

Annual Report 2023



SOS CHILDREN'S
VILLAGES
UNITED KINGDOM

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Front cover: A grandmother and her grandchild laughing, Somaliland. © *Lydia Mantler*

Image above: A mother at home hugging her child, Bolivia. © *Monica Garcia*

We have changed the names of many of the children, young people and adults within this publication to protect their identities.

WELCOME

2023 was another year marred by humanitarian crises. High-profile wars, such as the protracted conflict in Ukraine, and the latest devastating escalation of violence in Gaza and Israel towards the end of the year, dominated the headlines. At the same time, many emergencies, including the Venezuelan refugee crisis, which is being felt keenly in Colombia and Brazil, and the acute humanitarian crisis in Sudan, passed largely under the radar. Around the world, SOS Children's Villages' members responded to 32 emergencies in 2023.

As always, it is the children, young people and their families in already vulnerable situations who are most impacted by these disasters. Throughout the year, SOS Children's Villages played its part in trying to alleviate the suffering of children and young people caught up in these emergency situations, focusing on those without, or who risk losing, the love and support of parents.

Faced with such challenges, we ask ourselves how we can best support children and families in an increasingly complex and volatile world — one which will continue to experience progressively more severe impacts resulting from the climate crisis.

While it's important for SOS Children's Villages to provide immediate support and relief during emergencies, more importantly, we must help build resilience and sustainability within the families and communities we work with. For us in the UK, this means sustainability in the programmes we fund and in how we operate as a charity.

In 2023, while continuing to support the provision of quality alternative care for thousands of children, at SOS Children's Villages UK, we also increased our investment in empowering individuals, families and communities. This meant focusing on reunifying children with their biological families; strengthening and supporting families of all shapes and sizes; building self-reliance within communities; and ensuring support for long-term and sustainable programmes from employability skills to healthcare.

Through this work, we continued to strive towards providing the best possible future chances for children and young people, helping them develop into strong, resilient adults. Our core purpose remained our guiding star — to ensure that children grow up with the healthy relationships, love and support they need to thrive and become their strongest selves.

We also carried on strengthening our own UK operations, so we can continue to have the resources and flexibility to support these activities for many years to come.

None of this would be possible without the trust and commitment shown by you, our loyal supporters. We hope you enjoy reading about some of the many achievements you have helped make possible. We are hugely grateful for your ongoing support and belief in our work — you are making such a difference to the lives and futures of thousands of children and families all over the world. Thank you.

Alison Wallace
CEO

Harpinder Collacott
Chair of Trustees



Image above: A mother and her daughter hugging, Shillong, India. © Lydia Mantler

WHO WE ARE

As a child, you need someone who sees you — who stands by you no matter what. Someone who holds you close when you are small and believes in you when you are ready to step into the world.

However, 1 in 10 children and young people around the world are at risk of growing up alone: separated from their families, neglected or forced to live in an abusive environment.

The effects of this often last a lifetime, creating a harmful cycle that repeats from one generation to the next. Together, we are here to break this cycle and prevent it from happening in the first place.

SOS Children's Villages UK is part of a global federation operating in over 130 countries and territories. Founded in 1949, SOS Children's Villages is the world's largest non-governmental organisation focused on supporting children and young people without, or at risk of losing, parental care.

We go beyond meeting the physical needs of each child, focusing on ensuring children have love and support. A positive and supportive childhood empowers children to develop the life skills and resilience they need to move confidently into adulthood.

Because when a child or young person is safe, loved and respected, they can thrive. When they have healthy relationships, they can become their strongest selves. This is why we're here.

What we do

Our locally led operations assist and empower children, young people and families in four main areas:



Keeping families together: we support and strengthen families who are under pressure, helping them to stay together.



Caring for children: we provide quality, alternative care according to each child's unique needs.

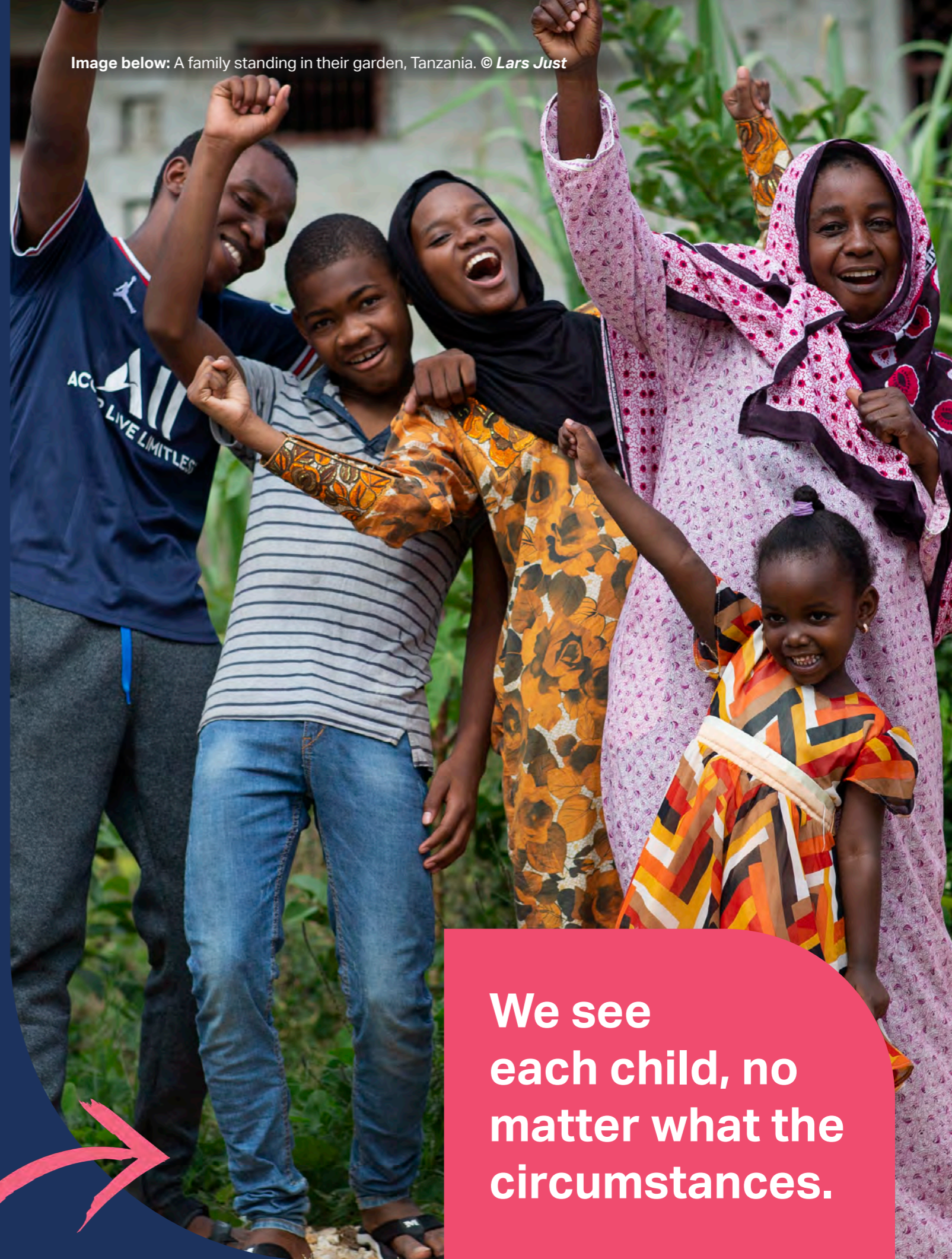


Youth employability and education: through training and developing skills, we help young people to prepare for their future and find employment or set up businesses.



Protecting children in emergencies: we support children and families in crisis situations, helping with their physical and psychological needs.

Image below: A family standing in their garden, Tanzania. © Lars Just

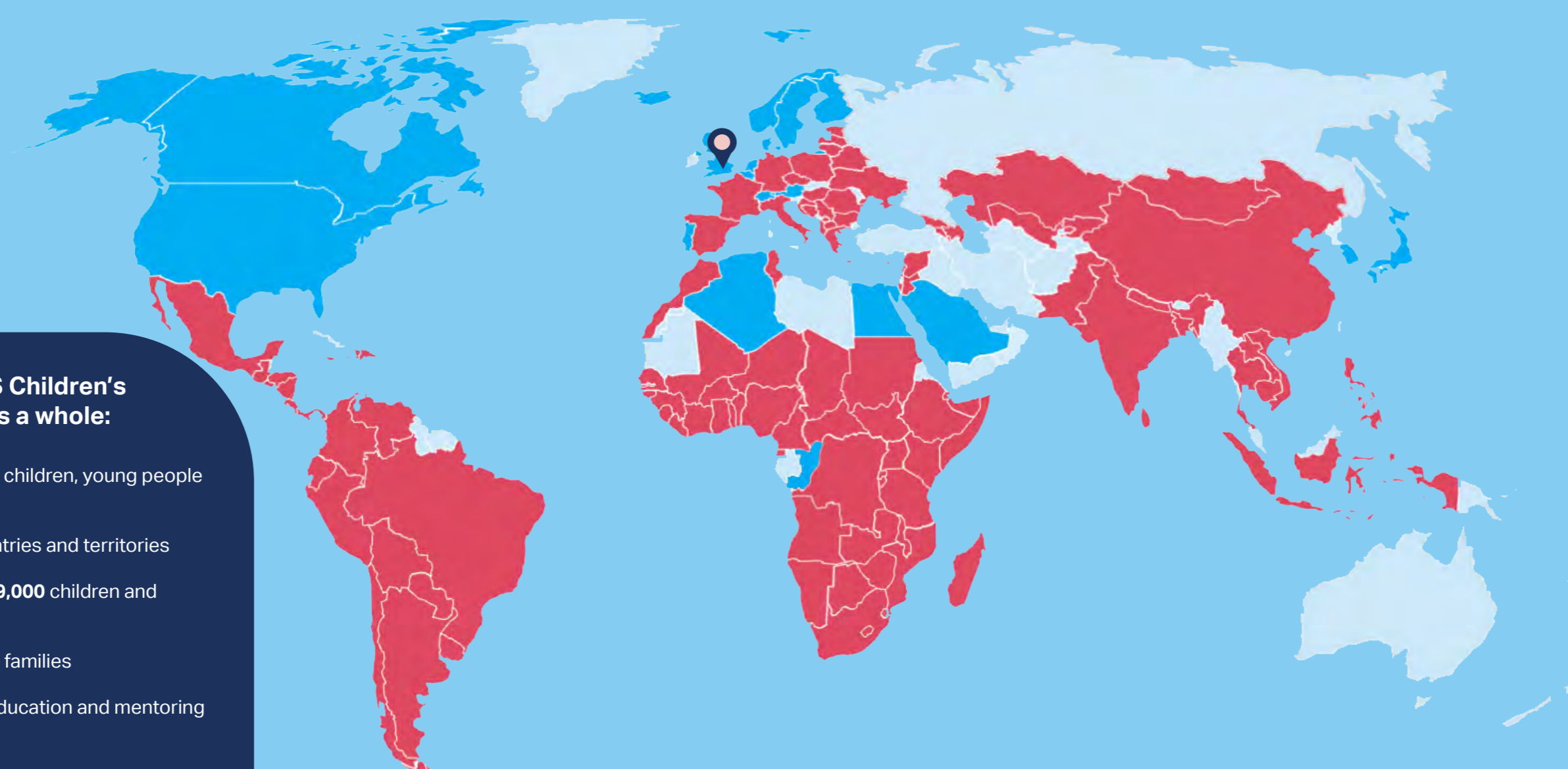


We see each child, no matter what the circumstances.

WHERE WE WORK


In 2023, globally SOS Children's Villages federation as a whole:

-  Reached **2,993,600** children, young people and adults
-  Worked in **136** countries and territories
-  Directly cared for **69,000** children and young people
-  Supported **103,500** families
-  Provided training, education and mentoring to **238,900** people
-  Assisted **1,385,800** people through humanitarian action



Colour Key

 Countries/territories where SOS Children's Villages was active in 2023, directly supported by SOS Children's Villages UK

 Countries/territories where SOS Children's Villages was active in 2023, not directly supported by the UK

Due to Russia being suspended from the SOS Children's Villages Federation, funding to Russia from the UK stopped in early 2023.

A YEAR IN REVIEW



Progress towards our objectives in 2023

In 2023, SOS Children's Villages UK continued work towards our three-year strategic framework (2022-2024). We made the following progress against the goals we set for ourselves in support of our charitable purpose. More details of our work and achievements can be found on pages 14 to 39.

1 Continue to support children who have lost parental care and families at risk of breakdown, assisting partners to sustain programmes with longer-term impacts, while developing resilience to respond to new crises as they emerge; supporting families with livelihoods and resilience-related programmes; continuing to develop education and employability programmes for young people; and amplifying our impact by increasing the number of children, families and communities we support.

In 2023, SOS Children's Villages UK supported children and young people without parental care or at risk of losing it, in 111 countries and territories around the world.

We continued to strengthen and help keep families together across 17 different countries, impacting 51,900 children and young people.

Responding to the unique needs of each family, we provided support in multiple ways, for example helping families secure new sources of income and develop skills; ensuring children remain in school; and protecting children's physical and mental health. Through projects focusing on healthcare, we reached over 17,200 people. We also worked with wider communities to ensure children are better protected and communities have greater resilience in the future.

