

Power shift

Christian Aid annual report
and accounts 2012/13



christian
aid

Front-cover photo: Malawi, March 2013 : Maggie Mwelan in the village of Phanisa, near Mulanje where an irrigation scheme is being constructed.

Credit: Christian Aid/Tom Pilston

Pages 6-7 photos: Emma Donlan, Lilly Peel, Matt Gonzalez-Noda, Sarah Malian and Susan Barry for Christian Aid, and Getty Images/Tim Whitby

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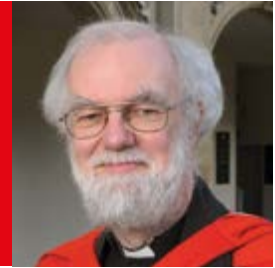
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It is our responsibility to support people in poverty to live their lives with dignity, so that all those we work with can become agents of justice and equality around the world in their own right.

Dr Rowan Williams

Letter from the Chair



The vision of Christian Aid is central to my own understanding of being a Christian – and indeed a human being; and I feel deeply honoured to have been invited to chair the Board of Christian Aid. When I stepped down as Archbishop of Canterbury, I had hoped very much to be able to continue some regular involvement by way of support and advocacy in the area of international justice and development, so this is a very welcome opportunity.

I want to thank the Christian Aid Board for their welcome, and for all the work that they have done over the past year to strengthen the organisation, and support the delivery of our new strategy. I would like particularly to thank Dame Anne Owers, for her leadership of the Board through a challenging time, and Kumar Jacob, for taking on the role of interim Chair and offering such helpful assistance and guidance to me as I embarked on this new adventure.

Thanks also to all the staff, who have made me feel very much at home already in the organisation. Many years of cooperation with and support for Christian Aid have made me familiar with the excellent quality of the organisation's work. I'm delighted to have taken on this new role at a time when international development issues will need the most dedicated and sustained attention.

This is an exciting and challenging moment for Christian Aid. Delivering the level of transformative support and encouragement we do is not going to get easier in a period of 'austerity' and the anxiety that goes with it. At the same time, it is more crucial than ever to keep reminding ourselves and our society that the wellbeing of the whole human family is bound up together, and that the crises that confront some are the business of all. But we are an organisation with a proven willingness to learn and to grow, to challenge ourselves and improve, and to respond to fresh pressures as well as fresh opportunities. Our ambitious new strategy exemplifies this attitude, and I look forward to working with colleagues on the Board, and with our staff, supporters and partners around the

world to realise those ambitions. We as a Board have been keen to take stock of all that the organisation has achieved over its history, and look forward to new possibilities ahead.

Addressing the most insidious issues of poverty, and delivering change for those who need it most, is not easy – and we must not feel obliged to reach only for the 'quick wins'. Our commitment to working on tax justice and fiscal transparency is a good example of how we are seeking to work on the structural causes of poverty so as to bring real and lasting change a bit nearer.

In all of our work, we must not lose sight of the fact our primary accountability is to the children, women and men who live in poverty. Our strategy states that 'People living in poverty are people with rights. They want to end poverty through their own actions.' It is our responsibility to support these people to live their lives with the dignity implied in that statement, so that all those we work with can become agents of justice and equality around the world in their own right.

Despite all the difficulties we face, Christian Aid remains an organisation with a very wide degree of ownership and loyalty across the population of this country. Along with all other members of the Board, I see it as a high priority to deepen that sense of trust and involvement at grassroots level, as well as to support our superb and devoted staff, nationwide and worldwide, in prayer and reflection and practical solidarity.

Dr Rowan Williams
Chair of the Christian Aid Board of Trustees

Letter from our Chief Executive



In April 2012, we launched our most ambitious corporate strategy ever: Partnership for Change. It sets out the five fundamental shifts in power that we believe will end poverty. This report tells you more about these shifts in power and the progress we are making towards them.

Achieving them is an immense challenge – one we cannot hope to accomplish alone. It is only through the power of our relationships that we can transform the world.

