa has learned to sew and has progressed so well that she now teaches other children sewing skills. Soon Charifa plans to sell the clothes she makes too.

Full of confidence, Charifa has also taken on the role of a World Vision child reporter; developing even more new skills. As a reporter, she lets supporters who sponsor children in her village know about the latest developments implemented by World Vision. In one of her recent reports, Charifa shared news of a water tower that has been built:

“Before women and girls used to go to the river. We used to struggle. Now with the water tower we are less tired. Also, the fence that was put in place made us feel safer. It keeps away animals and intruders so we can come and go as we please.”



© 2013 Mariana Chokaa/World Vision

FIVE-YEAR FINANCES

	2009 £'000	2010 £'000	2011 £'000	2012 £'000	2013 £'000	
Committed giving and other donations	38,971	40,274	39,613	41,881	38,897	
Donations for emergencies	2,259	5,041	4,867	3,732	1,651	
Donations, gifts and legacies	41,230	45,315	44,480	45,613	40,548	
Institutional grants	10,447	10,691	19,019	21,057	21,917	
Donated goods and services	6,580	4,861	4,363	2,040	4,196	
Voluntary income	58,257	60,867	67,862	68,710	66,661	
Investment and other income	223	120	63	79	81	
Total income	58,480	60,987	67,925	68,789	66,742	
Costs of generating funds	10,245	9,707	10,517	10,959	10,522	
Charitable activities	48,687	49,810	56,344	57,192	59,446	
Governance costs	231	404	481	513	454	
Total expenditure	59,163	59,921	67,342	68,664	70,422	
Net (outgoing) / incoming resources before investment gains	(683)	1,066	583	125	(3,680)	
Investment gains / (losses)	67	92	(15)	98	103	
Net movement in funds	(616)	1,158	568	223	(3,577)	
The funds of the charity						
Restricted and designated funds	10,523	9,714	12,497	11,891	8,615	
General fund	5,649	7,616	5,401	6,230	5,929	
Total funds	16,172	17,330	17,898	18,121	14,544	
	5 Year Average					
Ratios						
Percentage of total expenditure:						
Costs of generating funds	16.0%	17.3%	16.2%	15.6%	16.0%	14.9%
Charitable activities	83.4%	82.3%	83.1%	83.7%	83.3%	84.4%
Governance costs	0.6%	0.4%	0.7%	0.7%	0.7%	0.6%
Free reserves ⁽¹⁾						
Number of days' expenditure ⁽²⁾	39 days	50 days	31 days	34 days	33 days	

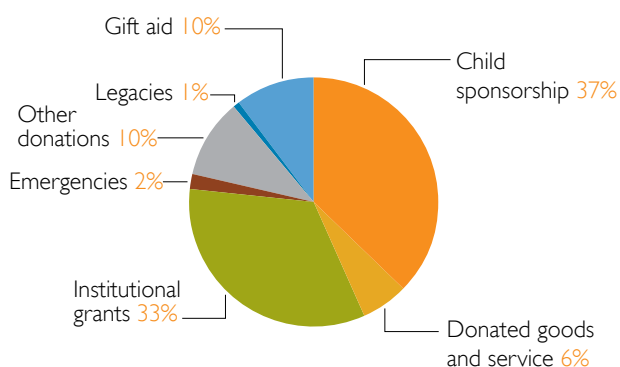
¹ Free reserves comprise the General fund.

² Number of days' expenditure excludes donated goods and services as these do not involve a cash flow.

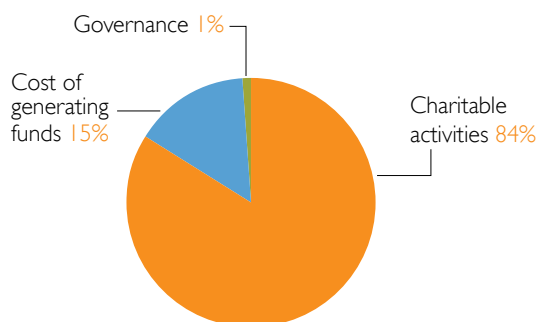
OUR FINANCES AT A GLANCE

The charts below show how the funds we raised during 2013 were sourced and spent on projects to benefit children and communities around the world.

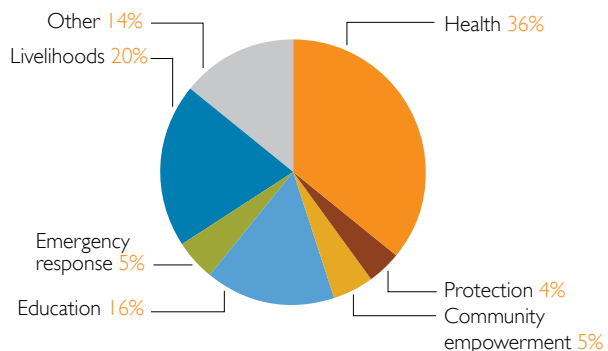
HOW WE RAISED THE MONEY



HOW EACH £ IS SPENT



PROJECTS WE FUNDED THIS YEAR



OUR IMPACT ON CHILDREN

Last year we reached 3,900,000 children with our life-changing work.

 **429,987**

children have benefited from our child protection work

 **1,459,040**

children have benefited from our health programmes

 **690,752**

children have benefited from our humanitarian work

WHERE WORLD VISION WORKS

In Mali, World Vision helped children express their views on child health, hygiene and sanitation during a Global Week of Action in November 2012.



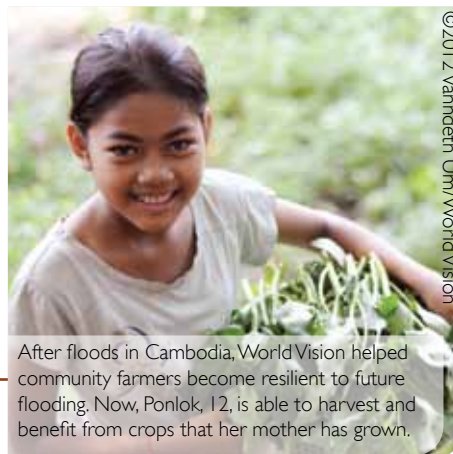
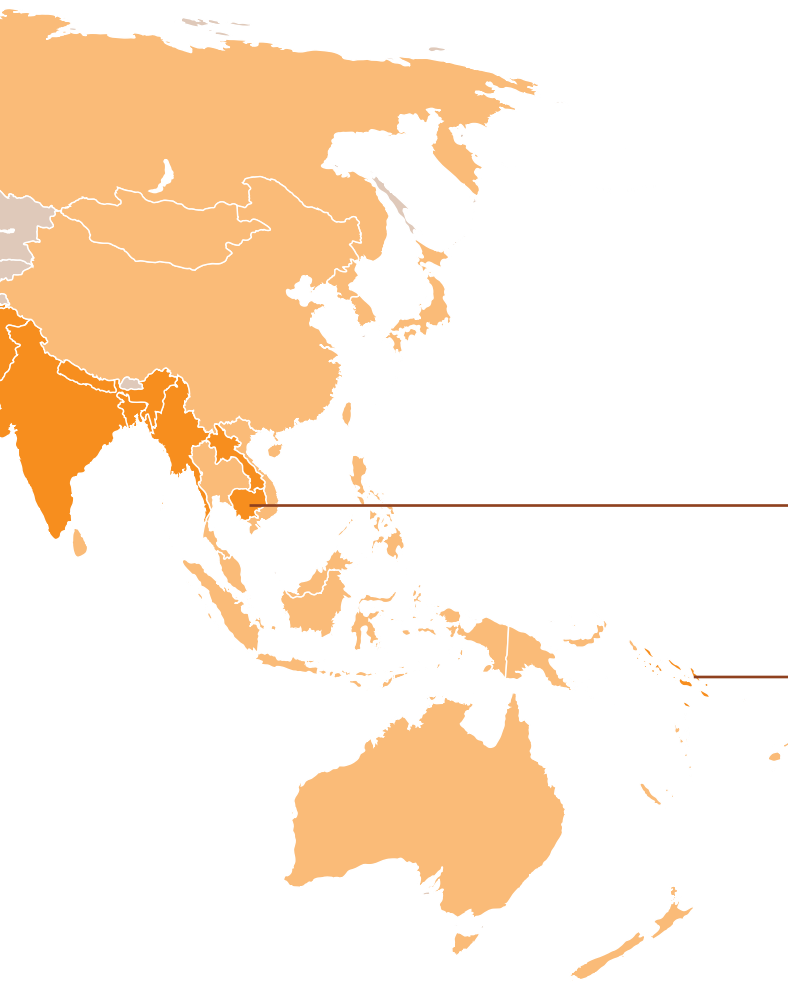
EVERY CHILD FREE FROM FEAR

Transforming the lives of children lies at the heart of World Vision. Not only because it is children who suffer most from poverty, conflict and disaster, but because by working with children we know we can bring about lasting change. By banishing fear and bringing real hope to millions of children growing up in the world's hardest places, we can help them shape a better future for themselves for good. We achieve this by enabling long-term change, giving children a voice and responding to emergencies.

World Vision works with communities, partners and governments in close to 100 countries across the world.

ENABLING LONG-TERM CHANGE

Lasting change requires sustained commitment. That's why we focus on long-term projects called Area Development Programmes (ADPs), where we work with communities in one area for 12-15 years. Projects include ensuring children are protected, healthy and in school, helping families secure better livelihoods, and enabling communities to withstand and bounce back from conflict and natural disasters. By the time we move on, communities are equipped and continue to develop their own way out of poverty. For a great example of one of our communities that has done just this, turn to page 20.



©2012 Vandeth Um/World Vision

After floods in Cambodia, World Vision helped community farmers become resilient to future flooding. Now, Ponlok, 12, is able to harvest and benefit from crops that her mother has grown.



World Vision UK Programmes

In 2013, World Vision UK funded development and emergency programmes and projects in 35 of the countries where World Vision works.



World Vision Partnership

World Vision works in a federal partnership in almost 100 countries across the world.



©2013 Christina Muger/World Vision

Following the earthquake and tsunami that hit the Solomon Islands in 2013, children like Ashlea (left) were helped to overcome the trauma associated with the emergency at World Vision Child Friendly Spaces.

GIVING CHILDREN A VOICE

Children have a right to be heard and to have a say in the issues and decisions that affect them and their communities. We speak up for children and give them a voice – we call this advocacy. By using our influence and global reach, we make sure that children are represented at every level of decision-making, from community meetings to international summits. And by educating children about their rights, we help them to speak up for themselves. In 2013, children in 11 of our projects became reporters, expressing themselves freely and telling stories of their lives and communities - see page 23 for details.

RESPONDING TO EMERGENCIES

Conflict and natural disasters affect more than 250 million people around the world each year, hitting children the hardest. With 46,000 staff based in nearly 100 countries, World Vision is quick to step in when disaster strikes. Within hours, we are on the ground providing essentials like food, water and shelter, and creating safe zones for vulnerable children. And we stay to help communities recover long after the eyes of the world have moved on. Find out more about the children and communities caught up in emergencies we responded to on pages 15 to 17.



Children fetch clean drinking water from a World Vision water project in Ethiopia.



STRATEGIC REPORT

During the financial year ending 30 September 2013 our activities have focused on our four priorities, as listed below. This section details the progress we have made against them, and also provides information about our strategy and plans for the future, as well as a financial review.

EVIDENCE OF REAL CHANGE
FOR CHILDREN

PRIORITY

A TRANSFORMED
SUPPORTER EXPERIENCE

PRIORITY

GROWING OUR INCOME
AND INFLUENCE

PRIORITY

AN INSPIRING AND
EFFECTIVE ORGANISATION

PRIORITY

EVIDENCE OF REAL CHANGE FOR CHILDREN

Children living in the poorest and most fragile countries enjoy good health, are protected and are resilient to disasters.

THE CHALLENGE

Despite the huge progress World Vision and others have helped bring over the last few decades – including improved access to education and reductions in child mortality – many people in the world continue to be left behind. In particular, those living in places hit by conflict, natural disasters and political upheaval are often cut off from the support and the structures that can help them rise out of poverty.

Without further action, children across the world will continue to go to bed hungry, continue to work instead of going to school, continue to endure poor health and growing inequality.

Francis, 4, Aminata, 7, and Mohammed, 6, in Sierra Leone.



© 2013 Abby Stalsbroten/World Vision

WHAT WE AIM TO DO BY 2015

When we launched our current five-year strategy in 2011, we aimed to be transforming the lives of eight million children by 2015. It's now clear that, because of the economic crisis, this will take a few years longer than we expected.

We will continue to work in the world's poorest, most fragile places, concentrating on child protection, child health and humanitarian action – enabling millions of children to grow up healthy, hopeful and free from fear. In 2012, we decided to make protecting children our lead theme, so we'll increasingly address issues such as

child marriage, child labour and supporting children affected by war and conflict.

And to reinforce this work, we will continue to measure our impact on children and their communities. Ensuring this is measured in the best way and reported on transparently will be paramount. By doing this, we remain accountable to our supporters, partners and the people we serve. This not only helps us gain further support, but it, most importantly, helps us see what we're doing well and where we could do better, maximising our resources and services to the field.

WHAT WE'VE ACHIEVED THIS YEAR

WE'VE HELPED MAKE 429, 987 CHILDREN SAFER



Every day millions of children face fears that are as terrible as they are real. Of having to work in a dangerous job to support their family. Of being forced into marriage or facing an abusive husband. Of being taken from their home and made to carry a gun, or sold into prostitution. Of having their home and security destroyed by conflict and natural disaster. In 26 projects across 17 countries this year, we challenged practices and attitudes that harm children, promoted children's rights and strengthened systems for protecting them, so that more children will be able to enjoy a childhood free from these fears.

Free from violence: In Somalia, South Sudan, Armenia and Albania, we've helped establish child support and protection committees. We've trained them to help spot children at risk, and to prevent and report threats. In the places where we work we're seeing less violence against children, safer schools, better parenting and more understanding of children's rights – particularly among children themselves.