Providing quality, alternative care remained a core part of our work. In 2023, 6,722 UK donors directly supported over 4,194 children across 431 locations. In response to programme changes in some locations, greater emphasis was given to moving children from the Villages and reunifying them with their extended family. In-line with our fundraising strategy, rather than securing new sponsorships, we continued to focus on engaging potential regular supporters to provide sustainable funding across SOS Children's Villages' programmes. In 2023, we brought in 4,562 new regular supporters.

We also received £277k in valuable legacy gifts, including funds earmarked for Georgia, Sudan, Malawi, Vietnam, Lithuania, Latvia and Mozambique, meaning more children and young people in these locations will have the love and support they need to thrive. Working in partnership with companies, trusts and foundations, and individuals, we provided training, entrepreneurship, mentoring and employment opportunities. This enabled over 6,800 young people across 17 different countries to gain the confidence and the skills required to be better prepared for the world of work.

Contributing to SOS Children's Villages global YouthCan! initiative, we supported young people in Bulgaria, South Africa, The Philippines and India to gain valuable life and career skills. We also mentored and assisted young people through the Futuremakers by Standard Chartered initiative, reaching 2,725 people in twelve months. Contributing to SOS Children's Villages 'Digital Villages' programme, we helped young people to access and gain crucial IT skills.

In 2023, SOS Children's Villages UK supported over 80,000 children and young people in 111 countries and territories: providing quality, alternative care for children without parental care; helping prevent family breakdown; protecting children and families in emergencies; and empowering young people through youth education, skills training and mentoring.

We raised a total of £5.42m from our generous supporters for our work to ensure that children have the healthy relationships they need to become their strongest selves. Money was raised from UK donors through public donations, legacies, sponsorships, community fundraising efforts, charitable trusts and foundations, and voluntary income from corporate partnerships. In addition to funds from individual sponsors and donors, we received sizeable funding from M&G plc, PDFoundation, DeMellier, FactSet, tcc Foundation and Pinsent Masons, as well as a number of other companies, and trusts and foundations.

We are extremely grateful for the continued generous support of all our donors. Read more about the financial breakdown of our income and expenditure on pages 44 to 47, and pages 62 to 83, and about those who fund our work on page 42.

Image above: Woman and girls dancing, Niger. © Vincent Tremeau

Acknowledging the importance of protecting children and supporting families during acute crises, we contributed to SOS Children's Villages' humanitarian response efforts. Specifically in 2023, we provided ongoing support to Ukraine and Pakistan, and raised funds and awareness to help some of the many children impacted by renewed war between Israel and Hamas following the 7 October attacks.

2

Continue our long-term support for children and young people in Basse, The Gambia and Chipata, Zambia, together with vulnerable families in the region. Working with our Gambian and Zambian colleagues, as well as other SOS Children's Villages colleagues who support this work, we will identify the changes and actions needed to continue to ensure the programmes being delivered are in the best interests of each child, and contribute as part of SOS Children's Villages Strategy 2030.

In 2023, we continued to provide substantial support to children, young people, families and communities in Basse, The Gambia and Chipata, Zambia. In total we provided £631k to The Gambia and Zambia, directly supporting 1,784 people across both countries.

This was a year of transition and transformation in both locations. We worked closely with other SOS Children's Villages' partners to support our Gambian and Zambian colleagues to design and deliver programmes with a long-term and sustainable impact. Where possible, the best place for children is with their families. Working directly with families and communities, the teams in The Gambia and Zambia focused on reuniting children who have to-date been cared for directly by SOS Children's Villages, back with their extended families and communities, where safe and possible to do so.

By the end of 2023, 57 children and young people in Basse and 53 in Chipata had been reunited with biological family members such as older siblings, parents or grandparents, or been found alternative forms of care within the community such as in foster homes. These processes were carefully managed to ensure that the children, families and communities were well-prepared and supported before, during and after reintegration. In Basse we also handed over management of the school to the local authority to ensure a more sustainable long-term future, consistent with national educational provision.

Operating in the best interests of each child, where we were not able to reintegrate children with their families, SOS Children's Villages UK continued to support the provision of tailored, family-like care for a total of 63 children in The Gambia and Zambia, as well as providing broader educational and other support to many more. We also focused on integrating the SOS Children's Villages homes into communities to provide the children and their caregivers with greater community support.

In Zambia, we built on work to support and strengthen families. This included improving access to business start-up capital and farming support; helping children stay in education; and delivering training to caregivers on childcare, rights and safeguarding. Assisting 615 people in the area, these activities saw positive results, for example 79% of those caring for children said their childcare practices had improved since the training and 71% of children who were part of the programme had improved school attendance.

In The Gambia, we continued our Youth Training and Employability Programme in Basse, enabling 442 young people in 2023 to either begin, complete or graduate from their studies, gaining the skills they need to succeed in the workplace.

3

In line with the continued focus and improvements within the SOS Children's Villages federation, work to strengthen the safeguarding of children, young people and staff, with our SOS Children's Villages programme delivery partners and within our UK operations, reviewing and refining our policies, processes and practices, and ensuring changes are implemented.

This year we continued to strengthen safeguarding policies and practices across our UK operations and in the countries where we have programmes. In particular, we worked with our Gambian, Zambian and Indian colleagues to engage with wider safeguarding improvements happening at federation level and improve safeguarding culture and processes, as part of transformations towards safer and more sustainable programming in these three countries. We also ensured that considered safeguarding measures were taken, which included effective collaboration with multiple local professionals, during the processes of reintegrating children and young people with their families and communities.

We continue to be a member of the SOS Children's Villages' regional safeguarding and integrity network, working to ensure consistent best practice and effective roll out of new federation-wide safeguarding policies and training. We also strengthened our processes and guidance around donor visits to our programme locations, to better protect the children we care for.

In September 2023, we attended the annual conference of the International Society for the Prevention of Child Abuse and Neglect (ISPCAN) with colleagues from across the Federation. The conference was hosted by Childlight, the new global child safety institute based out of Edinburgh University. Childlight and SOS Children's Villages UK are excited to have a new partnership based on our shared aims for improving child protection at a global level, which will help strengthen safeguarding further going forwards.

4

Continue to invest in our people, systems, processes and operations, developing the infrastructure necessary to strengthen our fundraising further, with the specific aim to increase our unrestricted income to 40% of our total income, and making long-term commitments to the SOS Children's Villages programmes we support globally and to working in partnership to amplify our impact.

Throughout 2023, we continued investing in our people, processes and systems and strengthening our fundraising practices. This is crucial to ensure that we can have greater impact and ensure more children and young people grow up feeling safe, loved and respected.

Despite a difficult external environment, we sustained investment in our fundraising and performed well against our fundraising targets. While we secured less than budgeted legacy income, we were able to raise more than expected from individual supporters. We continued to invest in diversifying our income, building new partnerships and donor relationships. To better reach existing and potential new supporters with information about the work we are doing and the impact this has, we began a process of refreshing our visual identity, and website, and continued embedding our new Customer Relationship Marketing (CRM) and finance systems.

In 2023, 52% of our total income was unrestricted, significantly more than our target of 40%. Flexible, unrestricted income that is not specifically earmarked for one particular purpose is vital to enable us to commit sustainable support to SOS Children's Villages' global programmes and ensure funds are used where they are most needed.

Keeping families together

We believe that wherever possible, children are served best by remaining with their families. Our work to strengthen families and prevent family breakdown, contributes to the wellbeing of children and communities, fostering resilience and inspiring healthy, thriving futures for generations to come.

Keeping families together plays a critical role in protecting children who are at risk of losing parental care. Some families face multiple stresses that push them to breaking point, including loss of livelihoods, death or illness, war and natural disasters. By directly supporting families who are under extreme pressure, we help to reduce the likelihood of separation. We empower parents and other caregivers with the knowledge, tools and resources they need to provide the best possible care for their children, ensuring that children can continue growing up in a safe, loving and nurturing environment.

In 2023, SOS Children's Villages UK reached 51,900 children and young people through specific initiatives aimed at strengthening families. This work took place in 17 countries. We spent £1.87m on a variety of programmes which assisted families through education, economic empowerment, parenting skills and community support initiatives.

This support helped families remain strong, and children to grow up with the love and support they need to thrive. Through our partnership with M&G plc alone, we assisted over 44,000 children in 6 countries. In addition, we provided healthcare and health education to 17,200 people including affordable eyecare, oral hygiene education, and sexual and reproductive health awareness.



Helped strengthen families in 17 countries



Impacted 51,900 children and young people through family strengthening



Image above: A father playing with his son, Mozambique. © SOS Children's Villages International

Empowering young mothers



Image: A mother hugs her daughter, Tanzania. © Christensen Stjerne



Image: Daniela and her peers, celebrating their success after finishing a chocolate course. © SOS Children's Villages Venezuela

In many of the communities in which we work, women still do not have the same economic opportunities or power as men. Young women are at a particular disadvantage, and young mothers even more so. Through our work to keep families together, we provide specific opportunities for girls and mothers — to gain greater independence, develop new skills and generate their own income. This helps families stay together, and ensures children are better supported and able to continue with their education.

Throughout 2023, we delivered several projects aimed at supporting and empowering women and young mothers to provide for and create a better future for themselves and their children.

Supporting teenagers with children in Tanzania

Thanks to funding from The Angela Webster Education Trust, in 2023, we supported a project in Tanzania aimed at helping teenage mothers. Half of Tanzania's population are children and 27% of girls aged 15 to 19 have been pregnant or given birth. These girls are often left on the margins of society without access to education, training or a stable future.

Through this project, teenage mothers are gaining the skills and networks they need to build successful businesses and are being supported to re-enrol in school. Activities are also helping to change mindsets within communities, of the right of girls to receive an education.

In 2023, we worked with 63 adolescent mothers, providing a mixture of apprenticeships, vocational training and assistance back into education. These young women gained skills, for example in cookery, hairdressing and tailoring, with several starting small businesses. In addition, we raised awareness among over 860 community members across 18 villages of the importance of girls' education, through a series of community meetings. This resulted in 30 adolescent mothers so far being supported by their communities to resume their school studies.

Providing opportunities for young Venezuelan women through chocolate

One of the many economic challenges in Venezuela is women's employability. Women of all ages lack the necessary skills to start businesses and engage in work, and there is little support for them to do so. This means women can become disempowered which can have harmful knock-on impacts on their children and families.

Cacao, a seed for the family is an initiative in partnership with organisations and experts in the cocoa and chocolate industry, which aims to address the increasingly high levels of unemployment among women in Venezuela. This project provides education, training and skills to aspiring chocolate entrepreneurs. In 2023, we trained and educated 58 women and 4 teenagers in chocolate production and in the fundamental aspects of managing micro-enterprises and marketing, giving them the knowledge they need to establish their own chocolate businesses.

27-year-old Daniela has been a participant in SOS Children's Villages Family Strengthening programme in Venezuela since February 2023. She has now started a chocolate business thanks to training provided as part of this project.

Becoming a mother as a teenager resulted in Daniela having to leave school early. Now a mother of three, joining the programme represents a valuable opportunity for her and her family. She lives in her parent's house with her children and husband. Following her two brothers being killed by criminal gangs, she also dedicates herself to supporting and providing companionship to her parents, as their only surviving child.

After completing a chocolate course in October 2023, along with 24 other women, Daniela put into practice everything she learned to start her home-based business. She now sells her chocolates in her community alongside her husband, who, seeing her enthusiasm, joined her in helping to build a successful family business. Consequently, they are earning a higher income, and so are better able to support their children and Daniela's aging parents.

Strengthening families in India



Image above: Preety talking to her two children outside their house, Nagapattinam, India. © Maisie Marshall

“

I do not know where we would be without the support from SOS Children's Villages, our lives would look very different. My children will have a better future and stronger opportunities.

Preety, India

Our work and achievements

SOS Children's Villages UK, SOS Children's Villages India and Herman Gmeiner Fonds Deutschland, are working in partnership to deliver a programme aimed at strengthening families in four locations across India — Begusarai, Bhopal, Faridabad and Nagapattinam.

This work is helping families and communities struggling with poverty: supporting families to earn a living; helping children stay in school; ensuring children have healthy food and healthcare; and investing in community infrastructure to sustainably support families.

In 2023, we assisted over 1,000 caregivers to generate income and increase their self-reliance, with a further 1,234 receiving financial literacy training, helping them to better manage their finances. In Begusarai, Nagapattinam and Bhopal over 99% of all primary caregivers we work with are now part of a self-help group, specifically designed to support families.

In addition, all school-age children on this programme are now either attending school or are supported through tuition classes. Across the four locations 4,417 children received school materials such as stationery, school bags and uniforms.

Through training and awareness sessions we helped those looking after children to better care for them. In Nagapattinam, 485 caregivers were trained in child health and nutrition, with the majority of parents we work with in Faridabad and Begusarai attending parenting skills classes. Additional nutritional support was also given to nearly 2,000 children, helping to prevent malnutrition.



Self-help groups driving change for families

Preety lives in Nagapattinam, a coastal town in the south of India. With limited education and work opportunities available to women in rural India, Preety had relied on her husband for financial support. Two years ago, Preety's world shattered when her husband passed away, leaving her and their two children grieving and financially strained.