Already, in this first year, I have seen many examples of the power of partnership. The Enough Food For Everyone IF campaign, which launched in January 2013, was a striking example. We joined more than 200 organisations to call on the G8 to create real and sustainable change for people living in poverty.

A driving force behind the IF campaign has been the energy of churches, faith groups and thousands of our supporters. They have helped inspire some fantastic results, not least that tax – on which we have campaigned for many years – was finally recognised as a real development issue at the G8.

I am so proud of the part Christian Aid has played in the IF campaign this year – and we'll continue to take a leading role in campaigning in the year to come.

I have also had the opportunity to see first-hand more of the work of Christian Aid and our partners overseas. In March 2013 I visited Malawi. I was struck both by the country's beauty and its extreme poverty – with 53 per cent malnutrition, average life expectancy at birth in the mid-fifties, and 1 in 10 people living with HIV.

In Karonga District, northern Malawi, I visited our partners FOCUS, MASHAP and MANERELA+. Their work supports faith leaders as they strive to eliminate the stigma associated with HIV. I was particularly inspired to see that this work has helped convince the local government to take up our SAVE approach to tackling HIV (see p17).

This is the power of partnership in action. You will read about many other outstanding examples in this report – from a flourishing hibiscus cooperative in Nicaragua to an epic march for justice in India, which saw 60,000 people come together to claim their right to land.

Our partners responded with skill and courage to some of the world's worst humanitarian disasters – from providing emergency relief to refugees fleeing the terrible violence in Syria to helping communities rebuild in the wake of deadly flooding in the Philippines.

Bringing our ambitious strategy to life has required us to review every aspect of our work. The changes we've put into place, while challenging, have made us stronger – and better able to make a difference. These changes have been particularly demanding for staff at Christian Aid, and I would like to express my gratitude to them for their continued commitment and energy.

It is a testament to their hard work, the strength of our international programmes and the generosity of our supporters that, for 2012/13, we are able to report our highest level of charitable activity ever, while at the same time increasing our operational reserves.

This has also been a time of significant change in the governance of Christian Aid. Dame Anne Owers stepped down from her role as Chair in November 2012. I would like to take this opportunity to thank her for everything she has done for Christian Aid, and express my gratitude to Kumar Jacob, who stepped up as Chair and led the search for Dame Anne's successor.

On 1 May 2013 we were thrilled to welcome Dr Rowan Williams as our new Chair. He brings with him a passion for tackling the symptoms and causes of poverty, a profound theological understanding and an enormous amount of experience in working for environmental, economic and social justice with church and political leaders across the world.

I look forward to working with him as we take forward the ambitions of Partnership for Change.

Loretta Minghella
Chief Executive



Christian Aid campaigners gather in London's Hyde Park for the Enough Food For Everyone IF campaign rally, ahead of the G8 summit in Northern Ireland.

Power of partnership

Christian Aid has a vision – an end to poverty – and we believe that vision can become a reality.

In a world of unprecedented wealth, the scale of suffering across the globe is a scandal. All of humanity's technological advances and the vast resources at our disposal do not alter this stark fact: today, extreme poverty blights the lives of 1.4 billion people.

Poverty robs people of their dignity. It denies them access to food, shelter, healthcare, education and the opportunity to fulfil their potential. It leaves them unrepresented, oppressed and at risk of harm and abuse.

But poverty is not inevitable. There is hope for a better world. Created and perpetuated by human systems and structures, poverty can be ended by human action.

Shifting the balance of power

At the root of poverty lies powerlessness. To end poverty we need to create a fundamental shift in the balance of power. This shift is what our new corporate strategy, and its five strategic change objectives, sets out to achieve.

We took our programmes to a new level, spending more on our frontline work than ever before

In the pages that follow you'll read how we're helping make sure ordinary people across the world have the power to:

- influence institutions
- claim their right to essential services
- get fair shares in a constrained world
- receive equal treatment, no matter what their gender, ethnicity, caste, religion, class or sexual orientation
- live a life free from violence and conflict.