Free to speak out: Following five years of work in Lezha, Albania, for example, more than one in five people surveyed said child protection had improved significantly and almost everyone believed children were now more empowered to talk about child protection issues. In Awdal, Somalia, 10 child support committees that we helped set up reported 353 incidents of children at risk.

Free to learn about their rights: Protecting children is often about helping them to protect themselves – and to teach each other to do so, which we encourage through peer education programmes. In eastern DR Congo, we trained 130 vulnerable children, including survivors of sexual violence and child soldiers, to know their rights and

where they could get help if they needed it. Interviewed children gave several examples of how they use new tactics to avoid risky situations and how they helped other children learn about their rights. The Department of Social Affairs has reported that increasing numbers of child protection cases are being reported. In Albania, we've run camps, theatre performances and training sessions to help 499 children understand their own rights, as well as those of other children.

Free from early marriage: Shockingly around the world, 1 in 9 girls marry before they turn 15. To help address this we've worked with communities, sharing the negative effects that marrying young can cause, and we're seeing results. Incidents of early marriage have been reduced in 23 communities in Malawi – in six months, local child protection committees released eight girls aged 13-15 from forced marriages.

Free from harmful work: Likewise, we have also been working to reduce the number of children forced to work. In the brick factories of Battambang and Sangke, Cambodia, child labour is down 59 percent: many of those children are now back in school, instead of in a hazardous job. Awareness of child labour laws has also increased among employers and communities.



Srey, from Cambodia, was forced into prostitution at age just 17. Turn to page 4 to find out how World Vision helped her recover from the associated trauma.

© 2013 Sopheak Kong/World Vision



A CHILD SOLDIER SPEAKS

George was 15 when he was taken from his family in Uganda by the Lord's Resistance Army. Systematically brutalised, George was ordered to kill – be it soldiers or little children – or face death himself. He also raped and poached. His life of horror continued for 12 years, until George escaped and was helped to come to terms with his experiences at the World Vision Children of War Centre.

Here George, now 27, describes what happened after his abduction:

"First they take you into the jungle and demonstrate how a gun operates. When you are perfect, they take you for real fighting.

"The first time I went...we were shooting soldiers. We killed so many. You shoot randomly and only at the end see...people lined up dead. I was told to kill...children who tried to escape. I did this because I had to.

"I saw so much in the bush. I can't begin to say what I saw – it was too much. I didn't want to come home [but] I escaped. I was very scared [and] ran as fast as I could."

Back in Uganda, George found protection, support and hope for a new life at the World Vision Children of War Centre.

"My stay at the rehabilitation Centre helped me a lot. Through counselling I accepted that what happened to me was not my fault and that I needed to focus more on the future than in the past."

George was welcomed home by his family and village. Of his emotional return George said:

"I never knew I was loved this much. I will never, never, never go back to the bush. I want to honour my parents and work hard. I want to say thank you to World Vision and for this Centre. I want to have a business now, maybe be a farmer and raise chickens and crops."

World Vision's Children of War Centre in Uganda has helped many child soldiers overcome the trauma and guilt associated with their brutalisation by rebel armies in places of extreme conflict and lawlessness. The Centre gave them emotional and practical support to move forward and rebuild their lives, supporting 14,000 children and young people.



George has been reunited with his family and looks forward to the future as a farmer.

WE'VE SUPPORTED 690,752 CHILDREN HIT BY HUMANITARIAN EMERGENCIES



Wars and natural disasters are terrifying and traumatic experiences for children. We're always one of the first organisations to respond to humanitarian emergencies

bringing essential life-saving support but also, and just as importantly, ensuring children are protected and safe, that they can feel free from the fear that can so easily impact negatively on the rest of their lives.

Syria: the world's worst refugee crisis: In town after town across Syria, children have seen their lives blown apart. Over six million Syrians have fled their homes in fear, trying to escape a conflict that has claimed more than 100,000 lives, including 11,000 children. Over two million – half of them children – have sought refuge across the border in Lebanon, Jordan, Turkey or Iraq. The human cost for each and every child is almost indescribable, as they grow up scarred by the experience of unbearable violence,

fear and loss, and without an education. What we are facing is the loss of a generation of Syria's children and young people.

In the face of the worst humanitarian crisis of the 21st century, we've launched a massive response, working together with other agencies to reach as many people as possible. We've provided essentials like food vouchers, heaters, blankets and hygiene kits to help people stay fed, warm and well. And we've made a special effort to ease the fear and suffering children face, setting up safe spaces where they could continue their education, talk to counsellors and play together.

In 2013, with our partners we were able to support a total of 297,248 people – 34,876 refugees in Jordan, 192,372 refugees in Lebanon and 70,000 people displaced in Syria.



**WORLD VISION
DEC MEMBER**

We were thankful for the launch of the DEC's Syria Crisis Appeal. In tough

economic times, a joint appeal helped us reach as many people as possible in this complex and long-term emergency.



In a camp for refugees from Syria in Lebanon, World Vision helps Jomaa, 12, and his brother and sister find education, rather than work with their parents stacking concrete bricks.

©2013 Ralph Baydoun/World Vision

Freeing children from fear in DR Congo: Children in DR Congo have grown up haunted by war. Although civil war officially ended 10 years ago, the spectre of violence has never gone away. Many children have never known the security of a permanent home: around three million people remain displaced by the fighting, with around 460,000 living as refugees in neighbouring Uganda. Though the country is vastly rich in natural resources, it remains crippled by poverty and corruption, hunger and ill health. Last year, fresh fighting broke out between the M23 militia and government forces, and rebel groups unleashed a new campaign of violence and terror. Tens of thousands of families fled in panic, taking only what they could carry. Despite a new peace deal, many have yet to return.

“I will never forget the sounds of shooting, the feel of fear and uncertainty – feelings that so many Congolese people must live with every day.”

World Vision UK staff member Richard Dove, working near the DR Congo border when fighting resumed in 2013.

We've sought to bring some hope and stability to these children's lives. Working with UNICEF, we supported 13,742 displaced children in DR Congo and have provided safe spaces, with opportunities to learn and have fun.

We've also helped strengthen child wellbeing committees to make sure children are looked after. We provided psychological support for children who have been through traumatic experiences, seeing people they knew being killed or raped. With partners, we've also worked to keep children and their families together and reunite those who have become separated.

We're praying that the latest ceasefire in DR Congo will hold, but we won't be leaving any time soon. We'll continue to support these children in the years ahead as they seek to lead the country into a better future.



Separated from her family, Muombi, 15, from DR Congo, lives in a camp in Goma for displaced people fleeing the country's conflict. World Vision provides Muombi, and around 200 other children without family protection, with essential food and support.

©2013 Kayla Robertson/World Vision

Our other humanitarian work this year included:

- Treating 244,588 children in Angola (with support from the European Community Humanitarian Office) and 10,613 children in Niger for acute malnutrition during severe food shortages.
- Providing extra food to 7,355 children at risk of undernutrition and setting up lessons for 6,000 children who couldn't get to school after flooding in Malawi. We also helped 886 households affected by flooding get their lives back together by setting up irrigation schemes and improving access to clean water and sanitation.
- Supporting 3,320 people affected by the earthquake and tsunami in the Solomon Islands, providing 435 households with access to safe water, 300 households with shelter kits and 268 households with essential domestic items.

Recovery and resilience: Our work doesn't end when the immediate emergency is over. We spent two years helping communities in East Africa recover from the devastating drought of 2011. Our legacy: 17,000 people in Ethiopia and 17,000 in Kenya now have clean water for the first time; 24,000 people in Somaliland have a better water supply; 300 displaced families in Somalia now have their own house; and 900 have latrines for the first time. In West Africa, where in 2012 we helped stop the region's food crisis becoming a catastrophe, we've continued to work in Mali and Senegal to make people more secure: enabling 78,844 people in Senegal to grow their own crops rather than labour in the fields of others. And in Honduras, Mozambique, DR Congo, Malawi and Zambia we're working with vulnerable communities so that they will be better able to cope with the risks of climate change, natural disasters and conflict.

WE'VE HELPED MAKE 1,459,040 CHILDREN HEALTHIER



Since 1990, the number of children dying before they reach five has more than halved – from 12.6 million to 6.6 million¹. That's an amazing achievement, and we're proud to have played a part in it. But with more than three million children, aged under five, still dying each year because of undernutrition, millions more suffering from its effects, and at least an estimated 165 million suffering from stunting and 52 million from wasting², we still have a long way to go. We aim to change this, working where we can to make the biggest difference: with women and children in their homes and communities, especially in the fragile states and hard-to-reach places where the effects of poor nutrition and ill health are most severe and most feared.



In Honduras, Ana, 6, plays on a rope swing, happy she has a home to return to, thanks to a World Vision housing project in her village.

©2013 Jon Warren/World Vision

Nutrition: Some children will never fully recover from the devastating effects of undernutrition. Undernutrition can affect a child's mental as well as physical development and prevent them from living life to the full. That's why child nutrition is one of our top global priorities, focusing especially on pregnant women, mothers and children aged under two – as these crucial early years can make all the difference to children's long-term development. One country where we've seen good progress is India, where undernutrition is more common than in sub-Saharan Africa. Here, the proportion of undernourished children has fallen by almost 10 percent in the areas where we work and is now below the national average. And in our project site in Sierra Leone, the proportion of under fives, who are underweight for their age, fell from 17.8% to 14.7%.

Family health: We're supporting families to free themselves from the fear of life-threatening diseases by taking simple steps to prevent and control them – like promoting breastfeeding, malaria nets, vaccinations and household treatments for diarrhoea and fever. We've seen measurable improvements over the last year in at least 83 communities. In projects in Sierra Leone, 20 percent more

families are putting malaria nets round their beds. In India, Sierra Leone and Zimbabwe, projects are seeing improvements, ranging from 15% to 25%, in the use of salt and sugar to help prevent children with diarrhoea becoming dehydrated – a simple, low-cost treatment that can save millions of lives.

Community action: We're strengthening community health systems, where basic improvements – like increased immunisation coverage and better access to skilled birth attendants – make a huge difference. Often, this is about educating and training people to take advantage of the support available. In Afghanistan, for example, 14 communities have established small savings groups to help people access health services for mothers and newborns.

Across 28 communities in Kenya, 160 community health workers have worked to strengthen health referral systems, with 10 communities referring 1,501 mothers and young children in the first half of the year.

We also supported 66 communities to call governments to account when health services aren't resourced sufficiently and to develop their own strategies for improving community health.



Now that his mother, Fausta from Uganda, places a mosquito net around his bed, Zeveriyo, 7, is better protected from malaria, taking less time out of school because of the disease.

©2013 Jennalise Kassanis/World Vision



Malnourished Maimun, eight-months-old, is benefiting from a World Vision nutrition programme in Somalia.

WE'VE DEMONSTRATED HOW WE'RE TRANSFORMING CHILDREN'S LIVES

Measuring the impact we have on children and communities is challenging, but important. It makes us accountable to our supporters, our partners and the communities we serve, which helps us gain further support. And it helps us understand what we're doing well and what we could do better, so we can use our resources as effectively as possible.

Our *Impact Report* shows that 67% of the 3.9 million children supported were benefitting from one of our key themes (health, child protection and humanitarian action). Other important ways we support children include education (293,612 children), livelihoods (672,381 children) and community empowerment (167,035 children).

Perhaps the most effective way of assessing our impact is to talk to the children and communities we work with. We use their feedback to improve our programmes and make sure we're meeting their needs and aspirations. In 2013, this experience helped us win our first tender from the Department for International Development (DFID) – and we've now got special processes in place for getting feedback from communities in nine DFID-funded programmes, increasing their impact and benefiting more children.

WE SOUGHT OUT THE POOREST, MOST VULNERABLE CHILDREN IN THE POOREST, MOST VULNERABLE PLACES

Where life for children is hardest, the need is greatest. In 2013, we spent £10.3m, or 23.7 % of our field expenditure, in fragile countries supporting 3,043,764 children. 61% of children we supported were in fragile countries (including Uganda, Niger and Zimbabwe) and 17% of children we supported were in the seven countries defined as most fragile (Sudan, South Sudan, Afghanistan, DR Congo, Haiti, Pakistan and Somalia).

Working in the world's most dangerous places

Through our fundraising initiatives like Raw Hope, we work to save and protect children where they face the greatest dangers. Often caught up in some of the most violent conflict on earth, children living in fragile* places and countries are at risk from physical abuse and harm, exploitation and other immediate threats.

Sometimes, it is not just children and their communities that are at risk. Tragically, in July last year,

two World Vision staff lost their lives in crossfire in South Darfur, Sudan. Their great loss reminds us of the unwavering commitment of World Vision employees to help make children's lives safer, in spite of the danger. Our prayers remain with their mourning families and colleagues.

RAW HOPE

*Where governments are either unable or unwilling to provide basic protection for their people.

CHANGE THAT LASTS

In 1991, World Vision UK set up a 15-year community programme in Kimorori, Kenya. The aim of the programme was to involve the 13,000 strong community in various projects, including those designed to improve water access and boost food security.

In 2013, a World Vision UK team returned to Kimorori, seven years after we left, to see how community life has changed. The data we gathered as part of our evaluation study showed that around 60% of project activities we were involved with were still running and making a positive difference. Here we share some of our project successes.

Safer water: When we arrived in Kimorori, improving access to clean and safe water was a priority. We did this by installing water sources and supporting the community in their management of water supply. As a result more households were able to access clean

water, reducing the number of cases of waterborne diseases, including Cholera and Typhoid.

When we returned in 2013, we found that the number of people benefiting from safe water had continued:

- In 2006, just 32.2% of the community was able to access clean and safe water. In 2013, this number reached 62.8% - a significant improvement.
- In 2013, 17% of people had piped water supplied to their homes, compared to only 1% in 2006.
- 82.1% of households are still accessing water from the sources constructed during the time of the World Vision programme.
- Incidents of Cholera and Typhoid have continued to decrease.
- Water is now more affordable, even for the most vulnerable in the community.

Members of the Kimorori community share their views on the project's achievements.



©2013 Hilary Williams/World Vision

More food: As well as supporting the community with access to safer water, we also developed projects to help people in Kimorori grow more food to become self reliant, generate an income and improve their diets. The most successful projects were mango growing and raising goats, with farmers able to boost incomes by selling goat offspring.