Preety found out about and joined a self-help group run by SOS Children's Villages in India, finding solace from fellow members: **"I like that we get to help each other in self-help group meetings, we all feel part of a community. It is good to have other women supporting each other."** Participating in training sessions, she also acquired valuable parenting skills and childcare insights. A turning point came when Preety ventured into cow-rearing, financially supported by SOS Children's Villages. Preety then began a journey of development and is currently undertaking SOS Children's Villages' tailoring training. She now has enough income to manage household and school expenses and pave the way for her children's success: **"My girl shared that she wants to become a teacher, my boy wants to become a police officer. I believe in their dreams and I am going to help them get there...I am so happy, my mind is peaceful now."**



Image: Preety standing outside her house, Nagapattinam, India © Maisie Marshall

CARING FOR CHILDREN

Our work and achievements

The loss of parental care, whether due to unforeseen circumstances, abuse, or neglect, is a devastating experience for any child. In these challenging situations, it is crucial to ensure that children feel loved, cared for and protected so that they can grow and thrive, and this is where SOS Children's Villages comes in.

SOS Children's Village communities around the world provide high-quality, alternative care for children who have lost the support and security of their families. This ensures that children and young people can grow up with the healthy relationships they need to become their strongest selves.

Thanks to our 6,722 sponsors, in 2023, SOS Children's Villages UK ensured the provision of quality care and support for 4,194 children and young people across 111 different countries and territories. These children were loved and cared for in family-like environments within 431 different SOS Children's Village communities.



Cared for children across 111 countries



Supported the provision of quality alternative care for 4,194 children



Image above: Ludmilla kissing her grandson on the cheek, Ukraine. © Alea Horst

Providing quality alternative care

Banner image: Haneen talking at a youth council event, Palestine. © Alea Horst



At SOS Children's Villages, we always work in the best interests of each individual child. Usually, it is preferable for a child or young person to remain with their family and community. However, we acknowledge that this is not always possible. In such cases SOS Children's Villages directly cares for the children within one of our families, or finds alternative forms of care such as with foster families. This ensures children grow up in loving, safe and nurturing environments.

In 2023, SOS Children's Villages UK supported children and communities across four continents, in places as diverse as Azerbaijan, Colombia, Ethiopia and Jordan. We provided love and support to children of all ages, helping them to develop the healthy relationships and connections they need to thrive, and grow into resilient and self-sufficient adults. These stories are examples of the care, support and guidance given by SOS Children's Villages.

Fred's story

Fred was just three years old when he and his sister came to live with Mama Harriet, their SOS Children's Villages caregiver. Fred's parents both died after long illnesses. Now he is older, Fred lives in a youth house in SOS Children's Village Gulu in Uganda. But his bond with Mama Harriet remains strong. **"Mum loves me so much and I know it."** says Fred. He also attributes his hard work and success in education to Mama Harriet. Her kind words of encouragement help him to succeed in his studies. **"My goal in life is to become a pharmacist. I've always wanted to make people feel better when they're sick."** explains Fred. Nothing seems to challenge his motivation. Even when he's sometimes discouraged, Fred knows he'll make it, as his SOS Children's Villages caregiver, Mama Harriet, believes in him.



Haneen's story

Haneen is 19 years old and lives in Hebron in the West Bank. She grew up in SOS Children's Village Bethlehem until she and her twin sister could be reunited with their biological family. She is an outspoken advocate for children's rights. Haneen speaks out on youth issues as a member of the Palestinian Children's Council, and she also spoke on a panel hosted by the United Nations Committee on the Rights of the Child in Geneva, Switzerland.

Haneen's interest in human rights, especially children's rights, started early. She was always excited about the different activities and project opportunities available at SOS Children's Villages and participated in everything possible. Speaking of her time at the SOS Children's Village she says: **"It was important for me to live with my siblings in the same house, to have them as a source of support, to be connected with them. When I grow up I would love to be a child rights defender. Just as the Village protected me, I want to protect other children."**

Penda's story

Fatou Ndiaye, a young single mother from Senegal, had a difficult and lonely pregnancy. Her baby, Penda, was weak and suffering from a severe vitamin deficiency when she was born. Fatou had no money and didn't know how to take care of her baby, so she reached out to SOS Children's Villages for help. Penda was placed with a short-term nursery where she received the necessary medical care. Fatou moved to Dakar and worked as a housekeeper, earning barely enough to support herself yet alone Penda. As Fatou's extended family were also unable to care for Penda, Penda was moved to a family home in SOS Children's Village Louga. Her caregiver engulfed her with affection and today Penda is healthy and happy.

Fatou meanwhile, is working on her dream of being able to live with and provide for her daughter, and she visits her when she can. The SOS Children's Villages team are supporting Fatou to improve her financial situation and providing her with advice to help her look after herself and her child. **"I can't wait to start raising Penda, to see her grow and flourish. We are relearning to know each other and to forge ties in anticipation of our reunification."**

The examples provided here are recent stories of children supported through SOS Children's Villages sponsorships, but due to the need to protect privacy, are not necessarily children supported directly by UK supporters.

Left image: Fred and his mother, Harriet laughing in their garden, Uganda. © SOS Children's Villages Uganda

Reintegration in The Gambia and Zambia



“

I learnt SOS Children's Villages was reintegrating children back to their families and communities of origin, and I saw a chance to finally have baby Loveness live with us.

Ms. Loveness, Zambia

Throughout 2023 in Basse, The Gambia and Chipata in Zambia, we focused on providing extra support to families and communities, and where possible moving children out of the SOS Children's Villages and reintegrating them back into their communities. This means, as well as working to reunify more children with their biological parents, we sought alternative forms of care, such as kinship care, foster care or adoption, within the original communities of the children.

Kinship care is where a member of the child's extended family, such as an older sibling or grandparent, takes care of the child, and is an accepted practice in many places around the world. As a colleague from SOS Children's Villages Zambia told us:

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Kinship care is a common practice that can be built on, supported, and strengthened to prevent child separation from their families.

The process of reintegration is managed carefully. We collaborate with relevant authorities and involve social workers, educators and other childcare specialists. It includes preparing children and young people, their families and the wider community prior to reuniting the children and supporting them afterwards with ongoing contact and follow-up visits by social workers.

Children who can't be reintegrated with family members continue living happily in their SOS Children's Villages families, but increasingly we are now looking to integrate these families into communities.

Adopting baby Loveness

While doing her rounds in the hospital, Ms. Loveness Chongo heard the desperate cries of a newborn baby and learnt the sad story of a baby girl abandoned by her mother.

"I fell in love with her from that day, medical staff gave her my name after they saw how attached I was, and that's been her name since." Loveness said.

"When the day for her discharge from hospital came, I was devastated, but I knew that the right channels needed to be followed. Baby Loveness was handed over to the Government. Later on, I learnt she was staying in SOS Children's Villages," she added.

Baby Loveness was brought to SOS Children's Villages Chipata, Zambia, at just 12 days old.

Years passed, and baby Loveness grew into a spirited and curious young girl. Meanwhile, Ms. Loveness continued to visit her namesake whenever she could. After much contemplation, Ms Loveness made the life-changing decision to adopt Loveness and become her mother. Loveness, now seven years old, has blended in well with her new family, where she's found a new home and loving parents.

Banner image: A woman and child walking down a street, Zambia. © Paal Audestad

YOUTH EMPLOYABILITY AND EDUCATION

Our work and achievements

Tackling global youth unemployment is crucial for sustainable development, and breaking cycles of poverty. SOS Children's Villages ensures young people in vulnerable situations have access to employability training, skills development and mentoring so they can have a bright and secure future.

With an estimated 23.5% of young people globally not in employment, training or education, it is particularly important to support those without, or who are at risk of losing, parental care. Young people without strong parental support are more likely to lack the essential guidance, life-skills and resources required to be self-reliant and create a successful future for themselves. Through providing employment and entrepreneurship opportunities, training and education, we help young people in vulnerable situations to escape poverty and gain the skills and confidence they need to enter the world of work.

In 2023, SOS Children's Villages UK reached over 6,800 young people, through funding youth employability, training and mentoring activities in 17 different countries.

We contributed to two global initiatives focused on youth employability, SOS Children's Villages' international YouthCan! partnership and Futuremakers by Standard Chartered programmes through which we reached 2,725 people. We also continued to deliver our Youth Training and Employability Programme in Basse, The Gambia (YTEP). As part of YTEP, this year 131 students from cohort two graduated; 138 students from cohort three finished their studies and started internships and 173 students enrolled onto cohort four in the Autumn and began their studies.

As part of SOS Children's Villages 'Digital Villages' initiative we provided IT skills and access to young people, including in Bo, Sierra Leone.



Delivered youth employability, skills and training in 17 countries



Contributed to two global youth employability initiatives



Image above: A young man welding in his shop, Bangladesh. © Pearl Sandhu and Nuzhat Nabilah

Building brighter futures with Standard Chartered



In 2023, SOS Children's Villages UK strengthened its partnership with the Standard Chartered Foundation to support the employability of young people in Botswana, Côte d'Ivoire, Jordan, Mauritius, South Africa, Sri Lanka and The Philippines. This programme promotes financial independence and self-sufficiency among young people, and helps prepare them for the world of work through employment training, skills and mentoring. The programme is part of Futuremakers by Standard Chartered, a global initiative to tackle inequality by promoting economic inclusion for disadvantaged young people in markets where the bank operates.

As a result of participation in this programme, over a 12-month period we helped 2,241 young people to demonstrate an increase in employment-related knowledge, and 1,743 young people to improve their employment-related skills.

In particular, we supported young people without, or at risk of losing, parental care and focused on including a broad spectrum of participants. For example, this year around 52% of participants were young women and over 100 were young people with disabilities.

With support from Standard Chartered employee volunteers, young people were further assisted through initiatives such as mentors' dens, CV support, financial literacy training and advice on new business proposals. In Sri Lanka young people were invited to tour the Bank's offices where they had the opportunity to meet the employees from several different departments, which helped them gain confidence, skills and insights into the professional working world.

Thanks to this partnership, SOS Children's Villages was able to scale up the establishment and growth of the YouthLinks Community. This innovative online platform connects young people globally and links them with companies, with a view to increasing their employability and future life chances.

Starting out as a young entrepreneur

Kaone is a 25-year-old who grew up in SOS Children's Village Francistown, Botswana. Her experience on a Futuremakers project helped her set out on a path towards entrepreneurship.

"After graduating from university in 2021, I was optimistic about finding a job. However, I have been applying for many years without job opportunities coming up."

Kaone enrolled on the Collective Communities project, which supports young people with the knowledge and skills to enter decent work or start their own business. Entrepreneurship skills are incredibly useful for young people in Botswana, as small businesses are an important career path.

"After I completed the training, I began pitching my idea to potential funders and industry experts. I finally got an opportunity to pitch my idea to the director of a local college for mentorship and coaching."

“

Through this training, I acquired the skills that assisted me in changing my mindset about venturing into a small business.

Kaone, Botswana

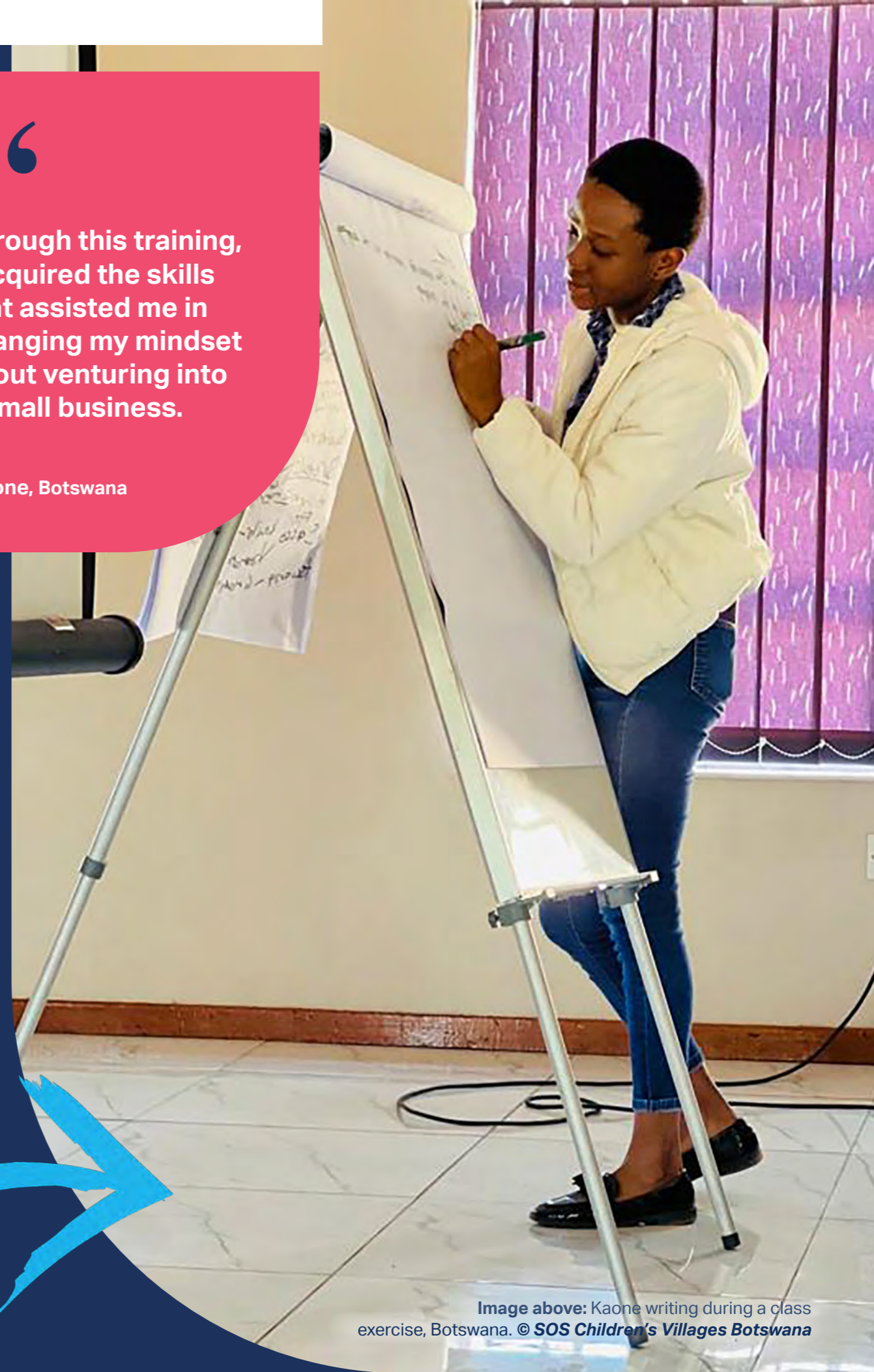


Image above: Kaone writing during a class exercise, Botswana. © SOS Children's Villages Botswana

Preparing young people for the world of work through YouthCan!