With this power, people in poor countries will be able to build thriving societies, lift themselves out of poverty and cope with disaster when it strikes. They'll have the services they need and a say in the decisions that affect their lives. They will have the chance of a full life, not the grinding half-life of poverty.

We believe such a vision is possible, but we know we can't make it happen on our own.

Historic moments

When people work together to achieve a common goal for the common good, change happens. We saw this in historic campaigns to end slavery, apartheid and poor country debt. We see it today in hundreds of communities transformed through

the inspired hard work of our partners in cities, towns and villages across the globe.

It's this power of partnership that lies at the heart of our new corporate strategy, Partnership for Change.

This report sets out each of our change objectives and examples of key work in each area. We took our programmes to a new level this year – spending more on our frontline work than ever before. We also joined forces – with governments, businesses, churches, grassroots groups and individuals – to do more than we could possibly do alone.

An exciting year ahead

We can look forward to an exciting year ahead. We'll continue to learn from our experiences and improve our performance. We'll see more of the fruits of our strategy, as our programme work continues to flourish. We'll step up our campaign on tax to capitalise on the progress made in 2013, and increase the public pressure for a global deal that addresses the threat of climate change. And our Chair Dr Rowan Williams, the former Archbishop of Canterbury, will be well established in his new role.

This is the next step on our journey – one that will only end when poverty is over, once and for all.

The year

In 2012/13 we helped improve the lives of millions of people and inspired hundreds of thousands from across Britain and Ireland to get behind our cause

May 2012



More than 100,000 people took to their local streets to collect for Christian Aid Week. From bake sales to skydives to concerts to a mobility scooter race, supporters from all over Britain and Ireland once again took part in one of the biggest fundraising events of its kind. Together they raised a magnificent £12.6m.

June 2012



Christian Aid staff joined with ACT Alliance and other global partners at the United Nations Rio+20 summit in Brazil to lobby the UK government on sustainable energy, tax and the concept of a green economy. It was a disappointing summit, but there were commitments made to greener growth and, in a victory for Christian Aid campaigners, the Deputy Prime Minister Nick Clegg announced carbon reporting would be mandatory for UK-listed businesses.

December 2012



Twelve Angolan girls aged between 11 and 15 from a project Christian Aid supports, won the prestigious International Diana Award. The girls spread awareness about the threat of HIV in the local community, challenging the stigma associated with the virus. 'We are the women of the future and we want it to be a better future,' said 14-year-old Maria Gloria Santos.

January 2013



The Enough Food For Everyone IF campaign was launched at London's Somerset House. The campaign brought together more than 200 organisations to call on the G8 to eradicate extreme hunger, once and for all. Christian Aid made sure tackling tax dodging was a big part of the campaign, which not only put the issue on the G8 agenda but made sure politicians took notice of it.

August 2012

Devastating floods hit the Philippines in August 2012, killing 112 people and forcing more than 2 million from their homes. Our partners' relief effort reached 31,000 people. In October we launched *Big River Rising*, an interactive web documentary that followed mother-of-five Belen de Guzman as she helped evacuate her community.

December 2012

The government of the Dominican Republic promised to double the amount spent on education to four per cent of GDP in 2013. It was a huge victory following two years of campaigning by Christian Aid partner Centro Bonó. Mario Serrano, Centro Bonó's director, said: 'This will improve and increase the numbers of schools and the availability of school materials.'

February 2013

Indigenous wild cocoa farmers in the Bolivian Amazon began making chocolate in the new factory they have built with support from Christian Aid partner CIPCA, and our In Their Lifetime fund. Using skills taught by CIPCA, local farmers have learnt how to process cocoa, enabling them to produce bars of cooking chocolate that can be sold at a profit. In time, the farmers plan to produce high-quality chocolate to sell to a national and global market.