“We are getting milk and school fees from [our] dairy goat project,” woman from Mundanda village.

Agricultural training also enabled 100 households to master organic farming. Of those trained in 2006, 45.8% said their training helped them improve their yields. By 2013, this number rose to 55.6%. Yields in beekeeping and pig farming also increased for 500 families in the community.

With continued improvements in the quantity and quality of available food, over 87.6% of adults and 72.3% of children are getting three meals a day, compared with over 60% in 2006 – an improvement of over 27% for adults.

We were delighted to see that so much of the change we helped implement has continued in Kimorori, which is becoming more and more urban. A factor which has also helped bring economic development and increase school enrolment rates in the area.



Village leaders (left and centre) stand with Hilary Williams, a World Vision UK staff member.

ANTONY'S STORY



Antony was born in Kimorori into a large family. When he was 12, a World Vision supporter sponsored Antony. This enabled him to complete secondary school

education. With the aid of a government grant, Antony studied agricultural economics at university and now helps gather data and evaluate the impact of World Visions' work in Kimorori. Antony says that sponsorship changed his life:

“World Vision taught us about moral values and this gave me hope. Many children who did not have this opportunity lost hope and dropped out of school. My brothers and sisters look up to me as they have seen what I have achieved. They want to copy me.”

Many other children have also benefited from the education opportunities offered through World Vision and supported by government. Since 2006, a retention rate of 99% of children has been maintained. Exam results require improvement, but the benefits of a bursary fund, originally set up by World Vision, and the construction of classrooms near water points are all on going. Many children from Kimorori have gone on to study at university and embarked on professional careers.

ATTITUDES TOWARDS HIV AND AIDS

There has also been considerable success in reducing the stigma associated with HIV and AIDS. Discrimination against sufferers has reduced from 35% in 2006 to just 4.7% in 2013, while social support for those with HIV and AIDS has gone up from 36% in 2006 to 88% in 2013.

2

PRIORITY

A TRANSFORMED SUPPORTER EXPERIENCE

World Vision inspires the UK through evidence of changed lives and an innovative experience of walking with the poor.

THE CHALLENGE

When you support World Vision UK, you want to see that we're using your donations wisely and effectively to transform the lives of the world's poorest children. Transparency and accountability are vital – but we want to go further. We want to use our grassroots presence in thousands of communities to bring you a unique insight into the lives of the children you're supporting. So you know that you're not just giving money towards a distant cause – you're making a real difference to the lives of real children in practical, concrete ways.

WHAT WE AIM TO DO BY 2015

We will:

- Find compelling ways to communicate the impact we have made to different audiences, from individual supporters to government departments.
- Enable closer interactions between people in the UK and the children and communities they support. This will involve embracing new technologies and creating innovative products and services to inspire our supporters.

WHAT WE'VE ACHIEVED THIS YEAR

WE'VE BROUGHT SPONSORS AND CHILDREN CLOSER TOGETHER

Closer contact: Technology is making the world smaller – and we've been using it to bring sponsors and the children they support closer than ever before. This year, we began trying out new types of communication to make the sponsorship experience more vivid and personal. Sponsors involved in our pilot received a welcome video, a video greeting from the child they sponsor and a video giving a glimpse into the life of the child's community. They have also been receiving extra updates and photographs of the children and their communities by email, helping to strengthen the bond between them. We plan to bring this

experience to all our supporters in the months ahead

– and it's also an initiative that we're working together to implement with the rest of the global World Vision Partnership.

Last year, supporters travelled the world – from Albania to Uganda – to meet their sponsored children.





Child reporter Memory, 14, from Malawi
and Mequant, 15, from Ethiopia.

©2012 Aklilu Kassaye/ Limbani Davis
Nsapato World Vision

First-hand news: In 11 of our projects, sponsored children have become reporters – writing their own updates, sharing their experiences and telling sponsors about life in their community. It's a chance for the children to talk about the things that matter to them and showcase their new skills and achievements. Sharing news in this way gives children a voice and sponsors an authentic insight into life in some of the world's hardest places.

Reaching out online: Our new website provides even more opportunities for sponsors and children to get to know each other. The new 'My Sponsorship' area provides a wealth of information about the countries and communities where children live: sponsors can find out more about the projects we're working on, view photos, read what the children have to say and see specific prayer requests. The site makes it easier than ever for sponsors and children to stay in touch – with just a couple of clicks they can send an email, or even create a birthday or Christmas card. Through the website and our Facebook page, sponsors can interact with each other and exchange experiences. Perhaps most inspiring, sponsors are able to share their life-changing experiences of meeting their sponsored child, encouraging others to do the same.

"World Vision built a new library. It has lots of books to help students learn more. There are also classes for students so that children can learn crafts that will help them earn a living when they leave school. I am holding some of the crafts woven by the students here."

Memory, (pictured above) a child reporter, in Malawi.

WHAT OUR SUPPORTERS SAY

"I like the way World Vision uses technology with things like emails and blogs to bring you closer to the community" – Sam from Bristol

"I have spoken to many people over the years and shown them photos and videos of the great projects you support" – Jackie from Edinburgh

"I particularly love the online Christmas card and birthday card function and being able to upload interesting pictures for the children to enjoy. It's really hard for me to get into town to the post office so being able to do it all online is such a joy"
– David from Somerset

WE'VE ENABLED SUPPORTERS TO REACH OUT AND INSPIRE OTHERS

Inspirational Ambassadors: Our Ambassadors programme is going from strength to strength. We've now trained 80 passionate volunteers to help us inspire people in the UK to become child sponsors, and another 50 people are looking to get involved. In the past year, they've spoken at social clubs, churches and schools, reaching more than 6,000 people, raising money and directly recruiting new sponsors. Many of our Ambassadors have been inspired by visiting the children they sponsor. This year, we took a group of six new Ambassadors to Senegal to meet their sponsored children and see first-hand how sponsorship is transforming the lives of children and their communities. They returned saying it was a profound, life-changing experience, one they would never forget.

Artist Ambassadors: This year, 11 talented artists have been wowing audiences across the country with charismatic performances while spreading the word about child sponsorship, as part of our new Artist Ambassadors programme. All of our artists are existing World Vision supporters, able to speak authentically and inspiringly about what child sponsorship means to them. They include: Elizabeth McGovern – aka Cora, Countess of Grantham from *Downton Abbey* – with her band Sadie and the Hotheads; award-winning comedian Jo Enright; and the Searchlight Theatre Company. We know that spreading the World Vision message through a memorable night out is a great way to build a relationship with potential supporters and are excited about expanding the programme and bringing on board other celebrities next year.

A TV STAR IN SIERRA LEONE

In 2013, we were delighted when Elizabeth McGovern – one of the stars of ITV's hit series *Downton Abbey* – became a World Vision Artist Ambassador. In this role Elizabeth shares her passion for our child sponsorship work with over 3,000 of her Twitter followers and thousands of her fans at gigs of her band, Sadie and the Hotheads – encouraging them all to become World Vision supporters.



As the sponsor of five-year-old Jestina from Sierra Leone, Elizabeth also shares her experiences of sponsorship with her fans. When she met Jestina (pictured) in 2013, Elizabeth said:

"I've seen the child who's benefiting, I've seen the schools, I've seen the health centres and I've seen the communities. I now have personal experience of tracking the work that World Vision is doing – it's working and it's working well."

RUNNING FOR CHILDREN

Abu Tadesse grew up in Ethiopia and was sponsored by World Vision for seven years. Today, he lives in the UK and is a World Vision Ambassador, sharing his story, fundraising and encouraging others to help change children's lives.

"I spent my early childhood in a remote area. For me, life was hard. I so wanted to study but it was difficult because I was often cold and hungry and we could not afford many exercise books.

"During grade 3 of school, I learned that World Vision had started operating in my district. I was registered for sponsorship and was sponsored for the next seven years.

"Each year, World Vision provided me with exercise books, pens and pencils as well as food, medication and cards. My hope grew and I was able to write and draw as much as I wanted. My interest for education increased dramatically.

"Receiving postcards and colourful pencils from our sponsors renewed my mind and filled me with energy to go forward.

"I finished school with excellent results and got offered a place at university. Later on, I joined World Vision Ethiopia as a development facilitator in Banja.

"In 2012, I got a visa to live and work in the UK. My plan is to specialise in international development and humanitarian emergencies. I would like to work for World Vision to serve God. Until then I am an Ambassador, which enables me to talk to different audiences about my experience of being a sponsored child and encourage others to make a difference.

"I also raise funds for World Vision. I took part in the Cardiff half marathon barefoot. I did this to remember the children who are not living life in all its fullness. Running with bloody feet was nothing compared to the fear that millions of children endure living in the world's toughest places, without hope or opportunity."



Abu displays his medal after competing in Cardiff.

©2013 David Brand/World Vision

GROWING OUR INCOME AND INFLUENCE

World Vision increases its income and influence to become one of the UK's leading international aid agencies supporting vulnerable children in the world's most difficult places.

THE CHALLENGE

The economic downturn will continue to hit household and government budgets for the next few years. While we're thankful that the government has remained firm in its commitment to growing the aid budget, we recognise that growing our income as quickly as we planned will be challenging while public donations continue to come under pressure. We must ensure we not only maintain, but increase our income and influence so that we can have an even greater impact on the lives of the children we support.

WHAT WE AIM TO DO BY 2015

To transform the lives of more children we must raise our profile, attract new supporters and increase donations. To do this we're investing in:

- Fundraising and engaging communications with the public.
- Building our influence with policy-makers by providing compelling evidence of our impact.
- Strengthening our capacity to acquire and manage grants from government and international donors.
- Astute financial planning to ensure we can sustain and increase funding to programmes for vulnerable children over the long term.

WHAT WE'VE ACHIEVED THIS YEAR

In a challenging climate where many charities are finding fundraising difficult, our income closed 3% down at £66.7 million, compared with £68.8 million in 2012 and £67.9 million in 2011. We've seen strong growth in our income from grants which has more than doubled in the last three years – from £10.7 million in 2010 to £21.9 million in 2013.

FUNDRAISING INCOME

Our voluntary income fell by 3%. Sponsorship income hasn't grown as we'd hoped, and we've struggled to replace supporters who've been unable to continue donating. Nevertheless, we've still been moved by the generosity of the UK public. Our Syria crisis appeal raised £610,000. Raw Hope, our initiative to protect children living in the world's most dangerous places, grew from around 3,000 supporters in its first year to 5,000 this year. We've also been encouraged by the growing number of supporters leaving legacy gifts (see page 27 for an example), so they can continue to help vulnerable children beyond their lifetimes; we've been looking into how we can do more to encourage this.

New supporters: One of the most effective ways of engaging people with World Vision, and inspiring them to support us, is to create memorable experiences. That's something we've been concentrating on.

Our hugely popular Girls' Night Out – an inspirational evening of laughter and tears, music and tasty treats – went from strength to strength. We held more events in bigger venues, reaching 4,477 women – almost 2,000 more than in 2012.



CALABASH

We also tested a new themed evening, Calabash, held in supporters' own homes. With food, audio and video, a small group of guests were transported to Sierra Leone to hear the story of Jennah, a child bride – and how World Vision freed her. Feedback has been hugely positive. We'll be holding more of these World Vision At Home evenings in the coming year and through them we're expecting to sign up sponsors for many more vulnerable children.

We took people on another journey of discovery with our interactive Step Into Africa experience, which ran for a month on London's South Bank and also visited Brighton and Bristol. Inside two contrasting African huts, visitors could explore the difference child sponsorship makes, while drumming workshops and 3D glasses stimulated their senses. It provided a great setting to talk to people about child sponsorship. And we made progress recruiting new supporters face to face at our stalls at festivals and in nearly 40 shopping centres around the southeast.



©2013 World Vision

Ladies at a Calabash evening learning about World Vision sponsorship.

As a commitment to best practice and transparency in fundraising, World Vision UK is a member of the Fundraising Standards Board. To find out more visit www.frsb.org.uk



©2013 Collins Kaumba World Vision

Now that Mary doesn't have to travel far to get clean water any more, she has more time for her schoolwork.

LEGACIES OF HOPE

Legacies left to World Vision change the lives of those they touch forever. The ultimate expression of love and hope, legacies fund essential projects around the world, making a long-lasting difference to the lives of vulnerable children.

Gifts in wills help us to protect and secure the future of children and ensure that their lives fulfill the potential they are born with. Children like Mary (pictured) living in Angola are now finding their lives transformed thanks to some generous gifts in wills that have helped fund a water, sanitation and hygiene project.

Before the project started, many communities were unable to access safe water, taking their water from rivers, ponds and open wells – exposing themselves to waterborne diseases, many of them life threatening. With the installation of local boreholes, not only is the long-term health of children improving, so is their education, as they spend more time in school, rather than travelling long distances to fetch water.

Joseph Rajasingham was one of the kind benefactors that helped Angola's children through this project, giving them hope for a brighter future. Joseph left his estate to World Vision "in memory and recognition of the support his late wife gave to children in need" and in doing so gave a gift that generations of Angolan children shall never forget.

GOVERNMENT & GRANTS INCOME

This year, with 78 grants under our management, we've been more successful than ever in forming and strengthening partnerships with grant-awarding bodies, impacting the lives of at least 4.5 million children in 21 countries. By working with partners who share common goals, we're able to make a bigger difference:

- 50,000 girls in Zimbabwe will have the chance of an education, thanks to one of our largest grants from DFID (the UK Government's Department for International Development), worth almost £12 million over three years.
- 344,000 people within Syria, as well as refugees from Syria and their host communities, will receive essential support as a result of £5 million from DFID.
- Hundreds of thousands of adults and children living in a remote area of DR Congo will receive healthcare from a regional consortium led by World Vision UK, after we signed a five-year DFID contract worth £14.5 million with IMA World Health.
- Children in Malawi and Zimbabwe will benefit from clean water and improved sanitation, thanks to support from DFID and UNICEF.