Banner image: Young people preparing together for the YouthCan! Conference, Austria. © *Magdalena Sikorska*

“

Thank you to SOS Children's Villages and our partners for believing in me and for giving me such a great opportunity in life

Lethabo, South Africa

Our work and achievements



SOS Children's Villages UK continued our contribution to the dynamic global SOS Children's Villages' partnership YouthCan!. This initiative helps young people achieve self-reliance and a stable income, through developing skills and experience; building confidence and motivation; creating support networks; and accessing opportunities.

In 2023, YouthCan! around the world supported 17,800 young people assisted by over 1,700 corporate volunteers. Globally, after participation in the programme, 83% of young people feel they have the necessary skills to succeed in life and 80% are confident and motivated about their ability to find employment.

SOS Children's Villages UK contributed to the success of YouthCan! in 2023 through key partnerships, providing funding of £74.6k towards projects in four countries.

In India, Bulgaria and The Philippines, we developed the employability skills of young people through corporate partner employees providing their time to share knowledge and experience, including through events such as CV surgeries, career guidance workshops and interview technique sessions.

In South Africa we prepared young people for the world of work and supported them to become resilient and independent adults through employability skills, direct work experience and mental health training. We provided mental health and psychosocial support to 201 young people across nine locations in South Africa.

Lethabo from South Africa completed a forklift driving course as part of YouthCan! He secured employment with a tyre company and now operates the forklift to offload tyres from trucks. **"Finding employment is very hard and I am grateful. I feel blessed."**

PROTECTING CHILDREN IN EMERGENCIES

One in five children are fleeing or living in conflict zones, and many more are feeling the effects of natural disasters, drought or flooding. In countries experiencing crises, children are often the hardest hit. Protecting these young lives in emergency situations, looking after both their immediate survival needs and longer-term mental health and wellbeing, is vital to enable them to thrive in the future.

Around the world, war, natural disasters, the climate emergency and multiple overlapping crises have resulted in approximately 300 million people requiring humanitarian aid. In 2023, SOS Children's Villages responded to 32 crises in 38 different countries and territories around the world, including in response to the war in Sudan, the earthquake in Morocco and conflict in Gaza and Israel.

With a global presence in over 130 countries, we are uniquely positioned to take timely and effective action, helping communities become more resilient, keeping children — especially those without parental care — safe during crises, and supporting long-term recovery efforts.

In 2023, globally SOS Children's Villages reached 1,385,800 people through humanitarian action and emergency response, including 774,800 children. SOS Children's Villages UK contributed to this, supporting global crisis programmes in Ukraine, Pakistan and the Middle East.

We also began a partnership with SOS Children's Villages Haiti and Italy to provide accessible mental health support to young adults and those taking care of them. This project is supported by Elrha's Humanitarian Innovation Fund (HIF), which aims to improve outcomes for people affected by humanitarian crises by identifying, nurturing and sharing more effective and scalable solutions. Elrha's HIF is funded by the UK Foreign, Commonwealth and Development Office (FCDO).



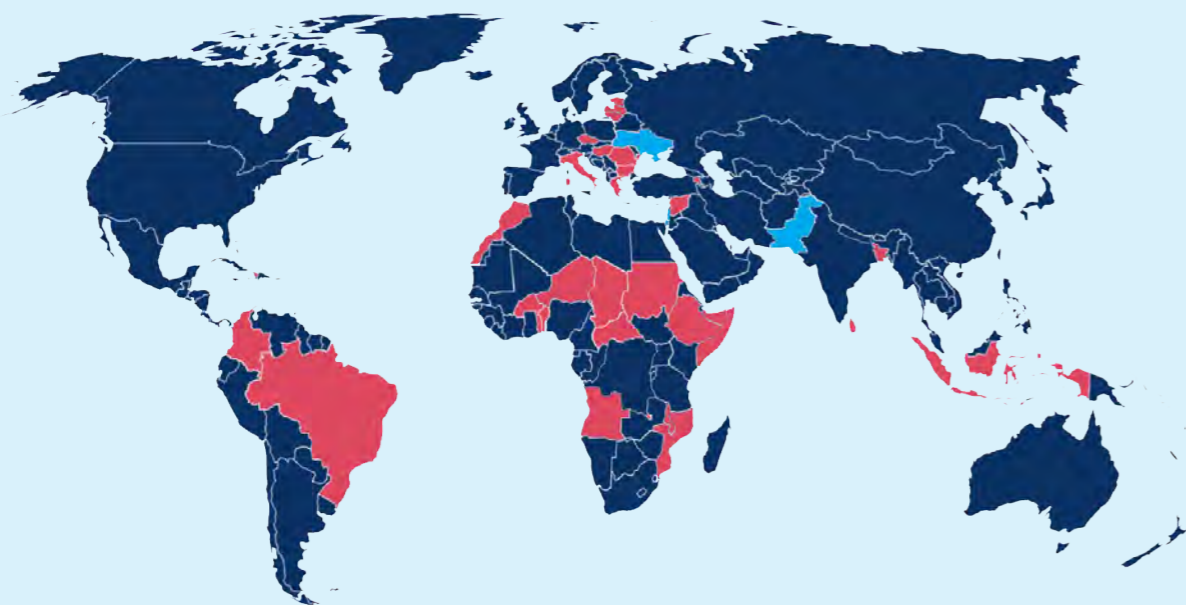
Image above: A child amidst destruction in Gaza. © Salah Hosny

Global humanitarian response



Banner image: A woman walks down the street with her child after the Morocco earthquake.
© Mosa'ab Elshamy

Our work and achievements



Map key

- Countries/territories where SOS Children's Villages UK directly supported humanitarian responses.
- Other countries/territories with an active SOS Children's Villages humanitarian response in 2023.

Our work in emergencies is centred around providing emergency aid such as food, but also crucially around preventing family separation, reunifying families, and caring for unaccompanied and separated children — those most at risk during emergencies and in their aftermath. Recognising the long-lasting impact of trauma on children, we pay special attention to mental health and psychosocial support, delivering counselling and specific trauma support activities to help children and young people cope with the immediate situation and heal in the future.

In 2023, SOS Children's Villages UK spent £90k on humanitarian responses, contributing to collective SOS Children's Villages efforts. We continued to support children and families impacted by the war in Ukraine, as we marked over a year of this deadly conflict. We also contributed to aid efforts in response to the severe flooding in Pakistan. As renewed war broke out between Israel and Gaza towards the end of the year, we responded by raising funds and joining global calls for a ceasefire.

Money raised through our Emergencies Fund in 2023 will continue to be distributed to crisis situations where it is most needed throughout 2024.

Helping children and families affected by war

In 2023, the war in Ukraine continued to impact the lives of millions of Ukrainians, causing injury, death and damage to infrastructure, but also preventing children from attending school and traumatising a generation.

SOS Children's Villages in Ukraine supported families and children, including those displaced by the fighting: providing essential food and non-food items; helping reunite children with their families; creating child-friendly 'safe' spaces; and delivering mental health and psychosocial support to help children cope with trauma and stress caused by the war. In total they reached 246,251 people across 15 regions of Ukraine.

The war in The Gaza Strip, the West Bank and Israel had a devastating impact on millions of people during the last two months of 2023 and into 2024. Tens of thousands of people have been killed in Gaza and almost the entire population displaced and without food, shelter or water.

As with all violent conflicts, SOS Children's Villages is on the side of children and innocent civilians. SOS Children's Villages Palestine and SOS Children's Villages Israel have been caring for children for the past five decades. As this crisis escalates, colleagues in the region are doing what they can to protect children, support families and deliver emergency aid, and provide trauma counselling to those in their care.

In the UK, as well as raising funds to contribute to SOS Children's Villages' humanitarian response, we joined others in putting pressure on UK ministers and publicly calling for greater protection of civilians, respect for international humanitarian law and a ceasefire to allow vital humanitarian aid to reach those who need it.



Image: A father and his children sheltering after flooding in Pakistan. © SOS Children's Villages in Pakistan

Escape from Mariupol



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I prayed that, if a bomb hits us, we all die, so my children are not left on their own.

Nadiya, Ukraine

Since the conflict started, nearly two thirds of Ukraine's children have been forced to leave their homes. An estimated 1.5 million children are at risk of post-traumatic stress and other mental health conditions.

Nadiya from Mariupol has three children: seven-year-old Anna, 12-year-old Mykola, and 29-year-old Ihor. The family had a normal life before the war started. When Mariupol was invaded by Russian forces, they were forced to flee. Under shooting by Russian troops and heavy shelling, including a bomb that destroyed the home they were in, they managed to escape with just the clothes on their back and their documents in a bag. Nadiya explains:

"As we walked, we saw killed people, burned vehicles. It was horrible! So many dead people in cars. I put my hands on my children's eyes, so they wouldn't see all this. Unfortunately, I couldn't hide everything.

"I cried so much when we reached Zaporizhzhia. I cry each time I remember. When we got out of the occupied territory, and met our soldiers, I cried, I wanted to hug them.

"We settled here but knew no one. Then I stumbled on a group for internally displaced people. And that's how I learned about SOS Children's Villages and how I met my family advisor, Larysa.

"At first, I didn't have high expectations. I thought maybe we'd get some humanitarian aid. Instead, all employees of this programme in Kyiv became like our family. And my children feel that strongly."

"Anna shut within herself and was very jumpy and nervous. Since we started coming to SOS Children's Villages, she's more relaxed and she's talking more openly. Mykola and I began seeing the psychologist together. After everything we've been through, he now sees himself as the man of the family and the one responsible to help me. He's scared and traumatised too, but doesn't want to show it.

"My children have individual and group classes in the programmes at SOS Children's Villages. They feel very comfortable and relaxed here.

"I often call Larysa or the other employees of SOS Children's Villages. They make me feel that we're not on our own, that we have friends. I feel supported as a parent, I have someone to consult, to give me advice. That's very important to me."

Image above: A drawing by a child, illustrating their experience fleeing Mariupol, Ukraine. © SOS Children's Villages Ukraine

OUR ORGANISATION AND PEOPLE



Strengthening systems and processes

Throughout 2023, SOS Children's Villages UK continued to invest in and improve our systems and processes. In particular, we strengthened our cyber security, began embedding a new marketing platform as part of our Salesforce CRM system, and continued investment in our financial software (Accounting Seed). This enables us to understand our supporters better, improve our services to them, and improve efficiency, making us better able to raise the funds we need to support children and young people around the world in the future.

Thanks to some valuable pro bono consultancy support from our corporate partner Baringa, we led the development of an Environmental Sustainability and Climate Action Strategy for SOS Children's Villages globally, connecting with other colleagues across the Federation to lead a working group on this topic.

Protecting children and ensuring compliance

High standards of safeguarding are fundamental in supporting children to grow up feeling safe, loved and respected. We continued to make significant improvements both across the Federation, and in the UK, to ensure the safety of all those who come into contact with SOS Children's Villages, and in particular the children, young people and families we work with. SOS Children's Villages International continued to report on the progress it was making against its Safeguarding Action Plan, through its progress reports.

Read more on this progress: [Safeguarding Action Plan Progress Report](#).

In 2023, no safeguarding incidents relating to SOS Children's Villages UK employees or volunteers were reported. We introduced a new policy to no longer allow UK sponsor visits to any of our programme or child sponsorship locations. In addition to the Safeguarding Committee of the Board of Trustees, which provides broader safeguarding guidance, reviews programme oversight responsibilities, and oversees donor and Charity Commission reporting, SOS Children's Villages UK is part of the SOS Children's Villages International Europe and North America child safeguarding and integrity network to share learning and best practice.