March 2013

We were part of a Disasters Emergency Committee appeal for Syria. Our own separate appeal, launched in February, had raised £145,000 by the end of March. Working as part of ACT Alliance, our partners helped to meet the basic needs of thousands of refugees fleeing the violence, providing food, emergency shelter, education and psychological support.

Where we work

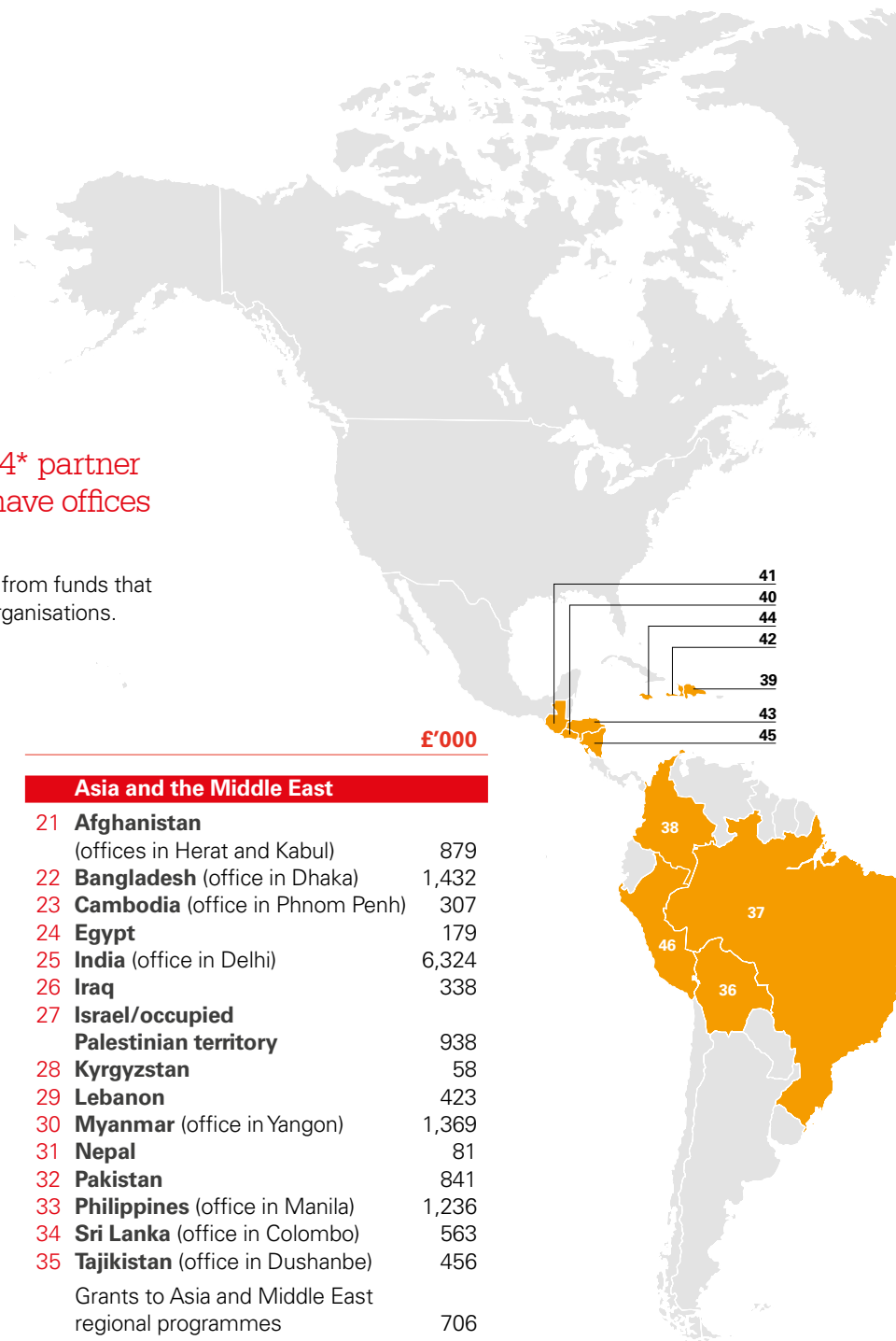
We gave grants worth £47.6m to 814* partner organisations in 46 countries and have offices in 32 of these.