DFID STRATEGIC PARTNERSHIP

Mothers and young children in 83 communities are noticeably healthier, with more safe births, better nutrition and fewer cases of diarrhoea, fever and respiratory infections. In 51 communities in Armenia, India, Kenya, Malawi, Uganda and Zambia, local people say they are getting better education and health services as a result of lobbying local and national government. Across 11 countries, 215 communities have stronger systems in place to protect children and bring those who exploit or abuse them to justice.

This is just some of the progress we've seen in our ongoing Programme Partnership Agreement (PPA) with DFID. Working with 65 projects across 25 countries, the partnership supports communities to protect children, improve the health of mothers and children, and get better access to vital services. We're pleased to say that, so far, we've met or exceeded all our targets.

The PPA is worth almost £20 million over five years. This sort of funding allows us to innovate, develop our experience and expertise and increase our impact. And this in turn means we can transform more lives, as successful community initiatives influence local, national and international policy and are replicated in other places.



Grace and Gloria, both aged 10, are benefiting from improved sanitation at their school in Malawi.

©2013 Charles Kabena/World Vision



Top right: Abdul, from Pakistan, writes a letter to the G8 leaders. Above: World Vision supporters joined 45,000 campaigners at Hyde Park.



In the lead up to the summit, 6,038 World Vision UK supporters joined the campaign. Of these, 460 wrote to their MPs and more than 1,545 watched the prayer video we made with the 24/7 prayer network, while many joined over 45,000 people at the campaign's rally in Hyde Park.

The climax of the campaign was reached at the high-level Nutrition for Growth (N4G) meeting, co-hosted by the UK government, the Children's Investment Fund Foundation (CIFF) and the Brazilian government. Not only did donors and governments officially pledge a staggering £2.7 billion to tackle undernutrition, but Rose Ndolo, World Vision Kenya's National Nutrition Coordinator, also took to the platform. There Rose brought alive the stories of Kenyan children and their families whose lives are blighted by hunger before she announced an incredible additional £800 million pledge from the World Vision Partnership.

Described by Rose as "a special moment to help end hunger and malnutrition," these pledges will help save the lives of almost two million children and help prevent 20 million growing up stunted by 2020 – strengthening further our mission to transform the lives of the world's most vulnerable children.

The IF campaign also secured other commitments that will help tackle global hunger, including: a promise from the UK government to spend 0.7% of GDP on aid; agreement from governments to clamp down on tax dodging; and agreement from the G8 to trial partnerships to help make buying, owning and selling land much fairer in developing countries.

As well as the N4G meeting, we were also involved in organising a number of side events, including a roundtable on nutrition in fragile contexts and a church service attended by 3,500 people. At the service, we worshipped God with our supporters, colleagues, Trustees, friends and family and were moved by Aimee Manimani's, (from World Vision's national office in DR Congo) powerful words as she us told how undernutrition kills more children in her war-torn country than conflict does. Aimee's story helped us all connect with and long to bring hope to children living in one of the world's poorest and most dangerous places.

AN INFLUENTIAL VOICE...

Global hunger, child marriage and the crisis in Syria have all hit the headlines this year, and governments have made progress in addressing the health and protection of children. We're proud to have played a part in this, as we increasingly bring the hopes, fears and needs of children in the world's hardest places to the attention of politicians, civil servants and the media.

... ON CHILD HEALTH

Enough Food For Everyone IF: We helped make a breakthrough in the fight against undernutrition, which kills three million children every year, through the IF campaign. A coalition of 200 charities, businesses and faith and community groups, IF used the UK's presidency of the 2013 G8 summit to call for action to tackle the root causes of hunger. Our demands included more aid – although undernutrition is responsible for around 45% of all global child deaths, just 0.4 percent of global aid is spent on addressing it – and an end to unfair corporate practices like tax dodging and land grabs in developing countries³.

Children's nutrition in fragile places: During the IF campaign – at the G8 and the N4G summit – we lobbied world leaders to prioritise aid in fragile places, where hunger hits hardest. We were delighted when we persuaded the DR Congo government to commit to Scaling Up Nutrition (SUN) – a movement launched in 2010 by the UN Secretary General to help tackle child hunger: After two decades of conflict in DR Congo, far more people have died as a result of disruption to their food supplies than in the fighting, so this should have a huge impact.

... ON CHILD PROTECTION

Against early marriage: Almost one in three girls in developing countries marry before they turn 18⁴. Many are much younger, with girls as young as eight married off to men many decades their senior. The problem is worst in fragile states – in Niger, for example, 36 percent of girls are married before 15, and 75 percent before 18. Ironically, many parents in poor, conflict-ridden or disaster-prone countries see marriage as a way of protecting their children.

We investigated these complex issues in our report *Untying the Knot: Exploring Early Marriage in Fragile States*. The report was launched both in Parliament and at a side event at the UN Commission on the Status of Women in New York. At the standing-room-only event, co-sponsored by Girls Not Brides (a global partnership of more than 300 organisations from over 50 countries committed to ending child marriage), Anika, one of our sponsored children from Bangladesh, spoke about her own early marriage and Lynne Featherstone, Parliamentary Under Secretary of State for International Development, applauded our report. Justine Greening, Secretary of State for International Development, put early marriage on the agenda at an international summit on violence against girls and women in emergencies, hosted by DFID.

Ending sexual violence: Too many children live in fear of sexual violence – particularly during conflicts and emergencies. So we're pleased that the Foreign Secretary William Hague has made tackling sexual violence a priority and we've been working closely with the Foreign and



Now that early marriage is less prevalent, Maria, 12, from Niger is now able to spend time studying and continuing her education. "I want to be educated so people respect me," says Maria.

© 2012 Dana Paladeu/World Vision

Commonwealth Office to ensure that protecting children is a central part of this approach. We influenced the Declaration on Preventing Sexual Violence in Conflict, launched by foreign ministers at the G8. The declaration included 13 references to children, including all nine of the policies we'd specifically advocated. These include providing appropriate support for child victims, and making sure the needs and rights of children are taken into account in peacebuilding missions.

Throughout, our emphasis has been on prevention being better than cure, encouraging behavioural change so that incidents of sexual violence are reduced as societies become less and less tolerant of such acts.

... ON EMERGENCIES

Syria and Lebanon: More than half a million Syrians have taken refuge in Lebanon over the last three years, and the number is increasing all the time – one in four people in Lebanon are now thought to be a refugee. For the most part, the Lebanese have responded with extraordinary generosity, welcoming Syrians into their homes, schools and hospitals. But the sheer numbers are proving an unbearable strain. Host communities, as well as refugees, need support.



In Lebanon, World Vision is supporting Syrian refugee children like Rouaa, 4, who is living with her family in a garage that is also home to other families.

© 2013 Patricia Mouammi/World Vision



Baroness Northover, House of Lords spokesperson for Women and Equalities, holds a copy of our *Untying The Knot* report.

© 2103 Gavin Crowden/World Vision



Rt Hon Justine Greening MP announcing that the UK will allocate £50 million to help Syrian refugees in Lebanon and host communities.

© 2013 Patricia Mouammi/World Vision

We highlighted this in our report, *Under Pressure: The Impact of the Syria Crisis on Host Communities in Lebanon*, launched at an event in Parliament in July, where Alan Duncan, Minister of State for International Development spoke. The report was well received, attracting additional support and funding for Syrian refugees and their host communities. At the same time, World Vision colleagues in Hong Kong, USA, Australia and Canada also used the report for lobbying.

Somalia: We've been working in Somalia – one of the world's most fragile states – for 20 years. So we were able to take a lead in key conferences on the country in the UK and Brussels. At the UK conference, attended by Prime Minister David Cameron and other world leaders, the UK and other donors pledged £84 million in aid for the east African country. Protecting women and children from sexual violence, was highlighted, reflecting World Vision's own priorities.

BEING AN INSPIRING AND EFFECTIVE ORGANISATION

World Vision lives out a culture of accountability and innovation, resilient and dynamic in adapting to a world of change.

THE CHALLENGE

World Vision UK has amazing staff who are committed to our vision and has strong grassroots support in the UK. Through the World Vision Partnership, we have a significant global presence, meaning that our ability to form connections between people across the world is unparalleled.

However, the continued economic challenges and tough environment for charities mean that World Vision needs to innovate, adapt and change in order to sustain and grow our support to our colleagues and partners in the field and make an even bigger difference to children's lives.

WHAT WE AIM TO DO BY 2015

We are inspired by our work and want to inspire others with the difference our projects make. To do this, and to achieve our mission, we need to be focused and effective in everything we do. We will:

- Confidently and consistently live out our Christian identity.
- Invest in a clear, compelling brand that reflects who we are.
- Nurture, encourage and reward our staff, recruit new talent and invest in our leaders and managers.
- Invest in innovation, enabling staff to come up with new ways to support, inspire and transform children's lives.
- Be more accountable through enhanced financial and project management.

WHAT WE'VE ACHIEVED THIS YEAR

The last few years have been hard for everyone. Governments and households are cutting back on spending, even as charities like us find we have ever more work to do. That means we've needed to take measures to become a more effective and more competitive organisation, better able to weather change and continue our vital work through difficult times.

Reinvigorating our strategy: We've refocused our strategy to reflect the challenging economic climate. Although our income is holding up, we've seen a fall in our supporter numbers. Unless we address this, it will have a serious impact on our ability to transform more children's lives in the years ahead. We need to invest more now in growing our income – in attracting new supporters and retaining our existing ones, in winning and managing grants, and in encouraging other forms of giving. By spending more on fundraising in the short term, we can do more for more children in the long term.

We're striving to meet the commitments we've made to the children and communities we work with, but we've not been able to start some of our planned programmes. And while influencing national and international governments remains hugely important, we're increasingly sharing advocacy work with other members of the World Vision Partnership. As the world's largest children's charity, World Vision has a wealth of expertise and experience. We're looking for opportunities to do more work in partnership with other offices, and to draw on each other's complementary strengths and resources.

NEIL GONSALVEZ

Strategy and Planning Specialist: "I joined World Vision in December 2012, after working for two leading management consultancies in Australia. I was drawn to World Vision because it is a global leader in helping the world's poorest children and showing God's love in the world.

"As I'm new to international development, the team here has really helped me appreciate what life is like for vulnerable children and what it takes to help change their lives. I regularly seek God's guidance and



ask for his blessing in new strategies and plans. It's a huge privilege to be able to mix my faith and work so closely."

Reshaping our organisation: As we've refocused our strategy on fewer, clearer priorities, we've changed the shape of our organisation. We've created some new roles in areas such as fundraising and grant management, and changed other roles significantly. While the changes will make us more effective, we've sadly had to make some roles redundant. Overall, this has meant a reduction in our total workforce. We've worked hard to make sure staff are aware of, and involved in, all of these changes, and to support those affected by them. We're confident, though, that these changes mean we are now a stronger organisation with departments working together more closely, sharing services and resources. Our overall aim is to be a healthy organisation where people thrive. We've begun a staff talent initiative to identify how we can support the passionate people who ultimately make World Vision UK an inspiring and effective organisation.

Strengthening our brand: As we seek to appeal to more supporters, it's essential that people know what World Vision UK stands for. To do this, we chose five simple words: *Every child free from fear*. By putting this message at the heart of everything we say and do, we bring our work to life in the hearts and minds of new supporters.

Working more efficiently: We've further streamlined our business and internal processes to make sure we operate as effectively and as efficiently as possible. After much preparatory work in 2013, we'll be launching a new computer system this year that brings together our finance and project systems, allowing us to make the best-informed decisions using real-time data.

SARAH WILSON

Senior Emergencies Specialist: "As a journalist, I'm very interested in international affairs. On a personal level, I'm passionate about tackling global inequality. Working for World Vision, I bring both of these things together.

"My role – whether I'm reporting from the field in the DR Congo or I'm in the London office – enables me to highlight the stories of vulnerable children living in the hardest places, the sort of places that the



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mainstream media neglects. It gives me the opportunity to influence high-level decision makers to institute policies aimed at reducing poverty and inequality around the globe."

STRATEGY AND PLANS FOR THE FUTURE

Now three years into our 2011 to 2015 strategy, we take stock and share our next steps.

Looking back over the last three years, we have much to thank God for – we have compelling evidence that we create real change for children, that our supporters are feeling closer to their sponsored children and that our influence with, and grant income from, government grows stronger and stronger.

As economic austerity has continued and we face more competition, our aspiration to transform the lives of the world's poorest children remains steadfast. To achieve this though, we've had to refocus our strategy to ensure we can provide a long-term impact in the lives of the children we serve.

Although our income has held up, our supporter numbers have fallen. We've recognised that it's vital for us to reverse this trend – without our supporters our ability to transform lives is greatly reduced. So, we will invest more in growing our income to attract new supporters, in winning and managing grants and encouraging other ways of giving. To achieve more in the long term, we will spend more on fundraising in the short term.

As part of this process, we've looked hard at where we can make savings. Although we will continue to meet our commitments to the children and communities we currently work with, for now, we're unable to start new programmes. We've also decided to share much of our advocacy work with other members of the World Vision Partnership – it makes sense, as the world's largest children's charity to draw on our global strengths, experience and resources.

In 2014, we'll focus on the following three areas of income:

1. Child sponsorship: to help reach as many children as possible, we will focus on attracting more sponsors. We aim to achieve this by making sponsorship as engaging and rewarding as possible – offering innovative and original ways for sponsors and their children to connect and build enduring relationships.
2. Grants: grants have driven our overall income for the past five years and are our largest source of funding for the poorest children living in the world's most dangerous places. To make the most of these funding opportunities, we'll invest to secure new contracts and manage existing ones well. We'll also recover more of our costs associated with this and grow our sources of match funding.
3. Major donors: we will build on the growth and strong performance of our major fundraising to help us grow our income, enabling us to reach more vulnerable children and their communities.



©2013 Aimee Nsimire Maniman/World Vision

In DR Congo, World Vision is working to help children like Jacques, 8, (main image) and Salumu, 7, (inset) find safe places to be educated, rather than spend the day outside keeping goats in a region suffering with violent conflict.