We receive and monitor regular incident reports from SOS Children's Villages International, and in particular those that relate to programmes we support. In 2023, we provided updates to the Charity Commission on the publishing of a report by an Independent Special Commission, which was set up to investigate allegations of safeguarding failures across the Federation. This report was published in June 2023 and no further Charity Commission updates were required.

For more information on safeguarding incidents across the Federation, please see: [the Child Safeguarding Annual Reports](#).

Serious incident reports to the Charity Commission

In 2023, we continued to provide updates to the Charity Commission on an allegation of serious fraud, originally reported in 2021, involving at least one employee of SOS Children's Villages Zambia, one of our programme partners. These updates highlighted positive progress towards addressing this issue. We also reported a new incident relating to a theft of approximately £5k involving a staff member of SOS Children's Villages Zambia.

Additionally, we reported two further incidents: an incident involving SOS Children's Villages Russia, a member of the SOS Children's Villages Federation, caring for 13 Ukrainian children who had become separated from their caregivers; and an incident involving inappropriate behaviour of charity fundraisers who had been sub-contracted to work on behalf of SOS Children's Villages UK.

Supporting our staff

The work and achievements of SOS Children's Villages UK would not be possible without the passion, commitment and ambition of our staff team. In 2023, we employed an average of 27 people throughout the year.

SOS Children's Villages UK is committed to being a diverse and inclusive charity. We aim to demonstrate support for all our employees and volunteers, valuing each individual's contribution regardless of age, gender identity, sexual orientation, marital status, civil partnership status, disability, nationality, race, religion or belief. We are committed to providing equal opportunities for all employees and volunteers.

In 2023, we continued to support flexible working in order to recruit and retain the best staff. We also continued to provide a number of additional benefits to staff, including extra non-bank holiday working days during the office closure between Christmas and New Year; an Employee Assistance Programme; pension scheme; life assurance cover; travel loan; cycle to work scheme; enhanced sick and maternity pay; volunteer days and a sabbatical leave policy.

Information about our aims, activities and other relevant information was disseminated to all staff and volunteers through briefings, meetings and written documents. The Charity consulted with and involved all staff on key issues through regular team meetings, planning sessions and away days.



Top right image: Two girls walking down a street, Zambia. © Paal Audestad

FUTURE GOALS AND PLANS



Image above: A boy blows bubbles outside his house, Greece. © Joel Sheakosk

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Working with other SOS Children's Villages and external partners, continue to support children and young people who have lost parental care and families at risk of breakdown, through the provision of quality alternative care and delivery of a range of programmes. This includes initiatives aimed at strengthening families and family and community economic empowerment; providing employability and mentoring opportunities; and delivering humanitarian assistance for children and families impacted by humanitarian crises.

In response to changes in our external environment, continue our shift away from the Village model of care towards longer-term, more sustainable programmes, supporting work directly with families and communities, including in The Gambia and Zambia. Working in partnership with SOS Children's Villages colleagues in different locations, ensure the programmes being delivered are in the best interests of each child; are effectively designed, monitored and implemented; and contribute as part of SOS Children's Villages Strategy 2030.

Begin to build partnerships and networks which lay the groundwork for new areas of research and advocacy activity. Leverage SOS Children's Village's presence in the UK for the benefit of the Federation as a whole, and to inform the work of other INGOs operating in the same or a similar space, while influencing decision-making and advocating for children and young people.

Continue to invest in our people, systems, processes and operations, developing the infrastructure necessary to further strengthen our fundraising, programme delivery and safeguarding. With the specific aims of continuing to ensure our unrestricted income is a minimum of 40% of our total income; making long-term commitments to the SOS Children's Villages programmes we support globally; raising awareness of the work we are doing; and working in partnership to amplify our impact.

THANK YOU TO OUR SUPPORTERS

- Ali Family
- Baringa
- Christopher Keljik OBE
- DeMellier
- FactSet
- From Babies with Love
- Lines & Current
- M&G plc
- Mercury Phoenix Trust
- Michael Hewitt in memory of Professor Lis Mosekilde
- Pryke Family
- PDFoundation
- Pinsent Masons
- SOS Pakistan Supporters' Group UK
- Standard Chartered Foundation
- Subsea7
- tcc Foundation
- The Ahmed Family
- The Angela Webster Education Trust
- The Beatrice Laing Trust
- The Harrison-Frank Family Foundation
- Elrha's Humanitarian Innovation Fund



We'd like to say a huge 'Thank You' to all our supporters and partners, including those who wish to remain anonymous, for their continued generosity and commitment to our programmes.

The kindness, dedication and loyalty shown by supporters throughout 2023, another difficult year for many, was truly inspiring and we are immensely grateful. All donations help us to make a difference and ensure that children everywhere can grow up with the relationships they need to become their strongest selves and thrive in the future.

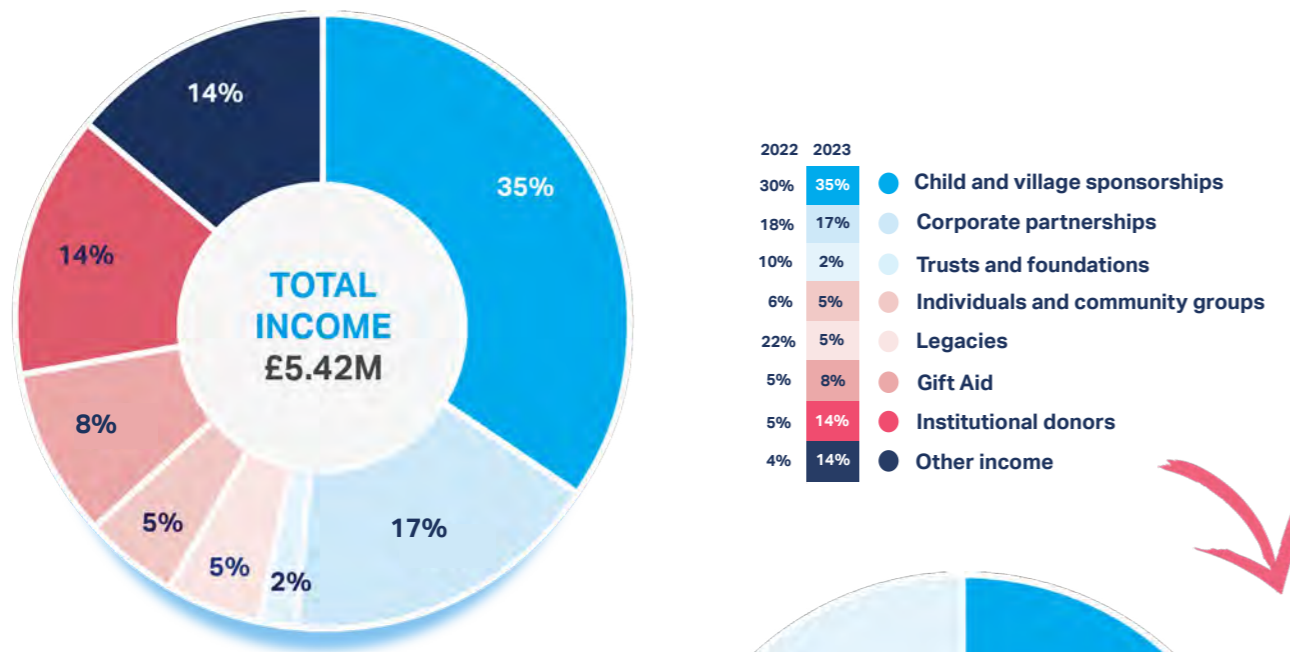
We also wish to show our appreciation for all those who raised awareness of our work and who fundraised by taking part in challenges, quizzes and other activities. In particular, we want to acknowledge the supporters who kindly gave and fundraised In Memoriam of a loved one or who left a gift in their Will for the work of SOS Children's Villages UK. Their legacy continues to make a lasting impact on the lives of children, their families and communities all over the world.

Thank you all for your kind support.



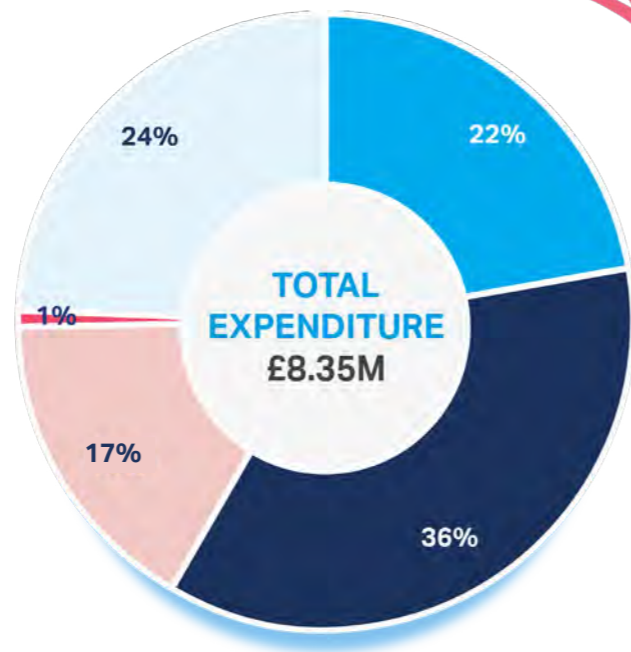
Left image: A mother and her daughter laughing with each other, India. © Maisie Marshall

FINANCIAL REVIEW



Source	2022 (%)	2023 (%)
Child and village sponsorships	30%	35%
Corporate partnerships	18%	17%
Trusts and foundations	10%	2%
Individuals and community groups	6%	5%
Legacies	22%	5%
Gift Aid	5%	8%
Institutional donors	5%	14%
Other income	4%	14%

Category	2023 (%)	2022 (%)
Keeping families together	22%	14%
Caring for children	36%	38%
Youth employability and education	17%	13%
Protecting children in emergencies	1%	8%
Fundraising, governance and support costs	24%	27%



How we spent your money

- 76p: Activities to support children, families and young people.
- 24p: Raising funds and support costs



Support and governance costs of £1,101,514 have been apportioned across charitable activities and raising funds.

SOS Children's Villages UK's reach continued to grow in 2023 as the Charity adapted and evolved to meet the rising challenges of several global crises.

Income

Total income in 2023 of £5.42m was £3.02m/36% lower than 2022's income of £8.44m. 2022 included a large one-off legacy donation of £2.95m to be allocated to work in India over a 3-year timeframe.

Income for 2023 was in line with, but slightly below, budget expectations. This was largely due to lower legacy income being received in 2023 than expected. We have been able to meet expectations in our other income streams in 2023 through the consistent generosity and loyalty of our supporters, as well as our ability to secure new partnerships with corporates, and trusts and foundations, and through investment in strengthening our fundraising to secure further income through programme funding opportunities.

As of 31 December 2023, the legacy pipeline held an estimated value of £0.4m. These are legacy gifts we have been notified of but which do not meet our recognition criteria for income in 2023.

Expenditure

Expenditure in 2023 at £8.35m was £1.31m/19% higher than 2022 spend of £7.04m. This is due to expenditure relating to the large one-off legacy donation received and recognised as income in 2022. Further breakdown of our expenditure is shown in notes 5-7 on pages 72-75.

Fundraising activities

In 2023 we continued to scale up our fundraising investment to enable the Charity's future income and impact to grow, with a particular focus on unrestricted funds and growing unrestricted regular giving, as well as raising our UK brand profile to appeal to new audiences with differentiated propositions.

Charitable activities

Despite receiving lower income in 2023 than in 2022, we have been able to increase the amount we have spent on our charitable activities. In 2023, we spent £6.31m (excluding exchange movement), an increase of 1.16m/23% on our 2022 spend on charitable activities. This is due to drawing down reserves received in prior years that were due to be spent in 2023.

As a result, we have been able to support more children globally, providing quality, alternative care, including in The Gambia and Zambia. Equally we continued to increase our focus on the prevention of situations in which children are at risk of losing parental care through family strengthening programmes that offer long-term, sustainable solutions, increasing our expenditure in this area by 0.88m/89% in 2023 over 2022.

Through our youth education, empowerment and employability programmes, we prepared young people to live independent lives and develop the skills to enable them to sustain their own livelihoods and families in the future. Spending in this area increased by 0.45m/48% in 2023 over 2022.

We were also able to respond to global crises, including through the Emergencies Fund created in 2022, with funds being made available to support work following floods in Pakistan in 2023 and for Ukraine. We also raised funds to aid humanitarian efforts in response to renewed war in the Middle East.

Reserves

The 31 December 2023 unrestricted reserves position is £1.9m which is classified as follows:

Designated Funds — As of 31 December 2023 the Charity had one designated fund which was created, at the discretion of the Trustees, to protect against any potential foreign exchange losses. It continues to be maintained at 2022 levels and the fund balance was £206k.

General Funds — The Board of Trustees requires the Charity to maintain readily accessible assets sufficient to fund between 6 and 9 months of running costs. In 2023 this equated to £1.22m - £1.82m, and as at 31 December 2023, the net operational reserves were £1.9m which provided a 9-month cover of running costs.

Included in the above, is £0.34m to ensure we can fulfil our obligations to safeguard two specific programmes, in Chipata, Zambia, and Basse, Gambia, protecting the future of the children and families in those programmes.

Investments

Investments are overseen by the Finance and Audit Committee. Professional Fund managers have been appointed to invest in accordance with the UN Principles on Responsible Investment (UNPRI).

As at 31 December 2023, the value of our investment portfolio was £1.28m, an increase of £0.05m/4% over 2022. During 2023 we moved £0.23m from a short-dated corporate bond portfolio into our main equity growth portfolio. At the end of 2023 the Charity had one portfolio.

How we raise money

We are registered with the Fundraising Regulator and a member of the Chartered Institute of Fundraising (CIOF) and as such abide by the Code of Fundraising Practice. In line with this, we work in close partnership to build transparent relationships with our donors, and with the SOS Children's Villages programme teams, aiming for accountability in all that we do.

Reflecting this commitment, we regularly monitor our own compliance and review our practices in line with the General Data Protection Regulation (GDPR), which came into effect in May 2018 and the Code of Fundraising Practice.

In 2023, we continued to ensure open dialogue and clear lines of communication with our donors. This included the prompt and transparent reporting of any challenges, delays or other obstacles experienced as part of the programme

implementation process, while ensuring timely reporting against agreed project performance indicators.

As we work with children and families in very disadvantaged areas, including in wars, disaster zones and crises, the work of SOS Children's Villages is complex and challenging — and our reporting reflects this.

We work with fundraising agencies to promote our cause and raise funds for our vital work. In 2023 we worked closely with our agencies to review and strengthen our training and monitoring processes and to ensure high quality and effective fundraising.

Many of our individual supporters carry out fundraising events to raise money for SOS Children's Villages. To support them in their fundraising activities we provide them with an agreement showing how they should promote their activity; guidance on how to fundraise effectively and without undue pressure; information on how the funds raised will be spent; and we ensure they are informed of their obligations to conduct fundraising in line with our values and to the highest possible standards. They are given a named contact at SOS Children's Villages UK to support them and answer any questions.

We monitor and review activities undertaken in support of SOS Children's Villages UK, through supporter feedback, tracking online activity, prompt follow-up after fundraising activities have taken place and ongoing dialogue.

Our staff receive thorough training in how to identify and protect people. If we encounter someone showing signs of distress, confusion or vulnerability, our staff are trained to politely end the conversation and refuse any donation offered.

We also work with a small number of corporate supporters who operate in a way that does not commit undue pressure on a person to donate, seek unreasonable intrusion on a person's privacy or is unreasonably persistent in their actions, so as to protect vulnerable people, as reflected in our written agreements with our partners.



Image: A woman holds a young girl hands, Zimbabwe. © Kaia Means

Corporate commercial participators include:

Lines & Current donates 10% of profits to SOS Children's Villages UK every year, donated quarterly. DeMellier donates £2 per bag sold with a retail value greater than £400, £1 per bag sold with a retail value between £250 and £400 and £0.20 per small leather good or bag sold with a retail value below £250. Donations are paid annually. Humble warrior donates 2% of its revenues annually. Donations are paid annually.

All partnerships are formalised through a signed written agreement and activities are monitored jointly, including quarterly review meetings. SOS Children's Villages UK is not aware of any complaints raised regarding any of these activities undertaken by our corporate partners. All employee fundraising activity is monitored with regular review meetings with corporate partners and supporters, ensuring they are compliant with the Fundraising Regulator, GDPR and any other necessary insurance policies, in line with best fundraising practice.

SOS Children's Villages UK is not aware of any complaints raised regarding any employee fundraising activities. Our Board of Trustees approved a new Ethical Partnerships Policy in June 2023, which sets out the criteria for determining whether we can accept donations. This is reviewed on an annual basis to ensure it is kept up to date. Further information including a link to the Ethical Partnerships Policy can be found on our website: www.soschildrensvillages.org.uk/how-you-can-help/partner-with-us/.

We received 209 complaints about our fundraising activities in 2023, showing a decrease of 24 compared to 2022. All complaints were resolved to the satisfaction of the individuals raising the issues except one, which was escalated by the complainant to the Fundraising Regulator.

The Fundraising Regulator found that fundraisers working on behalf of SOS Children's Villages UK had breached the Code of Fundraising Practice twice in one interaction with the complainant, relating to disengaging from conversation and politeness. The Fundraising Regulator also found that SOS Children's Villages UK had treated the complainant fairly and reached a reasonable conclusion, taking appropriate remedial action, which included an apology to the complainant and re-training of fundraisers.

We learn from all complaints we receive and monitor these on an ongoing basis to ensure we continually improve areas in need of addressing. This year we have increased our 'spot-checks' on fundraising teams for example.

Throughout 2023 we continued to engage in public-facing fundraising activities, such as Face-to-Face, Door-to-Door, and private site fundraising. These activities helped us increase our supporter numbers significantly.

As part of our current three-year strategy, we have developed a balanced income portfolio, which does not rely on one or two income streams alone, and this strengthened our resilience in the face of an increasingly unpredictable fundraising environment due to the ongoing cost-of-living crisis and global developments, including the continuing war in Ukraine.

We are immensely grateful to all our donors, who make the work of SOS Children's Villages possible.

If you have any questions about any aspect of our fundraising, please don't hesitate to get in touch with Susanne Owers, Director of Development, at susanne.owers@sosuk.org.

Banner image: An SOS Children's Villages social worker talking to a woman in one of our programmes, Uganda.
© Agnete Schlichtkrull

RISK MANAGEMENT AND INTERNAL CONTROLS

The risks the Charity faces are formally reviewed twice a year by Trustees and regularly by the Senior Management Team. Any new risks that are identified are assessed in terms of the likelihood of their occurrence and their potential impact, to rank all risks. Significant risks are highlighted for consideration and monitoring by the Finance and Audit Committee and reported to the Board of Trustees twice a year through our risk register. The Senior Management Team takes the lead in terms of day-to-day management of these and other operational risks and reports on the procedures which are in place, or are being developed or enhanced, to provide assurance that the risk is being managed.

The Charity operates a comprehensive annual planning and budgeting process, which is approved by the Trustees. Performance is monitored by financial targets and other key performance indicators. Reports are made to the Trustees which compare actual results against the phased budget, and which link financial and other performance with resource and activity levels.

As part of their audit of the financial statements, the Charity's Auditors review the internal controls. SOS Children's Villages UK does not have dedicated internal auditors, although an internal audit function exists at the International Office and there is potential to be internally audited by them in 2024.

Below is a list of five major risks we have identified and the mitigating strategies in place:

RISK	MITIGATION STRATEGY
Economic downturn due to continued uncertainty and volatility in the UK and global economies with potential to negatively impact Charity's finances.	<ul style="list-style-type: none"> Regular review of management accounts and fundraising pipeline. Regular production of updated forecasts and cashflow forecasts allowing discussion of any actions needed. Attendance at Charity Commission and network briefings. Investment in donor retention through donor journeys (Marketing Cloud).
Reputational risk arising from the actions or omissions of other SOS Children's Villages Member Associations or the General Secretariat.	<ul style="list-style-type: none"> Maintain close working relationship with General Secretariat Communications Team. Contribute to Secretariat Crisis Communications Planning. Establish and maintain good working relationships with key media outlets. Develop staff understanding of SOS Children's Villages' work, strengths, and challenges. Crisis Communications process rolled out to staff.

RISK	MITIGATION STRATEGY
Child or vulnerable person safeguarding incident.	<ul style="list-style-type: none"> Child and Vulnerable People Safeguarding Policy in place and implemented, alignment with new international standard. Safeguarding Committee meeting regularly. Staff and Trustee training. New staff induction. Legal advice taken on Charity Commission serious incident reporting guidance. Safeguarding responsibilities included in partner Memorandum of Understandings. New Safeguarding and Compliance Manager taken up post in January 2024.
Breach of legal or compliance obligations resulting in regulatory sanctions and or reputational risk.	<ul style="list-style-type: none"> Control procedures in place for approving financial transactions, GDPR, Health and Safety. Oversight controls in place for third parties and subcontractors which are reviewed regularly. Annual audit. Regular Audit and Risk Committee meetings reporting to the Board of Trustees. Expert staff in post, subject to regular review. Reports to the Board. Legal advisers in place. Safeguarding and Compliance Manager in post.
Failure to meet income targets impacting the long-term financial sustainability of the Charity.	<ul style="list-style-type: none"> Monthly management account reporting to Senior Management Team to identify challenges and take mitigating actions. Quarterly reporting to the Board of Trustees. Fundraising strategy to spread risk and return across donor segments. Minimum Reserves levels set by Board.
Data (or cyber) security breach or loss of data resulting in reputational damage with our supporters and regulatory bodies.	<ul style="list-style-type: none"> Appropriate security in place e.g. passwords, restricted access. Firewall and servers are monitored regularly by outsourced IT support. GDPR policy in place. Separate Office 365 tenant not linked to International Office's. Communications strategy for informing donors and authorities. Appropriate insurance cover secured under a combined policy. Training on social engineering and cyber security risks rolled out to all staff.

STRUCTURE GOVERNANCE AND MANAGEMENT

Charitable Objects

The objects of the Charity are set out in the Articles of Association, which were revised and agreed by the Board of Trustees in December 2017. In summary, these are for the advancement of education, the relief of poverty and the promotion of good health of vulnerable children, particularly but not exclusively by the establishment and maintenance throughout the world of SOS Children's Villages and the education of children and young persons from SOS Children's Villages.

SOS Children's Villages Federation

SOS Children's Villages UK is a member association of the SOS Children's Villages Federation. As a member we are consulted on, help to shape and implement the global strategy of the Federation. We support a variety of programmes helping children, young people and families in different countries around the world, and we have a long-standing commitment to The Gambia and Zambia in particular, where we support a range of programme activities.

Board of Trustees

SOS Children's Villages UK is governed by a Board of Trustees, which in 2023 consisted of 10 members, who are legally responsible for directing the affairs of the Charity and are also the directors of the company for the purposes of the Companies Act 2006. Trustees are appointed for a term of up to five years or until the end of the year of their seventieth birthday, whichever is earlier, and may be re-appointed for a period of up to three years. They are invited to attend induction and training courses and we regularly review the composition of the Board to identify potential vacancies and the need for particular skills. New Trustees are sought to replace resigning Trustees.

Five new trustees took up their responsibilities in 2023, bringing additional skills and knowledge to the Board, in particular in the areas of finance, HR and communications. The Board actively seeks to ensure that Trustees encompass a broad diversity of skills and background in order to support the Charity's operations. The selection was supported by an external agency with a commitment to inclusive recruitment.

Policies and procedures for the induction and training of trustees

The Trustee induction and training programme is comprised of a variety of activities spread over a period of time, including:

- meetings and introductions to other trustees, employees and beneficiaries invitations to events, meetings and presentations
- a trustee induction pack
- access to relevant training, including through National Council for Voluntary Organisations (NCVO).

The Board of Trustees meets at least four times each year to review and direct SOS Children's Villages UK strategy, budget and performance. The Board delegates day-to-day management of the Charity through the Chief Executive Officer to the Senior Management Team, while delegating specific responsibilities to the Board's sub-committees:

- **The Finance and Audit Committee** meets at least four times a year to review the Charity's annual financial statements; internal financial control and risk management systems; and external and internal audit matters.
- **The Human Resources Committee** meets at least twice a year to oversee the Charity's people management policies, remuneration, and best practice implementation.
- **The Safeguarding Committee** meets at least twice a year to oversee the Charity's safeguarding, duty of care, and review outcomes and reporting.

The Trustees do not receive any remuneration for their services. Trustees may claim reimbursement of reasonable expenses necessarily incurred in carrying out their duties. The members of the company comprise all of the Trustees. The Board of Trustees strives to meet the recommended practice for good governance set out in the Governance Code. Pay and remuneration of the Chief Executive Officer is set by the Board of Trustees and reviewed annually following a performance appraisal. Terms and benefits are set with reference to average pay in the sector and competencies required of the role. Remuneration for the Senior Management Team is set by the Chief Executive Officer, in accordance with the Pay Policy agreed by the Board of Trustees.

The Trustees present their report with the financial statements of the Charity for the year ended 31 December 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Public Benefit

SOS Children's Villages UK meets the definition of a public benefit entity under FRS 102. The Trustees confirm they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit which addresses the need for all charities' aims to be, demonstrably, for the public benefit.

SOS Children's Villages UK fulfils the public benefit by the relief of poverty, and improvement of poor education and health outcomes for children and their families. Details about the specific programmes pursued can be found throughout this report.

PRESIDENT

Dame Mary Richardson DBE

BOARD OF TRUSTEES

CHAIR

Harpinder Collacott

VICE-CHAIR/TREASURER

Matthew de Villiers (resigned 07 December 2023)

Suli Hampson (appointed 13 April 2023, Vice-chair from March 2024)

BOARD MEMBERS

Graham Budd

Ian Briggs

Janet Reilly (appointed 13 April 2023)

Jon Steinback (appointed 13 April 2023)

Kim Bowden (appointed 07 December 2023)

Louise McDonald (appointed 13 April 2023)

Nicola Robert (resigned 13 July 2023)

Solava Ibrahim

COMPANY SECRETARY

Alison Wallace, Chief Executive Officer
(from 03 February 2023)

SENIOR MANAGEMENT TEAM

Alison Wallace, Chief Executive Officer

Susanne Owers, Director of
Development

Sarah Bradford, Director of
Communications and Brand (appointed
06 February 2023)

Craig Mullaly, Director of Individual
Giving

Andrew Grieve, Director of Finance and
IT (appointed 30 October 2023)

Evgeny Dmitriev, Interim Director of
Finance and IT (contracted from 13
February 2023 to 14 July 2023)

Begay Jabang, Director of Finance and
IT (resigned 9 February 2023)

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the Trustees are aware: there is no relevant audit information of which the charitable company's Auditor is unaware; and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

Trustees' Responsibilities

Statement of Responsibilities of the Trustees

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 Charity. In preparing the financial statements, the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently
- 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 assume that the Charity will continue its activities
- observe the methods and principles in the Charity SORP 2019 (FRS102).