FINANCIAL REVIEW

SUMMARY

2013 was a challenging year for World Vision UK. After five years of successive income growth, total income fell by £2.1m to £66.7m, but in the face of this it has also been a year in which we have improved or maintained our key operating ratios. We had a record year for institutional grants and a large increase in donated goods and services, but falls in committed giving due to a fall in the number of child sponsors and emergencies. However, savings in support costs realised from the 2012 restructuring programme, tight cash management and cost controls allowed us to increase our remittances to projects by £2.6m while our charitable activities ratio increased from 83.3% to 84.4%, our cost of generating funds fell from 16.0% to 14.9% and our governance costs fell from 0.7% to 0.6%. Our overall financial strength remains stable with reserve days falling by one day to 33 days.

INCOME

Most encouragingly we saw an increase in institutional grants of £0.9m to £21.9m, our highest ever annual total. Our acquisitions beat all targets and past records with £39.0m lifetime value from 24 new grants won and our first breakthroughs into the new world of larger, thematic and consortium based grants and tenders such as the DFID/IMA DR Congo health programme (£15m over five years) and the Girls Education Challenge fund (£12m over three years in Zimbabwe). We also saw £2.0m increase in donated goods and services with the largest single component being £1.5m for an agricultural e-voucher project in Zimbabwe.

The fall in committed and other donations by £3.0m to £38.9m was largely due to the reduction in the number of child sponsors and stabilising this support base and returning it to growth is a clear focus as we look to the coming periods. We also experienced reduced donations for emergencies from £2.1m to £1.7m as there were fewer high profile emergency situations during the year.

The investment and other income remained level at £0.1m as we continue to prioritise getting cash to the field, security of our deposits and ethical investing of our funds.

CHARITABLE EXPENDITURE

Charitable expenditure increased by £2.3m to £59.4m primarily due to increasing remittances to overseas programmes. We have delivered on commitments to the field by managing cash balances and reserves while programme support costs and advocacy and education costs reduced by 6.1% to £5.4m. The percentage of charitable activities within total costs has increased from 83.3% to 84.4%.

OTHER EXPENDITURE

Other expenditure, which includes the cost of generating funds and governance costs, decreased by £0.5m to £10.9m. This was achieved whilst fully supporting the five-year strategy, beginning to address pressures on child sponsorship and committing to the IF campaign. Year on year our cost efficiency has improved as our costs of generating funds has fallen from 15% to 14.9% and our governance costs are down from 0.7% to 0.6%.

FUNDS AND RESERVES

The Trustees review the reserves policy annually. The policy requires free reserves to be maintained at 25-45 days of applicable expenditure (that is, total expenditure less donated goods and services that do not involve a cash outflow). This is equivalent to a range of £4.5m to £8.2m at current expenditure levels. The Trustees consider that this is an appropriate level for reserves in order to provide adequate working capital.

Free reserves, which comprise the General fund were £5.9m at the balance sheet date, which represents 33 days of applicable expenditure. This was slightly down from £6.2m in 2012.

The charity has designated funds:

The **Tangible fixed asset fund**, which amounted to £2.1m at the balance sheet date, represents the net book value of tangible fixed assets less related financing and is therefore not distributable.

The **Emergency relief fund** balance of £0.5m from 2012 has been transferred to the General fund at the balance sheet date. Any pre-funding of emergencies arising without specific income source will now be provided by the General fund.

The **Strategic initiative fund**, has been transferred to the General fund as we invested in projects during the financial year.

Restricted funds, which amounted to £6.5m at the balance sheet date, are subject to conditions imposed by donors or implied by the nature of an appeal.

BANKING AND TREASURY

The investment policy and investment performance are reviewed by the Finance and Audit Committee regularly. The objective of short-term investments and cash held at banks is to maximise security, by spreading the funds across five or more banks with high credit ratings while still seeking to maximise available returns. The objective for longer-term investments is to manage risk while seeking to maximise the overall return on a combined capital and income basis, subject to the need for rapid realisation. World Vision UK applies, wherever possible, ethical criteria to the investments: for example, it does not invest in companies with significant interests in armaments, gambling or tobacco, and each financial year it discusses social responsibility policies with the institutions with which it invests.

Short-term investments reduced by £0.8m to £5.5m and represents funds held in short-term deposits with our banks. Returns of 0.34% (2012: 0.49%) were achieved during the year on short-term deposits. The reduction in the returns of short-term investments is due to managing the security of our deposits so the withdrawal of funds from higher interest paying banks that have suffered a downgrade in their credit rating. During the year an unrealised gain of £0.1m (2012: gain £0.1m) was made on an investment in a common investment fund and the year end investments balance stood at £0.8m.

We reviewed and updated our hedging approach in 2013. The majority of our remittances to the field are in US dollars but our income is largely in British pounds. To better ensure stability around the cost of remittances to the field we have introduced a longer-term hedging approach with a three year outlook going forward.

GOING CONCERN

We have set out above a review of the financial performance during the financial year and our reserves position at the year end. We have adequate financial resources and have the structures in place to manage the business risks. In addition, the review of the five-year strategy and our budgeting and forecasting process have taken into consideration the current economic climate and its potential impact on both our various sources of income and expenditures.

We have a reasonable expectation that we have adequate resources and control mechanisms to continue in operational existence for the foreseeable future.

Further, we believe that there are no material uncertainties that may cast doubt on the charity's ability to continue as a going concern. Therefore we continue to adopt the going concern basis of accounting in preparing the annual financial statements.

INTERNAL CONTROLS AND INTERNAL AUDIT

The organisation has documented systems of internal financial controls and procedures which are reviewed annually by financial management. These systems provide reasonable, but not absolute, assurance against errors or loss. The procedures aim to ensure the completeness and accuracy of accounting records and document the ways in which the Trustees have delegated financial authority within defined limits. The internal controls provide reasonable assurance that:

- Financial controls are in place to safeguard assets;
- Transactions are properly authorised and recorded; and
- Material errors or irregularities are either prevented or would be detected within a timely period.

The World Vision Partnership has an Internal Audit department that undertakes audits of its overseas operations including those to which World Vision UK makes remittances. The primary accountability of the internal auditors is to the Audit Committee of World Vision International, the legal entity providing international coordination and leadership of the World Vision Partnership. However, reports on the results of internal audits are made available to relevant investing entities, which are involved in any action taken in the event of an adverse report. World Vision UK has a Programmes and Projects Risk Committee that reviews internal audit reports and other risks in relation to our programmes and reports to the Finance and Audit Risk Committee. Audits are also carried out for some of our government donors.

RISK MANAGEMENT

The pursuit of a bold plan to transform the lives of children in the world's hardest places necessarily exposes the charity to significant risks which must be assessed, managed and, at times, embraced if the charity is to achieve its strategic objectives.

The Board has established a formal risk management process and internal control framework to ensure intelligent, proactive and consistent management of risks, so that the charity can maximise strategic opportunities in the changing and competitive environment of the UK charity sector and within the challenging and fragile contexts of international aid and development.

An annual Risk Register identifies the risks facing the charity within four categories: strategic, operational, reporting and compliance. Risks are assessed and a high, medium or low risk rating given based on likelihood of occurrence and their potential impact on the charity. Existing controls for each risk are then identified and a 'residual' risk rating assigned which will be monitored, together with progress against any further mitigating actions planned during the year.

The Risk Register is approved annually by the Board and reviewed quarterly by the Management team with key risks escalated to the Board. A Risk Events Log captures the charity's risk incidents each quarter and assigns clear

ownership of and timelines for mitigating actions. Board Committees review relevant areas of this Log and are able to assess the adequacy of controls and mitigation in place. The trends and incidents within the Log can also provide valuable insight into the evolving risk environment.

As part of a commitment to develop an increasingly embedded and mature approach to risk management, the Board and Management team have made significant progress during 2013 towards the definition of a Risk Appetite statement. This aims to identify how much risk the charity can sustain in identified risk areas (risk capacity) and how much risk it desires to take in each area (risk tolerance). The Risk Appetite statement allows for an in-depth and strategic discussion of key risk issues at Board and senior Management level and will equip the charity with a valuable tool for decision-making and reporting across the organisation.

The charity defines key strategic risks as those that threaten the fulfilment of the core strategic objectives within its business plan. The following key strategic risks and an important inherent risk were identified during the year:

Strategic priority	Risk	Mitigating action
<p>Evidence of real change for children</p> <p>Transformed supporter experience</p>	Given our commitment to work in fragile contexts challenged by conflict or instability and poor infrastructure, there is a risk that we will be unable to operate effectively, leading to an inability to achieve and demonstrate impact to UK donors.	World Vision Partnership Programme Support Code and Teams to address capacity issues in-country. Agreed "child wellbeing" outcomes and standards for programme design, monitoring and evaluation.
<p>Grow income and influence</p>	Given the strong media appetite for scrutiny of, and reporting on, charities and the increased exposure to public comment through social media activity, there is a risk that we may incur negative PR leading to a loss of reputation, credibility and ability to fulfil our vision and mission.	Integrity of internal processes, commitment to quality, transparency and accountability. Defined processes for quality and sign-off of external communications. Risk and crisis management strategies. World Vision Partnership system for managing global media crises.
<p>Grow income and influence</p> <p>Transformed supporter experience</p>	Given the increasing dominance of a single (face-to-face) fundraising channel as the only cost-effective means of supporter recruitment within the current economic context and competitive fundraising environment, there is a risk of over-reliance on a single approach to public engagement, leading to an inability to engage the broader UK public in tackling global poverty.	Testing new and innovative approaches to fundraising activity. Ensuring high quality experience for new supporters. Sponsor Ambassador programme for sponsors to recruit sponsors. In-house fundraising team pilot.
<p>Grow income and influence</p> <p>Evidence of real change for children</p>	Given the move towards bigger, more complex approaches to institutional funding for fragile contexts, there is a risk that we may not be able to generate sufficient unrestricted income from voluntary donors to provide pre-funding and manage risks of repayment or disallowed costs, leading to an inability to pursue opportunities which could transform the lives of children in the world's hardest places.	<p>World Vision Partnership Grants Acquisition & Management Strategy with an increased focus on global grants strategy and resource.</p> <p>Exploration with other World Vision fundraising offices of possible shared approaches to grant-match requirements.</p> <p>Refinement of UK grants management framework and more integrated financial reporting to monitor potential exposure.</p>
<p>An inspiring and effective organisation</p>	Given the difficult economic environment and increasing pressure on our fixed cost base, there is a risk that we may be unable to retain, value and develop our people, leading to staff burn-out, loss of key talent and failure to maintain our core values or deliver strategic objectives.	Staff Performance Development System. Talent Management and Succession Planning. Monitoring of Turnover. Annual Staff Engagement Survey and quarterly Pulse Check. Staff Wellbeing strategy and activities.
<p>Inherent risk</p>	Given our reliance on third parties to deliver overseas programmes and our commitment to operate in contexts where fraud and corruption may be prevalent, there is a risk of insufficient control over financial management, leading to potential misuse of our charitable funds and inability to achieve impact.	Well established financial controls and monitoring systems within the World Vision Partnership. Regional, National and Global Internal Audit systems. Global Risk Management and Anti-Corruption Policies, fraud assessment and response procedures.



In Cambodia, girls participate in their lessons at school.

CORPORATE STRUCTURE AND GOVERNANCE

The unique structure of the World Vision Partnership means that we can work alongside children, families and communities in almost 100 countries to overcome poverty and injustice. The World Vision Partnership is a network of national entities constituted in a federal partnership governed by local Boards of Trustees (Boards) or Advisory Councils. This means that overall control of the organisation is not held by a central body, but shared with our global partners.

World Vision UK is a committed member of the World Vision Partnership and by signing the Covenant of Partnership agrees to abide by common policies, standards and core documents such as statements of mission, vision and core values that bind the Partnership together. The Covenant is based on the principle of national entities held together, under God, by voluntary commitment rather than legal contract.

The Board of Directors of World Vision International oversees the World Vision Partnership's global strategy and coordination, including approving global budgets and determining international policy. The World Vision International Board appoints and evaluates the International President, who is the Chief Executive Officer and a Board member.

There are 24 Board Members from 19 countries, including the UK, reflecting the approach that Board Members are drawn from all the continents in which the partnership operates. This system empowers entities in developing countries and ensures regional opinion is expressed.

CORPORATE GOVERNANCE

The Board of Directors of World Vision UK (the Trustees) and World Vision International recognise good governance is a vital contributor to the effectiveness of the corporate mission and an important safeguard for accountability to the public and other stakeholders. Significant effort is invested in seeking to continually improve governance both in the United Kingdom and internationally.

World Vision International has a Governance Department that assists local Boards and Advisory Councils with governance by publishing guidance and providing training. It also enables mutual accountability by facilitating Peer Reviews that evaluate alignment with the World Vision Partnership's core documents and compliance with good governance practice.

WORLD VISION UK

World Vision UK was incorporated in England on 3 November 1982 as a company limited by guarantee (No. 1675552) and is a registered charity (No. 285908). Members of the charity are the Trustees whose liability is limited to £1 each. The charity's governing document, its Memorandum and Articles of Association, sets out its objects, powers and matters relating to the running of its internal affairs.

World Vision UK's charitable objects are:

1. To relieve or prevent poverty anywhere in the world, particularly (but not exclusively) among children, by means including (but not limited to):
 - Emergency relief that assists people affected by conflict or disaster
 - Sustainable development that improves the conditions of life in socially and economically disadvantaged communities
 - Advocacy by educating, engaging with and mobilising people in the UK and other countries concerning the nature, causes and effects of such emergencies and poverty.
2. To promote and uphold the principles of the Christian religion, including (but not limited to) working with and strengthening the work of Christian churches in any part of the world in providing services to communities, including (but not limited to) those affected by conflict, disasters and poverty, regardless of race, nationality, religion, gender or political affiliation.

Board and management roles

The World Vision UK Board of Trustees is legally responsible for the overall control of the charity and for ensuring that it is properly managed. Principles of governance, including legal compliance, have been identified by the National Council for Voluntary Organisations in "Good Governance: A Code for the Voluntary and Community Sector" which the Board uses in evaluating its performance.

The Board's principal roles are:

- approving the mission, strategies, high level policies and annual business plan
- appointing and overseeing the Chief Executive
- monitoring performance and risk management
- reporting performance with integrity and transparency
- ensuring compliance with UK law and Charity Commission regulations

- managing its own governance processes, including annual evaluation of Board, Chair and individual Trustee performance
- adding value by advising management
- representing the interests of World Vision UK's stakeholders.