The Trustees are responsible for keeping adequate accounting records. These must be sufficient to show and explain the Charity's transactions. They should disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that its financial statements comply with the Companies Act 2006. The Trustees have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity, and to prevent and detect fraud and other irregularities.

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

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 10 July 2024. Signed on its behalf on 10 July 2024.

by:

Harpinder Collacott
Chair of Trustees SOS Children's Villages UK

ORGANISATIONAL DETAILS

Registered office:

Ravenscroft House
59-61 Regent Street
Cambridge
CB2 1AB

Independent Auditors:

Sayer Vincent LLP
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

Principal Bankers:

Barclays Bank Plc
28 Chesterton Road
Cambridge
CB4 3AZ

Solicitors:

Mishcon de Reya
Four Station
Square
Cambridge
CB1 2GE

Annual Report 2023



SOS CHILDREN'S
VILLAGES
UNITED KINGDOM

FINANCIAL STATEMENTS

Statement of Financial Activities

(including Income and Expenditure account)

For The Year Ended 31 December 2023

	Note	Restricted Funds 2023 £	Unrestricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
INCOME					
Donations and legacies	2	2,600,528	2,603,301	5,203,829	8,135,023
Other income	2	0	0	0	287,482
Investments	4	0	80,308	80,308	18,938
Foreign Currency Gain		0	137,237	137,237	0
TOTAL INCOME		2,600,528	2,820,846	5,421,374	8,441,443
EXPENDITURE					
Raising funds and support costs	5	79,442	1,958,368	2,037,810	1,894,414
Charitable activities	5	4,400,858	1,909,570	6,310,428	5,148,569
TOTAL EXPENDITURE		4,480,300	3,867,938	8,348,238	7,042,983
Net gains/(losses) on investments	11	0	50,522	50,522	(24,937)
NET EXPENDITURE IN THE YEAR AND NET MOVEMENT IN FUNDS		(1,879,772)	(996,570)	(2,876,342)	1,373,523
Reconciliation of funds:					
Total funds at 1 January 2023	14	3,939,327	2,896,610	6,835,937	5,462,414
TOTAL FUNDS AT 31 DECEMBER 2023	14	2,059,555	1,900,040	3,959,595	6,835,937

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

Balance Sheet

as at 31 December 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Intangible Assets	10	258,102	293,527
Tangible fixed assets	10	21,271	15,974
Investments & long term deposits	11	1,278,820	1,228,253
TOTAL FIXED ASSETS		1,558,193	1,537,854
CURRENT ASSETS			
Debtors	12	572,992	975,933
Cash at bank and in hand		3,182,313	5,572,593
TOTAL CURRENT ASSETS		3,755,305	6,548,526
CURRENT LIABILITIES			
Creditors: amounts due within one year	13	(1,353,903)	(1,250,443)
NET CURRENT ASSETS		2,401,402	5,298,138
TOTAL NET ASSETS		3,959,595	6,835,937
FUNDS OF THE CHARITY			
Restricted income funds	14	2,059,555	3,939,326
Unrestricted income funds	14	1,900,040	2,896,611
TOTAL CHARITY FUNDS		3,959,595	6,835,937

The attached notes on pages 65-83 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Board of Trustees on 10 July 2024 and signed on their behalf by:

Harpinder Collacott

Chair of Trustees SOS Children's Villages UK

Company registration number: 03346676

Statement of Cash Flows

For the year ended 31 December 2023

	Total 2023 £	Total 2022 £
Net (expenditure)/income for the year (as per the Statement of Financial Activities)	(2,876,342)	1,373,523
Adjustment for:		
Depreciation of fixed assets	66,462	4,554
(Gain)/Loss on investments	(50,522)	24,937
Dividends, interest and rents from investments	(80,308)	(18,938)
Decrease in debtors	402,896	2,140,086
Increase in creditors	103,460	118,520
Net cash (used in)/provided by Operating Activities	(2,434,355)	3,642,682
Cash Flows from Investing Activities		
Bank interest received	80,308	18,938
Purchase of Fixed Assets - Tangible	(7,133)	(3,267)
Purchase of Fixed Assets - Intangible	(29,100)	(168,645)
Net cash provided by / (used in) Investing Activities	44,075	(152,974)
Change in cash and cash equivalents in the year	(2,390,280)	3,489,708
Cash and cash equivalents brought forward	5,572,593	2,082,885
Cash and cash equivalents carried forward	3,182,313	5,572,593

The notes on pages 65 to 83 form part of these accounts

Notes to the Financial Statements

For the year ended 31 December 2023

SOS Children's Villages UK is incorporated in the United Kingdom as a company limited by guarantee, company number 03346676 and is a registered charity in England and Wales, registration number 1069204. SOS Children's Villages UK is a Public Benefit Entity whose registered office and operational address is Ravenscroft House, 61 Regent Street, Cambridge, CB2 1AB.

Note 1

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) applicable in the UK and Republic of Ireland (FRS 102) for Accounting and Reporting by Charities, the Companies Act 2006 and the Charities Act 2011 and UK Generally Accepted Practice. The accounts are prepared under the historical cost convention, with the exception of quoted investments which are stated at market value.

BASIS OF CONSOLIDATION

The financial statements were not consolidated with the charity's subsidiary in Hong Kong on the basis of materiality and significance, further detailed in Note 18. The accounts are prepared in Pound Sterling, being

the functional currency of the charitable company, and rounded to the nearest pound.

GOING CONCERN

A going concern review process is in place which includes a 3-year financial projection and scenario planning of income and expenditure and levels of reserves forecast. The financial plan takes into consideration the current economic and geo-political conditions and their impact on our main income streams and consequent implications for fundraising investment as well as normal spend levels. The Trustees are regularly monitoring the Charity's finance as well as key risks and therefore have a reasonable expectation that SOS Children's Villages UK has sufficient resources to continue in operational existence for the foreseeable future and they consider that there are no material uncertainties about the Charity's ability to continue as a going concern and these accounts have therefore been prepared on this basis.

1. Accounting policies (continued)

1.2 COMPANY STATUS

The company is a company limited by guarantee. There are 10 members of the company being the Trustees named on page 54. The registered office address is also shown on page 54. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 FUND ACCOUNTING

Restricted funds are generated when donors stipulate how their donations are to be spent. These funds are used in accordance with specific restrictions imposed by donors or for the purposes they have been raised by the Charity and are shown as restricted funds in the statement of financial activities. An analysis of the movements on restricted funds is set out in Note 14 after allowable expenditure has been applied. Unrestricted funds are generated when the donors do not stipulate how donations are to be spent. These funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the company. Unrestricted funds are divided into two further classifications:

1. General reserves are the minimum level of funds set aside to cover possible operational and financial risks identified as part of the annual planning process, and a contingency fund for other unidentified operational issues.
2. Designated reserves are funds

to support SOS Children's Villages UK in two key areas:

a.) Fundraising Reserves: to cover the commitment made by the Board to invest in the Charity's fundraising operations in particular in growing our Individual Giving Income.

b.) The Trustees anticipate the designated reserves to be fully utilised over the coming next three years. An analysis of the movements on unrestricted funds is set out in Note 14.

1.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Donations and grants received during the year are fully accounted in that year unless they are subject to performance-related conditions or other terms and conditions that may prevent income recognition. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation and are treated as unrestricted income unless otherwise specified by the donor and is recognised at the time of the donation. Legacies are recognised when receipt is reasonably certain, and the amount can be reliably measured. Receipt of a legacy, in whole or in part, is only considered reasonably certain when the charity has been notified of the executor's intention to make a distribution following

the agreement of the estate's accounts. Where the Charity is aware of the granting of probate, but the final or interim estate accounts have not been received to determine amounts receivable, then the legacy is treated as a contingent asset and disclosed if material. However, income relating to both pecuniary and residuary legacies is accrued if the amount is material and the Charity has received evidence to support its receipt within six months of the year end. Gifts in kind i.e. goods, facilities and services donated for the Charity's use, are included at a value equivalent to that which the Charity would ordinarily incur on them and, are recognised in the Financial Statements, as both income and expenditure.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Governance costs are allocated to the applicable expenditure headings. Charitable expenditure relates to work undertaken by the Charity, in supporting children and Children's Villages in which children without parental care live, delivering family strengthening and youth empowerment programmes, responding to emergencies, sector strengthening and capacity building. Expenditure on charitable activities includes both costs that can be directly allocated as well as costs of an indirect nature such as support costs incurred to provide the infrastructure and critical Finance, HR, admin and IT service as well as a share of the governance costs. The costs of raising funds relate to

the costs incurred by the Charity on activities to generate donations, grants and legacies and to keep donors informed about our work. Costs are made up of salaries of people working on fundraising, supporter care and the direct costs of running fundraising campaigns as well as the indirect costs necessary to support fundraising activities. Support costs comprise the infrastructural and organisation services that support the charitable activities. i.e. the salary of the support functions such as Finance, IT, Human Resources & Admin, the Chief Executive's Office, rent, office running cost and the fee paid for being a member of the SOS Children's Villages Federation. Governance costs are those costs associated with meeting SOS Children's Villages UK constitutional and statutory requirements. These include a percentage of salaries for time spent on governance, company secretarial and external audit costs, legal, tax advice, meeting costs of the Board and its Committees and an allocation of support costs.

1. Accounting policies (continued)

1.6 BASIS OF EXPENDITURE ALLOCATION

The greatest proportion of the Charity's expenses are directly attributable to either raising funds or specific charitable activities. The remaining costs relate to support and governance costs which support more than one activity and are as a result allocated to raising funds and charitable activities based on staff time. The basis of cost expenditure allocation is reviewed periodically for reasonableness.

1.7 TANGIBLE & INTANGIBLE FIXED ASSETS AND DEPRECIATION

All items costing more than £1,000 and are expected to have an economic useful life beyond 1 year are capitalised. Tangible and Intangible fixed assets are stated at historical cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Subsequent expenditure on an asset is only capitalised where it provides an enhancement of the economic benefits of the asset. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Tangible Assets - Furniture & Fittings 10% per annum
--

Tangible Assets - Office Equipment 20% per annum
--

Tangible Assets - Computer Hardware 20% per annum

Intangible Assets - Software 14%-20% per annum
--

1.8 INVESTMENTS

Investments, including bonds held as part of an investment portfolio are held at market value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Donated shares which are freely tradable are included at the market valuation at the balance sheet date. Shares are not intended to be held as investments and are sold as soon as practically possible. The gain or loss for the period is reflected in the Statement of Financial Activities.

1.9 OPERATING LEASES

Rentals under operating leases are charged to the Statement of Financial Activities on a straightline basis over the lease term.

1.10 INTEREST RECEIVABLE

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

1.11 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities.

1.12 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.13 CASH AT BANK AND IN HAND

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

1.14 CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are

normally recognised at their settlement amount after allowing for any trade discounts due.

1.15 PENSIONS

SOS Children's Villages UK operates a defined contribution pension scheme for its employees. The pension charge represents the amounts payable by the Charity to the fund in respect of the year. Contributions to the scheme are charged to the Statement of Financial Activities when incurred.

1.16 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recorded at depreciated historical cost and investments are recorded at fair value, at the bid rate. All other assets and liabilities are recorded at cost which is their fair value.

1.17 TAXATION

SOS Children's Villages UK, as a registered charitable company, is not subject to Corporation Tax, other than on its trading activities, if statutory limits are exceeded. No liability is payable in respect of such activities in the year (2022: Nil). Income Tax incurred by deduction is reclaimed in full from HMRC. SOS Children's Villages UK is registered for VAT.

1. Accounting policies (continued)

1.17 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

In the application of the Charity's accounting policies described above, SOS Children's Villages UK's Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; or in the period of the revision and future periods if the revision affects the current and future periods. In the view of the Trustees, no estimation uncertainty or assumptions concerning the future affecting assets and liabilities at the balance sheet date have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Accounting estimates that have an effect on the amounts recognised in the financial statements are described in the accounting policies and detailed in the relevant notes to the accounts:

a.) grant, legacy and gift in kind income are detailed in Note (2)

b.) The allocation of support costs which requires a judgement on the most appropriate basis to apportion costs and are detailed in Note (6)

c.) accounting estimates of asset useful economic lives and resulting depreciation charges are detailed in Note (10).

The principal accounting policies, as set out above, have all been applied consistently throughout the year and the preceding year.

Note 2 Income from donations and legacies

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Gifts and donations	2,559,574	1,887,480	4,447,054	5,838,858
Legacies	30,796	246,174	276,970	1,854,426
Gift Aid	10,158	469,647	479,805	441,738
Total donations and legacies	2,600,528	2,603,301	5,203,829	8,135,023

Note 3 Other Income

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other Income	0	0	0	287,482

In 2022 the Charity received £287,482 from another member of the federation under a funds swap arrangement, £nil received in 2023.

Note 4 Investment Income

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest receivable	0	80,308	80,308	18,938
Investments	0	80,308	80,308	18,938

Note 5 Analysis of Expenditure - 2023

	Activities directly undertaken 2023 £	Support costs 2023 £	Total 2023 £
Cost of raising funds:			
Costs of raising donation income	913,966	304,590	1,218,556
Exceptional investment in fundraising strategy	819,254	0	819,254
Total cost of raising funds	1,733,220	304,590	2,037,810
Charitable activities:			
Caring for children	2,672,588	300,472	2,973,060
Keeping families together	1,593,329	278,354	1,871,682
Youth employability and education	1,171,021	204,713	1,375,734
Protecting children in emergencies	76,567	13,385	89,952
Total Charitable Activities before exchange movements	5,513,504	796,924	6,310,428
Total Expenditure	7,246,724	1,101,514	8,348,238

Support costs include the impact of an exchange gain of £137,237 (in 2022 a loss of £68,839). Refer to note 6 for a further breakdown of Support Costs

Analysis of Expenditure - 2022

	Activities directly undertaken 2022 £	Support costs 2022 £	Total 2022 £
Cost of raising funds:			
Costs of raising donation income	806,959	329,081	1,136,040
Exceptional investment in fundraising strategy	758,374	0	758,374
Total cost of raising funds	1,565,333	329,081	1,894,414
Charitable activities:			
Caring for children	2,346,516	329,013	2,675,529
Keeping families together	868,349	121,754	990,103
Youth employability and education	816,204	114,443	930,647
Protecting children in emergencies	424,000	59,451	483,451
Total Charitable Activities before exchange movements	4,455,069	624,661	5,079,730
Exchange gain	0	68,839	68,839
Total Charitable Activities after exchange movements	4,455,069	693,500	5,148,569
Total Expenditure	6,020,402	1,022,581	7,042,983

Support costs include the impact of an exchange loss of £68,839 (in 2021 a gain of £145,747). Refer to note 6 for further breakdown of Support Costs.

Note 6 Support costs - 2023

	Raising funds 2023 £	Charitable activities 2023 £	Total funds 2023 £
Personnel costs	79,442	86,608	166,050
Premises cost	39,167	22,822	61,989
IT & website costs	38,272	22,300	60,572
Other support costs	147,709	474,844	622,553
Governance (note 7)	0	190,351	190,351
Total	304,590	796,924	1,101,514

Support costs - 2022

	Raising funds 2022 £	Charitable activities 2022 £	Total funds 2022 £
Personnel costs	136,067	79,284	215,351
Premises cost	36,991	21,554	58,545
IT & website costs	28,003	16,317	44,320
Other support costs	128,019	411,547	539,566
Governance (note 7)	0	164,799	164,799
Total	329,081	693,500	1,022,581

Support costs are allocated across charitable activities using staff time as the basis. Support costs comprises management administrative and governance costs, which are made up of Chief Executive, Communications and Brand, Finance, Information Technology, Human Resources and office running costs. Included in Other support cost is the membership fee the Charity pays to be part of the federation and, in 2023, the amount came to £242,098 (2022 £200,100). In 2023, membership fees have been apportioned based on the time spent by the International Office on various activities which is different to the previous year, which was the time spent by SOS Children's Villages UK staff on various activities.

Note 7 Governance

	Raising funds 2023 £	Charitable activities 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	0	119,331	119,331	115,874
Chair recruitment	0	29,854	29,854	0
Auditors' remuneration	0	23,453	23,453	25,604
Legal fees	0	8,498	8,498	18,794
Meetings	0	5,558	5,558	0
Other	0	3,656	3,656	4,527
Total	0	190,351	190,351	164,799

Note 8 Net expenditure / (income)

This is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets owned by the Charity	1,936	4,554
Auditors' remuneration	23,453	25,604
Operating lease payments	56,623	52,641
Pensions and other costs	53,270	43,006
Foreign exchange loss / (gain)	(137,237)	68,839

Note 9 Staff costs

	2023 £	2022 £
Wages and salaries	1,094,547	981,145
National Insurance costs	118,174	111,995
Pensions and other costs	48,642	43,006
Total	1,261,363	1,136,146

No severance payments were made to any employees in 2023 (2022: £Nil).

Average number of staff employed

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

	2023	2022
Fundraising	11.70	13.40
Programme Management	4.60	1.00
Communications	3.10	2.80
Finance / IT & Admin	7.10	6.90
Total	26.50	24.10

The key management personnel of the Charity comprises the Trustees and 6 others (2022: 5) being the Chief Executive Officer, the Director of Finance and IT (of which there were 2 post holders during 2023), the Director of Development, the Director of Individual Giving and the Director of Communications and Brand. No Trustees received any remuneration or benefits in kind from the charity (2022 - none). The total employee benefits of the key management personnel of the charity comprised of their salary, employer national insurance and pension contributions and was £392,434 (2022 - £414,237).

The number of employees whose total benefits excluding employer national insurance contributions and employer pension cost amounted to over £60,000 in the year was as follows:

	2023	2022
In the band £60,000 - £70,000	2	2
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0
In the band £90,001 - £100,000	1	1

Total employer's pension contributions in relation to the above higher paid employees was £16,807 (2022: £16,213).

Note 10 Tangible and Intangible fixed assets

	Tangible fixed assets		Intangible fixed assets		Total fixed assets	
	Furniture & fittings £	Computer Equipment £	Total £	Computer software £	2023 Total £	2022 Total £
COST:						
At 1 January 2023	9,962	52,619	62,581	293,527	356,007	
Additions	0	7,133	7,133	29,100	36,235	
At 31 December 2023	9,962	59,752	69,714	322,627	392,242	
DEPRECIATION:						
At 1 January 2023	3,338	43,169	46,507	0	46,507	41,953
Charge for the year	662	1,274	1,936	64,525	66,362	4,554
At 31 December 2023	4,000	44,443	48,443	64,525	112,969	46,507
NET BOOK VALUE:						
At 31 December 2023	5,962	15,309	21,271	258,102	279,371	
At 31 December 2022	6,624	9,350	15,974	293,527	309,601	

Note 11 Investments

	Listed investments 2023 £	Listed investments 2022 £
MARKET VALUE:		
At 1 January	1,228,353	1,253,290
Additions	231,401	0
Disposals	(231,401)	0
Unrealised (loss)/gain on investments	50,467	(24,937)
At 31 December	1,278,820	1,228,353
Comprising of:		
Fixed interest	0	255,601
Equities	1,278,820	972,753
Total market value	1,278,820	1,228,353
Total historical cost of investment	1,000,000	1,000,000

Note 12 Debtors

	2023 £	2022 £
Other debtors	76,389	81,840
Prepayments and accrued income	460,381	820,157
Tax recoverable	36,222	73,936
Total	572,992	975,933

Note 13 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	92,141	9,301
Other taxation and social security	59,439	59,929
Other creditors	140,850	43,896
Accruals	1,061,473	1,137,318
Total	1,353,903	1,250,443

Note 14 Statement of funds

	2023	Brought forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS						
General fund		2,691,026	2,820,846	(3,867,938)	50,522	1,694,457
Foreign exchange reserve		205,584	0	0	0	205,584
Unrestricted funds sub total		2,896,610		(3,867,938)	50,522	1,900,041
RESTRICTED FUNDS						
Zambia		46,854	25,110	(25,110)	0	46,854
Gambia - YTEP Project, Basse		58,285	145,409	(200,909)	0	2,785
Sponsorship fund		135,465	1,712,573	(1,717,457)	0	130,582
Standard Chartered Foundation		904,726	0	(783,623)	0	121,103
M&G		0	249,600	(241,600)	0	8,000
Elrha		0	89,792	(80,646)	0	9,146
Other Emergency Responses		23,103	33,430	(51,048)	0	5,485
Gaza/Israel appeal		0	4,378	0	0	4,378
Other projects <£50k		436,316	277,152	(392,696)	0	320,772
Italy Swap		0	52,800	(52,800)	0	0
Norway Swap/Maputo Legacy		0	10,283	(10,283)	0	0
India Legacy		2,334,578	0	(924,127)	0	1,410,450
Restricted funds subtotal		3,939,326	2,600,528	(4,480,300)	0	2,059,554
Total Funds		6,835,937	5,421,374	(8,348,238)	50,522	3,959,595

Note 14 Statement of funds (continued)

2022	Brought forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS					
General fund	1,821,981	3,339,741	(2,445,759)	(24,937)	2,691,026
Designated funds:					
Fundraising research & investment reserve	0	0	0	0	0
Foreign exchange reserve	205,584	0	0	0	205,584
India Legacy	312,500	0	(312,500)	0	0
Unrestricted funds sub total	2,340,065	3,339,741	(2,758,259)	(24,937)	2,896,610
RESTRICTED FUNDS					
Zambia	46,854	61,245	(61,245)	0	46,854
Gambia - YTEP Project, Basse	101,450	124,834	(167,999)	0	58,285
Sponsorship fund	3,773	1,838,939	(1,707,248)	0	135,465
Africa – general	0	0	0	0	0
COVID 19 Appeal	156,891	4	(156,895)	0	0
Standard Chartered Foundation	398,403	1,138,613	(632,291)	0	904,726
M&G	(805)	240,002	(239,197)	0	0
Other Emergency Responses	772	446,331	(424,000)	0	23,103
Other projects <£50k	227,509	225,108	(173,196)	0	436,316
HGFD Grant	0	390,780	(390,780)	0	0
India Legacy	2,187,500	635,846	(488,768)	0	2,334,578
Restricted funds sub total	3,122,348	5,101,702	(4,284,724)	0	3,939,327
Total Funds	5,462,413	8,441,443	(7,042,983)	(24,937)	6,835,937

Note 15 Analysis of net assets between funds - Current Year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Intangible fixed assets	0	258,102	258,102
Tangible fixed assets	0	21,271	21,271
Investments	0	1,278,820	1,278,820
Current assets	3,121,027	634,277	3,755,305
Creditors due within one year	(1,061,473)	(292,430)	(1,353,903)
Total	2,059,555	1,900,040	3,959,595

Analysis of net assets between funds - Prior Year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Intangible fixed assets	0	293,527	293,527
Tangible fixed assets	0	15,974	15,974
Investments	0	1,228,353	1,228,298
Current assets	3,939,326	2,609,200	6,548,581
Creditors due within one year	0	(1,250,443)	(1,250,443)
Total	3,939,326	2,896,611	6,835,937

Note 16 Analysis of changes in net debt

	Balance brought forward 1 January 2023 £	Cashflow £	Balance carried forward 31 December 2023 £
Cash in hand	5,572,593	(2,390,280)	3,182,313

Note 17 Operating lease commitments

At 31 December 2023 the Charity had total commitments under non-cancellable operating leases as follows:

	Land and buildings		Equipment	
	2023 £	2022 £	2023 £	2022 £
Expiry Date:				
Within 1 year	42,000	42,000	4,200	4,200
Between 2 and 5 years	21,000	63,000	1,259	5,459
After more than 5 years	0	0	0	0
Total	63,000	105,000	5,459	9,659

A new 5 year operating lease of £210k was signed on 1st April 2020 for the rental of office space in Cambridge with a break option after 3 years.

Note 18 Related party transactions

At 31 December 2023 the Charity held all 100 ordinary shares of £1 each in the wholly owned subsidiary, SOS Children's Villages UK Trading Limited, which is registered in the United Kingdom. These shares were written down to nil value in the 2002 accounts and the company ceased trading on 31 December 2001 and has remained dormant since that date.

During the year under review a sum of £25,639 (2022 £43,599) was received from the Pakistan Supporters' Group (PSG) and a further amount was received directly from PSG child and village sponsors £60,639 (2022 £66,418). A Khan, who resigned from her position as a trustee of SOS Children's Villages UK in 2019 is currently a bank signatory of the Pakistan Supporters' Group.

There are no other related party transactions.

Note 19 Trustee expenses

The trustees did not receive any remuneration in the year. Trustees made expense claims during the year for the sum of £3,656 (2022: £4,527).



No child should grow up alone



**SOS CHILDREN'S
VILLAGES**

Registered Charity No.1069204

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Charity registered in England and Wales, number: 1069204

Annual Report 2023



SOS CHILDREN'S
VILLAGES
UNITED KINGDOM

INDEPENDENT AUDITOR'S REPORT

To the members of SOS Children's Villages UK

OPINION

We have audited the financial statements of SOS Children's Villages UK (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the Charity's affairs as at 31 December 2023, and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on SOS Children's Villages UK's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or certain disclosures of Trustees' remuneration specified by law are not made; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

CAPABILITY OF THE AUDIT IN DETECTING IRREGULARITIES

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance and audit committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.

- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Noelia Serrano

(Senior statutory auditor)

for and on behalf of

Sayer Vincent LLP

Invicta House
Statutory Auditor
110 Golden Lane
LONDON
EC1Y 0TG

Date: 24 July 2024



Above image: A mother holding her children, Bolivia. © Mijhail Calle