The Board delegates responsibility for operational management to the Chief Executive, who leads an Executive Leadership team (together, the Principal Officers). The Principal Officers develop most of the organisation's plans, policies and processes, and are responsible for their implementation, following Board advice and approval.

The Board has ongoing regard to the public benefit guidance published by the Charity Commission when reviewing the charity's activities and future plans.

Board composition

The Board is comprised of independent, unremunerated, non-executive directors (Trustees) who have a broad range of skills and experience, and includes the President of World Vision International. Trustees normally serve for a maximum of nine years and are re-elected every three years based on satisfactory performance. There is provision for extension of service terms (normally three additional years) to fulfil obligations to governance positions within World Vision International and for the Board Chair. The Board Chair and Vice Chair are elected by the Board on an annual basis.

Code of conduct

The Board expects every Trustee, staff member and the organisation as a whole, to conduct themselves in accordance with the highest ethical standards. Individual Trustees evaluate themselves against these standards annually. Trustees are required to disclose any potential conflicts of interest to the Board and withdraw from any related Board discussion and decision-making.

Board expenses

No fees or remuneration are paid for serving as a Trustee. World Vision UK reimburses reasonable expenses incurred in the course of acting as a Trustee. This includes travel and accommodation expenses required to attend meetings and training and orientation costs. Every effort is made to ensure costs are modest.

Board meetings and Board Committees

The Board meets quarterly, with additional meetings as required. Important governance work is carried out by Board Committees that meet on a quarterly basis to discharge their responsibilities under formal terms of reference which are reviewed annually. Each Committee includes Trustees with directly relevant skills and

experience. The Board does not delegate major decisions to Board Committees; the Committees are responsible for considering significant issues in detail and making recommendations to the Board. Committees report substantive points of their discussion to the following Board meeting.

The roles of Board Committees are:

- The Board Development Committee is responsible for promoting good governance, recruiting Trustees and ensuring the Board works as effectively as possible, including Board training and personal development, and overseeing Board performance evaluations.
- The Finance Audit and Risk Committee reviews the annual business plan and budget, monitors risk and financial performance and ensures compliance with financial and risk policies and charity legislation. In addition, it liaises with the external auditors and reviews internal audit reports.
- The Organisational Effectiveness and Remuneration Committee approves the remuneration of all Principal Officers and the remuneration policies for other staff. Additionally it reviews organisational strategies including those for development of innovations and information technology.
- The Public Engagement Committee reviews and contributes to marketing, communication and campaign strategies, monitors performance against the annual business plan and ensures compliance with fundraising regulations.
- The Policy and Programmes Committee reviews and advises on World Vision UK's development and relief programmes and advocacy strategies and their implementation.
- Ad hoc Board Committees are set up as and when required.

Major new governance initiatives during the financial year

- The Board re-appointed Mark Sheard as Chair and Anna Laszlo as Vice Chair for a third term.
- The Board reviewed and approved a new Ethical Policy, Recruitment of Senior Management Policy and statement setting out World Vision UK's Christian Identity in a new "Our Faith" Policy.
- Two Trustees visited World Vision field operations, one in Afghanistan and another in Uganda, and reported back to the Board on their experience of World Vision's impact.
- World Vision International carried out a Peer Review of World Vision UK's governance structures and processes and concluded that World Vision UK was aligned with, and demonstrating a consistent ability to meet, World Vision International partnership-approved standards.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of World Vision UK for the purposes of company law) are responsible for preparing the Financial Statements and *Annual Report*, including the *Strategic Report*, in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 Statement of Recommended Practice (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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 the Trustees have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The *Strategic Report* is approved by the Trustees as Directors of World Vision UK.

The *Annual Report* is approved by the Board on 17 February 2014 and signed on behalf of the Board of Trustees by:



Mark Sheard

Board Chair – World Vision UK



Boys, some of them sponsored, sit on a wall in India.

A photograph of three children sitting outdoors. On the left is a young boy with short dark hair, wearing a blue and white striped long-sleeved shirt. In the center is a young girl with her hair pulled back, wearing a red long-sleeved shirt with a graphic design that includes the word 'CALIFORNIA'. On the right is a young boy with short dark hair, wearing a blue short-sleeved button-down shirt and a purple and white plaid bag slung over his shoulder. They are all smiling and looking towards the camera. The background is a blurred natural setting with green foliage and a blue sky. A semi-transparent white box containing the text 'FINANCIAL STATEMENTS' is overlaid on the upper right portion of the image.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 30 September 2013

	Notes	Restricted £'000	Unrestricted £'000	2013 £'000	2012 £'000
Incoming resources from generated funds					
Voluntary income:					
Committed giving and other donations	2	27,386	11,511	38,897	41,881
Donations for emergencies	2	1,651	-	1,651	3,732
Donations, gifts and legacies	2	29,037	11,511	40,548	45,613
Institutional grants	3	21,917	-	21,917	21,057
Donated goods and services	4	4,196	-	4,196	2,040
Total voluntary income		55,150	11,511	66,661	68,710
Investment and other income	5	-	81	81	79
Total incoming resources		55,150	11,592	66,742	68,789
Resources expended					
Costs of generating funds	7	6,439	4,083	10,522	10,959
Charitable activities	6	51,239	8,207	59,446	57,192
Governance costs	7	83	371	454	513
Total resources expended		57,761	12,661	70,422	68,664
Net (outgoing) / incoming resources before transfers					
		(2,611)	(1,069)	(3,680)	125
Transfers between funds	16	128	(128)	-	-
Net (outgoing) / incoming resources before other recognised gains					
		(2,483)	(1,197)	(3,680)	125
Net unrealised investment gains / (losses)	12	-	103	103	98
Net movement in funds					
		(2,483)	(1,094)	(3,577)	223
Funds at 1 October	16	9,025	9,096	18,121	17,898
Funds at 30 September	16	6,542	8,002	14,544	18,121

The results for the year derive from continuing activities and there are no gains or losses other than those shown. The statement of financial activities incorporates the income and expenditure account as required by FRS3.

BALANCE SHEET

as at 30 September 2013

	Notes	2013 £'000	2012 £'000
Fixed assets			
Tangible fixed assets	11	6,385	6,809
Investments	12	795	692
		7,180	7,501
Current assets			
Debtors	13	7,635	8,216
Investments	12	5,455	6,206
Cash at bank and in hand	-	3,257	4,309
		16,347	18,731
Liabilities			
Creditors: Amounts falling due within one year	14	(4,749)	(3,566)
		11,598	15,165
Net current assets			
		18,778	22,666
Total assets less current liabilities			
Creditors: Amounts falling due after more than one year	15	(4,234)	(4,545)
		14,544	18,121
Net assets			
The funds of the charity			
Restricted funds	16	6,542	9,025
Unrestricted funds			
Tangible fixed assets fund	16	2,073	2,316
Strategic Initiative fund		-	50
Emergency relief fund	16	-	500
General fund	16	5,929	6,230
		14,544	18,121

The financial statements of World Vision UK, company number 1675552, were approved by the Board on 17 February 2014

Keith Malcouronne (FCA)
Director



Mark Sheard (Board Chair)
Director



STATEMENT OF CASH FLOW

for the year ended 30 September 2013

	Notes	2013 £'000	2012 £000
Net cash (outflow) from operating activities	17	(1,258)	(3,562)
Returns on investments and servicing of finance			
Bank interest received		52	69
Mortgage loan interest paid		(55)	(78)
Cash (outflow) from returns on investment and servicing of finance		(3)	(9)
Capital expenditure			
Payments to acquire tangible fixed assets		(361)	(201)
Cash outflow from capital expenditure		(361)	(201)
Management of liquid resources			
Reduction in bank deposit accounts		751	3,508
Cash inflow from management of liquid resources		751	3,508
Net cash (outflow) before financing		(871)	(264)
Financing			
Mortgage loan capital repayments		(181)	(171)
Net cash (outflow) from financing		(181)	(171)
Decrease in cash in the year		(1,052)	(435)
Reconciliation of net cashflow to movement in net funds			
(Decrease) in cash in the year		(1,052)	(435)
Cash outflow from mortgage loan		181	171
Cash inflow from management of liquid resources		(751)	(3,508)
Change in net funds		(1,622)	(3,772)
Net funds at 1 October		6,022	9,794
Net funds at 30 September		4,400	6,022

ANALYSIS OF NET FUNDS

for the year ended 30 September 2013

	1 October 2012	Cash movement in the year	Non-cash movement in the year	30 September 2013
Analysis of net funds				
Cash at bank and in hand	4,309	(1,052)	-	3,257
Mortgage loan due within one year	(181)	181	(193)	(193)
Mortgage loan due after more than one year	(4,312)	-	193	(4,119)
Current asset investments	6,206	(751)	-	5,455
Total	6,022	(1,622)	-	4,400

NOTES TO THE ACCOUNTS

for the year ended 30 September 2013

I ACCOUNTING POLICIES

a. Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments that are included at market rate, and in accordance with Statement of Recommended Practice (SORP) Accounting and Reporting by Charities as issued in March 2005 and applicable UK accounting standards.

The charity has availed itself of paragraph 4(1) of Schedule 1 to the accounting regulations Companies Act 2006 and adapted the Companies Act formats to reflect the special nature of the charity's activities.

The charity has adopted the exemption available under section 405 of the Companies Act 2006 and accordingly has not prepared consolidated accounts on the basis that the results of its subsidiary undertaking, World Vision Trading Limited, are not material.

After making enquiries, the Trustees have reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Financial Review on page 37.

b. Incoming resources

All incoming resources, including income from institutional grants, are recognised in the Statement of financial activities when the charity is entitled to the income, has certainty of receipt and the amount can be quantified with reasonable accuracy.

Donated goods and services, including the donated element of transportation services provided to the charity at a reduced fee, are valued at market value and included in income when distributed or utilised.

Legacy income is recognised at the earlier stage of the charity approving the final estate accounts or the legacy being received.

c. Resources expended

Expenditure, other than remittances to overseas programmes, is accounted for on an accruals basis and is classified over the activity headings shown opposite. Where expenditure cannot be

directly attributed to particular headings it is allocated on a basis consistent with the use of the relevant resources measured by reference to headcount.

Remittances to overseas programmes are accounted for when funds are remitted to World Vision International or donated goods and services are distributed to partner entities.

Cost of generating funds relates to activities that are intended to generate income including servicing supporters who donate under committed giving schemes such as child sponsorship. The cost of fundraising campaigns is expensed in the year in which it is incurred although income derived from the initiatives may arise in future years.

Charitable activities comprise:

- **Funding for overseas programmes** which are monies expensed to overseas programmes or donated goods and services distributed to partner entities;
- **Programmes support costs** which represent the costs incurred by UK-based staff in assisting programmes overseas, including their technical development, staffing, training, management and financial control; and
- **Advocacy, education and research** which represents the costs incurred in the UK in educating or influencing governments, institutions and members of the public on poverty issues and includes campaigning and lobbying, public policy and research work, Christian engagement activities and educational and news publications.

Governance costs represent costs that relate to the general running of the charity as opposed to the direct management functions inherent in the activities of the charity. They provide the governance infrastructure which allows the charity to operate and to generate the information required for public accountability and include the strategic planning processes that contribute to the future development of the charity.

d. Foreign exchange

Transactions denominated in foreign currency are translated into sterling and recorded at the exchange rates ruling at the date of the transactions or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in a foreign currency are translated into sterling at the exchange rates at the balance sheet date. Translation differences are dealt with in the Statement of financial activities.

e. Tangible fixed assets and depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its estimated useful life as follows:

Freehold land	nil
Building	50 years
Equipment, including computers	3 or 5 years
Other fixed assets, including software	3 to 10 years

f. Investments

Investments are valued at mid-market value at the balance sheet date with the exception of shares which are subject to trading restrictions which are stated at Trustees' valuation.

g. Funds

Restricted funds are subject to conditions imposed by donors or implied by the nature of the appeal.

Designated funds are amounts which have been put aside at the discretion of the Trustees as follows:

- **The Tangible fixed assets fund** represents the net book value of fixed assets less related borrowings, and therefore is not available for distribution.
- **The Emergency relief fund** represents funds set aside to ensure an immediate response in humanitarian emergencies.
- **The Strategic initiative fund** represents funds set aside to finance strategic and innovation initiatives related to delivering our 2011/15 strategy.
- **The General fund** comprises accumulated surpluses less deficits after transfers to designated funds. It allows the charity to budget for anticipated commitments in the short and medium term and to provide adequate working capital.

h. Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the Statement of financial activities as they become payable in accordance with the rules of the scheme.

i. Leasing commitments

Rentals paid under operating leases are charged to income as incurred.

j. Irrecoverable Value Added Taxation

The company is unable to recover the majority of Value Added Taxation charged on its purchases which is included in the related expense or asset in the accounts.

2 DONATIONS, GIFTS AND LEGACIES

At 30 September 2013 the number of children in the Child Sponsorship committed giving scheme was approximately 101,413 (2012: 108,826), a decrease of 6.8%.

	Restricted £'000	Unrestricted £'000	2013 £'000	2012 £'000
Committed giving and other donations				
Child Sponsorship committed giving scheme	24,782	-	24,782	25,900
Legacies	173	606	779	820
Other donations	2,431	4,516	6,947	8,398
Tax recovered under Gift Aid	-	6,389	6,389	6,763
	27,386	11,511	38,897	41,881
Donations for emergencies				
Emergency appeals	751	-	751	722
Disasters Emergency Committee (DEC) appeals	900	-	900	3,010
	1,651	-	1,651	3,732
	29,037	11,511	40,548	45,613

3 INSTITUTIONAL GRANTS

	2013 £'000	2012 £'000
Development grants	21,226	18,048
Relief grants	691	3,009
	21,917	21,057
<i>Grants receivable from:</i>		
DFID Programme Partnership Arrangement (PPA)	3,939	3,938
Bulawayo Emergency Water Augmentation (DFID)	2,000	
Girls Education Challenge (DFID)	1,320	444
Microfinance Project (DFID)	601	
Hunger Safety Net Programme (DFID)	330	119
Temotu Tsunami Response (DFID)	165	
DFID - UK Aid match funding for West Africa Appeal		367
Department for International Development (DFID)	889	2,783
European Community Humanitarian Office (ECHO)	1,670	1,172
Other European Union	1,749	2,840
The Global Fund to Fight AIDS, Tuberculosis and Malaria	5,968	6,017
United Nations	2,437	2,575
States of Jersey	296	100
World Food Programme	85	610
Danish International Development Agency (DANIDA)	-	38
States of Guernsey	-	39
World Bank and other	468	15
	21,917	21,057

Included in institutional grants is £1,938,888 (2012: £1,752,790) received as a contribution towards UK programme support and administration costs.

4 DONATED GOODS AND SERVICES

	2013 £'000	2012 £'000
<i>Donated goods and services received from:</i>		
World Food Programme	2,646	2,040
Food and Agricultural Organisation	1,550	-
	4,196	2,040

5 INVESTMENT AND OTHER INCOME

	2013 £'000	2012 £'000
Bank interest	52	69
Other income	29	10
	81	79

Other income relates to administration fees and donations for use of our building.

6 CHARITABLE ACTIVITIES

Funding for overseas programmes

Direct expenditure on remittances to overseas programmes is made through World Vision International to World Vision partner entities for development, relief and advocacy in the regions listed.

World Vision UK's share of the programme costs of World Vision International which are not country specific are apportioned to the regions in proportion to the share of World Vision UK's remittances which each region receives.

Allocated expenditure in remittances to overseas programmes relates to programme costs incurred in the United Kingdom. World Vision hedges a percentage of any remittances to overseas programmes made in US Dollars in advance - see note 18 regarding Derivatives not included at fair value.

	Restricted £'000	Unrestricted £'000	2013 £'000	2012 £'000
Support was given to the following regions (including donated goods and services)				
East Africa	16,993	2,259	19,252	22,614
Southern Africa	13,329	1,054	14,383	7,821
West Africa	6,087	131	6,218	5,365
Asia	8,876	542	9,418	7,305
Latin America	1,927	2	1,929	4,245
Middle East/Eastern Europe	2,586	273	2,859	4,106
Total remittances to overseas programmes	49,798	4,261	54,059	51,456
Programme support costs	354	1,604	1,958	2,233
Advocacy, education and research	1,087	2,342	3,429	3,503
	51,239	8,207	59,446	57,192
Number of countries supported			34	34
	Direct expenditure	Allocated expenditure		
Funding for overseas programmes	54,059	-	54,059	51,456
Programme support costs	1,150	808	1,958	2,233
Advocacy, education and research	2,295	1,134	3,429	3,503
	57,504	1,942	59,446	57,192

7 COSTS INCURRED IN THE UNITED KINGDOM

	Charitable activities £'000	Costs of generating funds £'000	Governance costs £'000	2013 £'000	2012 £'000	Basis of allocation
Salaries	4,057	3,167	288	7,512	8,160	Headcount
Employment benefits	167	148	25	340	359	Headcount
Temporary staff	63	38	5	106	200	Headcount
Training	45	23	4	72	128	Headcount
Recruitment	74	56	8	138	147	Headcount
Travel and subsistence	353	195	22	570	633	Headcount
Advertising	73	727	-	800	577	Direct
Research and consultancy	321	282	5	608	816	Direct
Other marketing and communications	759	4,757	18	5,534	5,547	Direct
Equipment maintenance and rental	231	235	7	473	505	Headcount
Depreciation	163	620	2	785	783	Headcount
Occupancy and supplies	420	175	8	603	469	Headcount
Legal and professional	13	14	62	89	79	Direct
Bank charges	2	61	-	63	66	Direct
Mortgage interest	31	24	-	55	78	Headcount
	6,772	10,522	454	17,748	18,547	
Included in the total are total allocated costs of:	1,942	2,265	347	4,554	5,242	
				2013 £000	2012 £000	
Governance costs are made up as follows:						
Board including Trustee expenses (see also note 10)				35	41	
Audit				50	48	
Strategic management				369	424	
				454	513	

8 NET INCOMING / (OUTGOING) RESOURCES FOR THE YEAR

	2013 £'000	2012 £'000
This is stated after charging		
Depreciation of owned assets	785	783
Operating lease rentals – plant and machinery	67	60
Operating lease rentals – buildings	178	70
Interest payable on mortgage loans	55	78
Auditor's remuneration – audit fees	39	39
– other	3	3
As at 30 September 2013, the charity had annual commitments under non-cancellable operating leases for plant and material which expire:		
Within 1 year	-	-
In 2-5 years	67	58
As at 30 September 2013, the charity had annual commitments under non-cancellable operating leases for buildings which expire:		
Within 1 year	-	-
In 2-5 years	178	131

Auditor's remunerations has been restated to exclude unrecoverable VAT and disbursements. This now shows only the fee receivable by the auditors.

9 STAFF COSTS

	2013 £'000	2012 £'000
Aggregate payroll costs were as follows:		
Wages and salaries	6,310	6838
Social security costs	639	717
Other pension costs	563	605
	7,512	8,160

9 STAFF COSTS

	2013	2012
	Number	Number
The number of employees whose actual emoluments (including benefits-in-kind but excluding pension contributions) fell in the following bands is:		
£60,001 - £70,000	1	-
£70,001 - £80,000	1	3
£80,001 - £90,000	2	-
£90,001 - £100,000	1	1

The emoluments of the Chief Executive, the highest paid employee, were £99,981 (2012: £95,988) Contributions of £39,147 (2012: £31,321) have been paid into the pension scheme on behalf of the above employees.

2012 has been restated to show actual rather than annualised emoluments.

The divisional breakdown of average monthly permanent staff numbers is:

Policy and Programmes	68	70
Public Engagement	74	82
Organisational Effectiveness	38	43
Chief Executive's Office	2	3
Finance and Risk	24	23
	206	221

In order to handle peak workloads and cover the shortage of permanent staff, temporary staff equivalent to 5.6 full-time staff (2012: 9.0) were used.

10 TRUSTEES' REMUNERATION

The Trustees received no remuneration for their services. Directly incurred expenses are reimbursed, if claimed, and in 2013 totalled £4,958 (2012: £5,536), which was claimed by nine Trustees (2012: 10 trustees).

Expenses principally relate to travel in the UK and to overseas programmes.

Indemnity insurance is provided for the Trustees and Principal Officers of the charity. Premiums paid totalled £7,092 (2012: £9,179).

II TANGIBLE FIXED ASSETS

The cost of freehold land amounting to £670,000 (2012: £670,000) is not depreciated.

	Freehold land and building £'000	Computer and office equipment £'000	Assets in course of development £'000	Fixing and fittings £000	Total £'000
<i>Cost:</i>					
At 1 October 2012	7,050	4,312	-	450	11,812
Transfer of assets	-	-	12	(12)	-
Additions	-	34	316	11	361
Disposals	-	(113)	-	(27)	(140)
At 30 September 2013	7,050	4,233	328	422	12,033
<i>Depreciation:</i>					
At 1 October 2012	1,141	3,629	-	233	5,003
Transfer of assets	-	-	-	-	-
Charge for the year	128	617	-	40	785
Disposals	-	(113)	-	(27)	(140)
At 30 September 2013	1,269	4,133	-	246	5,648
<i>Net book value:</i>					
At 30 September 2013	5,781	100	328	176	6,385
At 1 October 2012	5,909	683	-	217	6,809

12 INVESTMENTS

All fixed asset investments are held within the UK. Current asset investments comprise of deposit accounts of £5.4m held on short term deposit over the year end period and will revert to liquid cash within 30 days of year end (2012: £6.2m reverting to liquid cash within 30 days of 2012 year end).

The charity continues to hold the entire issued share capital of two £1 shares in World Vision Trading Limited, which is not currently trading. This has been excluded from consolidation on the grounds of immateriality. There are no further interests in subsidiaries, so group accounts have not been prepared. Accordingly these accounts present information about the charity and not its group.

	2013 £'000	2012 £'000
Fixed assets		
Common investment funds held by the charity		
Market value at 1 October	692	594
Acquisition of donated shares	-	633
Disposal of donated shares	-	(633)
Net investment gains / (losses)	103	98
Market value at 30 September	795	692
Historical cost at 30 September	452	452
	2013 £'000	2012 £'000
Current assets		
Deposit accounts	5,455	6,206
	5,455	6,206

13 DEBTORS

	2013 £'000	2012 £'000
Institutional grants receivable	5,302	5,788
Amounts owed by other World Vision entities	-	268
Tax recoverable	1,758	1,265
Prepayments and accrued income (including legacy income)	562	860
Other debtors	13	35
	7,635	8,216

14 CREDITORS

Amounts falling due within one year

	2013 £'000	2012 £'000
Mortgage loan (see also note 15)	193	181
Taxation and social security	170	203
Other creditors	3,735	2,599
Amounts owed to other World Vision entities	85	-
Accruals and deferred income	566	583
	4,749	3,566

15 CREDITORS

Amounts falling due after more than one year

The mortgage loan is secured on the charity's property and is repayable over 25 years from October 2003.

Interest is charged at LIBOR (London Interbank Offered Rate) plus MLA (Mandatory Liquid Assets) cost plus 0.7 percent.

	2013 £'000	2012 £'000
VAT repayable between 1-5 years	115	233
Mortgage loan repayable between 1-5 years	878	788
Mortgage loan repayable in more than 5 years	3,241	3,524
	4,234	4,545

16 FUNDS

The Emergency relief fund is used to finance emergency responses for which there is no specific income source and is replenished when appropriate funds are received. The transfer between the General fund and the Strategic initiative fund represents the completion of the initial initiatives related to delivering the five-year strategy started in 2011. Any future initiatives for this delivery will be funded from the General fund. The transfer between the General fund and the Tangible fixed assets fund represents net movements on fixed assets and

the related loan. The transfer between restricted funds and general funds represents repayment of previous pre-funding of restricted funds from unrestricted reserves in the General fund, or transfers between funds restricted by purpose rather than region.

The General fund at 30 September 2013 includes cumulative net unrealised gains on investments of £342,000 (2012: unrealised gain of £240,000) – see note 12.

	Restricted funds £'000	Unrestricted funds				Total £'000
		Tangible fixed assets fund £'000	Emergency relief fund £'000	Strategic initiative fund £'000	General fund £'000	
Balance at 1 October 2012	9,025	2,316	500	50	6,230	18,121
Incoming resources	55,150	-	126	-	11,466	66,742
Outgoing resources	(57,761)	-	(126)	-	(12,535)	(70,422)
Transfers between funds	128	(243)	(500)	(50)	665	-
Net unrealised investment gain					103	103
Balance at 30 September 2013	6,542	2,073	-	-	5,929	14,544
Represented by:						
Tangible fixed assets	-	6,385	-	-	-	6,385
Investments	500	-	-	-	5,750	6,250
Debtors	5,451	-	-	-	2,184	7,635
Cash at bank and in hand	591	-	-	-	2,666	3,257
Creditors: amounts falling due within one year		(193)	-	-	(4,556)	(4,749)
Creditors: amounts falling due after more than one year		(4,119)	-	-	(115)	(4,234)
Balance at 30 September 2013	6,542	2,073	-	-	5,929	14,544

	Balance 2012 £'000	Incoming resources £'000	Outgoing resources £'000	Transfers between funds £'000	Balance 2013 £'000
East Africa	2,222	16,075	(17,014)	(153)	1,130
Southern Africa	1,258	13,799	(13,363)	(406)	1,288
West Africa	1,377	6,084	(6,803)	(98)	560
Asia	2,070	8,911	(9,946)	(59)	976
Latin America	213	2,078	(2,313)	204	182
Middle East/Eastern Europe	219	3,052	(2,944)	100	427
Cross Regional Initiatives	1,666	5,151	(5,378)	540	1,979
Total	9,025	55,150	(57,761)	128	6,542

17 RECONCILIATION OF NET (OUTGOING) / INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013 £'000	2012 £'000
Net incoming / (outgoing) resources for the year	(3,680)	125
Depreciation of tangible fixed assets	785	783
Loss on disposal of fixed assets	-	8
Increase / (decrease) in operating debtors	581	(3,884)
Increase / (decrease) in operating creditors and accruals	1,053	(603)
Bank interest received	(52)	(69)
Mortgage loan interest paid	55	78
Net cash (outflow) / inflow from operating activities	(1,258)	(3,562)

18 DERIVATIVES NOT INCLUDED AT FAIR VALUE

World Vision International places foreign exchange forward contracts on behalf of World Vision UK to manage World Vision UK's exposure to foreign currency exchange risks.

The fair value of these instruments is calculated at the balance sheet date by comparison between the rate implicit in the contract and the exchange rate at that date.

At 30 September 2013, World Vision International had US\$88m of foreign currency forward contracts placed on behalf of World Vision UK. The unrealised loss on these derivatives as at 30 September 2013 was £2.8m (30 September 2012: US\$54m foreign currency forward contracts with an unrealised loss of £0.6m).

19 COMMITMENTS AND CONTINGENT LIABILITIES

Pension commitments

The company operates a defined contribution scheme for its employees. The assets of the scheme are held separately from those of the company in a group personal pension scheme,

for which the company has no responsibility other than regular contributions on behalf of employees. There were no contributions outstanding at either year end.

20 TAXATION

As a registered charity the company is exempt from taxation on its income and gains to the extent that they are applied for its charitable purposes.

INDEPENDENT AUDITOR'S REPORT

to the Members of World Vision UK

We have audited the financial statements of World Vision UK for the year ended 30 September 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditor

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the Directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the *Strategic Report* and the Trustees' *Annual Report* to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2013 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the *Strategic Report* and the Trustees' *Annual Report* for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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
- 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.

N. Hashemi

Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
London

20 February 2014

BIOGRAPHIES OF TRUSTEES

Chair – Mark Sheard

Mark Sheard has enjoyed a successful career in advertising and marketing, creating one of the UK's most successful marketing communications businesses before merging it into a multinational group in 2000. He has worked on fundraising strategies with a number of leading voluntary sector organisations.

In 2001 Mark founded the Whatnext? Consultancy to provide marketing and corporate development advice to commercial and ethical organisations. Mark currently chairs the Board of Uganda Development Services, a Christian charity promoting development in rural communities in East Africa.

He joined the Board of World Vision in January 2007 and was appointed Chair of the Board in February 2011. Mark is a member of the Finance Audit and Risk Committee, Public Engagement Committee and Board Development Committee.

Jennifer Collins

Jennifer Collins has held a variety of leadership and management roles in the charitable and public health sectors and in development consultancy in Asia and Africa. Currently, Jennifer is working as a Consultant for a number of development organisations and companies.

Previous roles include Executive Director of Serve Afghanistan, the United Mission to Nepal (both international Christian development organisations), International Director at Tearfund UK and Director of Therapy Services at Royal Free Hospital, London. Jennifer also acts as Trustee for a number of organisations, including the International Nepal Fellowship (International).

Jennifer joined the Board of World Vision UK in February 2011 and is a member of the Policy and Programmes Committee.

Valerie Dias

Valerie Dias is presently Executive Vice President and Chief Risk and Compliance Officer for Visa Europe with responsibility for corporate risk compliance and a variety of corporate services. She previously held the role of Chief Financial Officer for Visa Europe. She is a Fellow of the Chartered Institute of Certified Accountants.

Valerie joined the Board of World Vision UK in April 2007 and is a member of the Finance Audit and Risk Committee and the Organisational Effectiveness and Remuneration Committee.

Linda Emery

Linda Emery is the Director of Group Resourcing Projects and policy for BP. She works with HR teams globally to ensure BP is attracting and developing talent.

Her career has included senior HR roles such as Diversity and Inclusion Director and Talent Director with both BP and Unilever and Linda has provided Human Resources consultancy to Save the Children. Linda joined the Board of World Vision UK in February 2011.

Linda serves as Chair of the Organisational Effectiveness and Remuneration Committee and is a member of the Board Development Committee.

Richard Izard

Richard Izard is Chief Executive of Organic Leadership, a niche leadership development and executive coaching consultancy, and he has a passion for individual, team and organisational transformation.

Previously Richard has been Managing Director of a retail business and held board positions in sales, marketing, commercial and finance. His commercial experience spans sectors including banking, retail, music, film, fast moving consumer goods (FMCG) and engineering, and he is also a qualified accountant.

Richard joined the Board of World Vision UK in May 2011 and is a member of the Public Engagement Committee and Policy and Programmes Committee.

Kevin Jenkins

Kevin Jenkins became President and Chief Executive Officer of World Vision International in October 2009, following a successful career in airline, technology and investment businesses. Travelling extensively as World Vision International President, Kevin spends time in communities with children, families and staff in many of the countries where World Vision works.

Based at World Vision International's Global Centre Executive Office in Uxbridge, UK, Kevin is a member of a number of global organisations that pursue practical, sustainable health improvements for the world's most vulnerable women and children, the increased effectiveness of civil society and excellence in government.

Warren Lancaster

Warren Lancaster is the International Director and Sector Specialist for Disaster and Conflict Recovery for Geneva Global, one of the world's leading providers of philanthropic advisory

services. Warren was previously the Director of the Leprosy Mission for England and Chief Executive of international health charity, Merlin. He was involved in the establishing and development of Medair, the Swiss humanitarian agency and held a number of senior positions there. Warren's commercial background is in risk management within the insurance industry.

Warren joined the Board of World Vision UK in February 2011. He retired from the Board in May 2013.

Anna Laszlo

Anna Laszlo has extensive experience of international development from her previous career with the UK government's Department for International Development.

Roles with the Department included: Deputy Director (Strategy), South Asia Division; Head of the joint FCO/DFID Sudan Unit; Principal Private Secretary to the Secretary of State for International Development and Head of Office in Mozambique. She now works as an independent coach and facilitator.

Anna joined the Board of World Vision UK in May 2008. Anna is Vice Chair of the Board, Chair of the Board Development Committee and a member of both the Organisational Effectiveness and Remuneration Committee and the Policy and Programmes Committee.

Keith Malcouronne

Keith Malcouronne is Managing Partner of Financial Professional & Strategy Services LLP, a Christian-led Chartered Accountancy and business consulting group with teams in the UK and India.

Keith is a non-executive director on the Boards of other businesses including BC technologies LLP and The Specialist Washing Company Limited. Keith also serves on the Boards of a number of charities including the Oxford Centre for Mission Studies, Guildford Diocesan Board of Finance (Vice Chair) and the Audit Committee of the Church of England Archbishops' Council (Vice Chair).

Keith joined the Board of World Vision UK in April 2007 and serves as Chair of the Finance Audit and Risk Committee and is a member of the Organisational Effectiveness and Remuneration Committee.

Mark Parsons

Mark Parsons is Head of Regional Engagement for Business and Commercial Banking at NatWest and the Royal Bank of Scotland (RBS) Group. Mark has held a number of public affairs roles

including Head of Corporate Banking Public Affairs at RBS and Public Affairs Policy Adviser at the London Stock Exchange Plc.

Prior to this, Mark was a parliamentary adviser to William Hague MP and Head of the Political Section at Conservative Central Office. He has a background in International development policy having been an adviser to the Shadow Secretary of State for International Development between 1999-2001.

Mark joined the Board of World Vision UK in February 2012 and is a member of the Public Engagement Committee.

Stephen Phelps

Stephen Phelps is a Chartered Accountant and worked for 21 years with KPMG, including 10 years as an Audit Partner in their Hong Kong office with responsibility for auditing a range of multinational and national companies.

Steve has acted as Trustee for a number of charities. He joined the Board of World Vision UK in 2002 serving as Chair of the Board from 2007 to 2011 and is a member of the Board Development Committee.

Steve is also a member of the Board of World Vision International, including its Executive Committee, and chaired its Audit and Risk Management Committee up to November 2013, and has chaired its Stewardship Committee since then.

Andy Reed

Andy Reed is the Director of Sajel Impact Limited, a Christian writer and speaker; a Council member of the Evangelical Alliance and a former MP for Loughborough. He has a special interest in sports policy, international development and wellbeing issues.

Andy joined the Board of World Vision UK in February 2012 and is a member of the Policy and Programmes Committee.

Julian Thomas

Julian Thomas is a director of Oxford Strategic Marketing, a consultancy specialising in marketing strategy and capability development for global multinationals and social marketing in the public sector.

He has worked as a consultant across a large number of industries, in particular healthcare and pharmaceuticals. Previously he worked in marketing for Procter & Gamble.

Julian joined the Board of World Vision UK in May 2011 and serves as Chair of the Public Engagement Committee. He is also a member of the Finance, Audit and Risk Committee.

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THANK YOU

With special thanks to all of the supporters listed below: individuals; families; charitable trusts; companies; and institutions who have invested significantly in the work of World Vision this year – plus those who wish to remain anonymous. We really value your partnership as we serve the world's most vulnerable children.

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And thank you to all of our supporters this year.

BIBLIOGRAPHY

- ¹ Figure sourced from UNICEF at http://www.childinfo.org/files/Child_Mortality_Report_2013.pdf
- ² Figure sourced from *The Lancet* at [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(13\)60937-X/abstract](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(13)60937-X/abstract)
- ³ Figures sourced from the World Food Programme at <http://www.wfp.org/hunger/stats>
- ⁴ Figures sourced from UNFPA's *Marrying Too Young: End Child Marriage* at <http://unfpa.org/endchildmarriage>

GET INVOLVED

There are many ways you can support our mission to transform the lives of the world's poorest children.

SPONSOR A CHILD

Through child sponsorship you can form a real relationship with an individual child in one of the world's hardest places, while supporting projects that benefit all the children in their community. These projects are often about helping communities to secure the essentials we take for granted – like food, clean water, basic healthcare and education – and helping to create an environment in which the most vulnerable children are protected and can live free from fear. By changing the world children live in, we can make a lasting difference.

As a sponsor, we'll keep you up to date on how your sponsored child and the vital projects in their community are progressing. You'll have the chance to write to or email your sponsored child and send cards on birthdays and at Christmas. You can even visit them to see the positive impact your sponsorship is making at first hand.

To sponsor a child today: Tel: 0800 50 10 10

Visit: www.worldvision.org.uk/child-sponsorship

GIVE RAW HOPE

Raw Hope is an initiative with the sole aim of saving and protecting children in the world's most dangerous places; children who are beyond the reach of child sponsorship. A pledge of £10 a month will give these children an increased chance of survival, and offer hope for their protection.

To sign up to Raw Hope:

www.worldvision.org.uk/raw-hope

BECOME AN AMBASSADOR

You could become an Ambassador and share with others your first-hand experience of sponsoring a child. If you want to know more about the Ambassador role or would like to

book an Ambassador to speak to your local social groups about World Vision's work, visit:

www.worldvision.org.uk/get-involved/become-ambassador

Email: ambassador@worldvision.org.uk

JOIN OUR CAMPAIGNS

Campaigning with us can be as simple as signing one of our online petitions, or if you have more time writing a letter or coming to an event.

www.worldvision.org.uk/get-involved/campaign-change

FOLLOW US

Stay in touch and find out what you can do to help.



Follow us on Twitter: [@WorldVisionUK](https://twitter.com/WorldVisionUK)



Join our growing Facebook group for up-to-date videos, audio and blogs from the field

LEAVE A GIFT IN YOUR WILL

Writing a will is much more than a financial statement. It's how we safeguard the future of our family and friends after we are no longer here. It's how we show what is important to us, how we want the world to be. By remembering World Vision in your will, you can help us fund essential projects giving children the opportunity to experience life in all its fullness. Any gift, large or small, will help to ensure that children are cared for and protected.

To find out more and request a free legacy brochure:

Tel: 01908 84 10 60

Email: karen.bissaker@worldvision.org.uk

PRAY WITH US

We really value your prayers for our work across the world. As a Christian organisation we believe it is important for the goodness and grace of God to permeate all we do. We believe God will use your prayers to bring life in all its fullness to all who we work with. View the prayer requests we have received from the communities you support at:

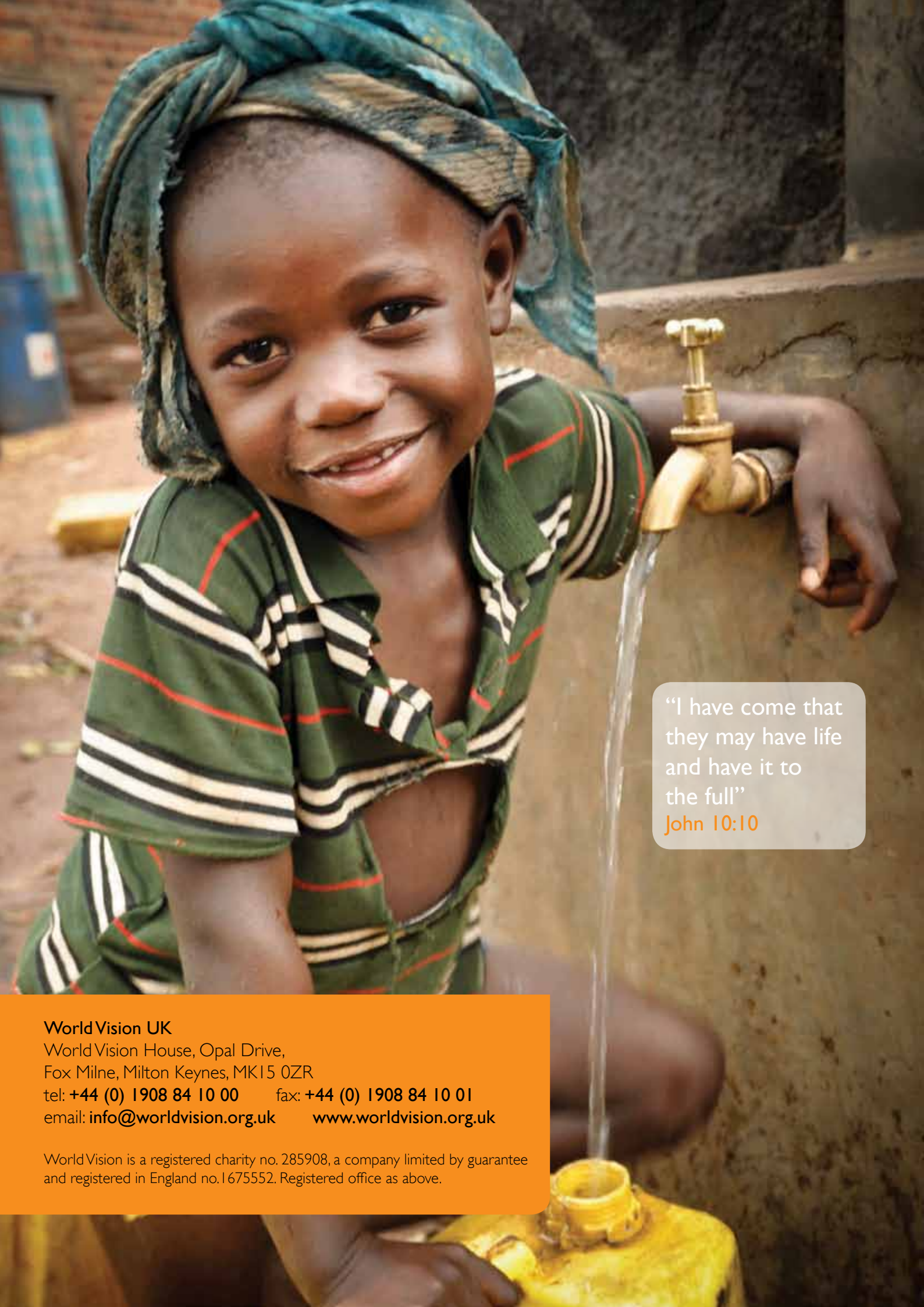
www.worldvision.org.uk/get-involved/prayers

This page: Naina, 4, a sponsored child in India practises her spelling.

Back cover: Isaac, 6, a World Vision sponsored child collecting water at a community water tank.

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“I have come that they may have life and have it to the full”
John 10:10

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