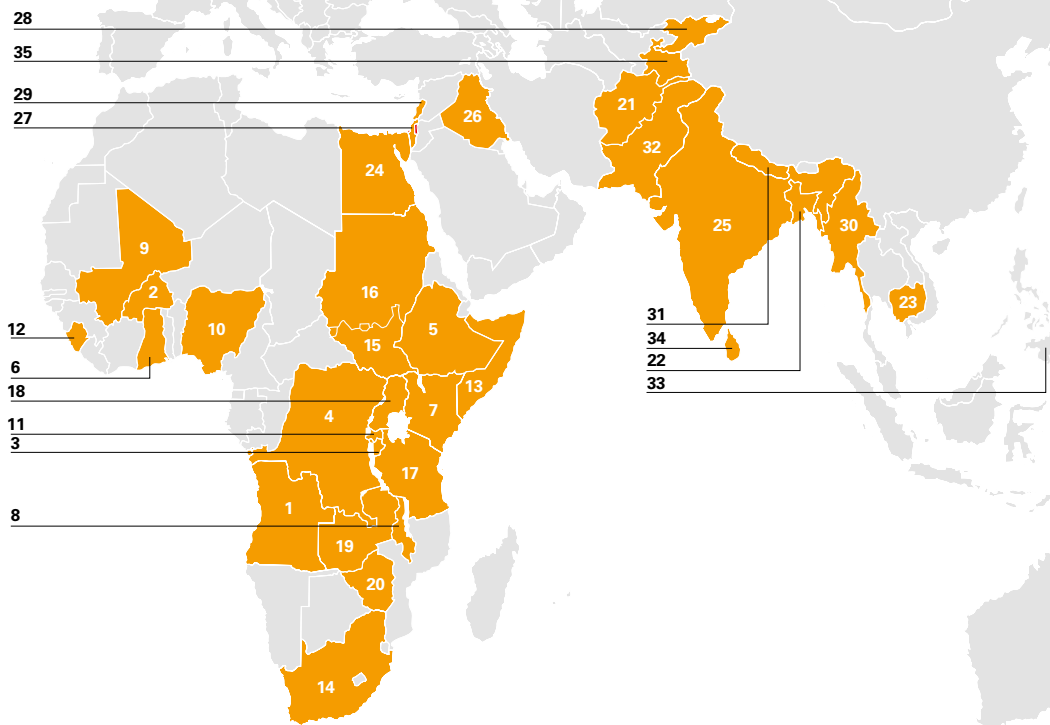
*This includes organisations who received grants from funds that Christian Aid manages on behalf of other donor organisations.

	£'000
Africa	
1 Angola	539
2 Burkina Faso (office in Ouagadougou)	1,612
3 Burundi (office in Bujumbura)	288
4 Democratic Republic of Congo (offices in Kinshasa, Goma, Kindu, Lubumbashi, Mbandaka and Kananga)	2,384
5 Ethiopia (office in Addis Ababa)	1,676
6 Ghana (office in Accra)	633
7 Kenya (office in Nairobi)	3,123
8 Malawi (office in Lilongwe)	2,285
9 Mali (office in Bamako)	1,408
10 Nigeria (office in Abuja)	490
11 Rwanda (office in Kigali)	203
12 Sierra Leone (offices in Freetown, Kenema, Bo and Makeni)	3,932
13 Somalia	100
14 South Africa (office in Pretoria)	330
15 South Sudan (office in Juba)	327
16 Sudan (office in Khartoum)	709
17 Tanzania	113
18 Uganda	200
19 Zambia (office in Lusaka)	563
20 Zimbabwe (office in Harare)	1,059
Grants to Africa regional programmes	548
	22,522

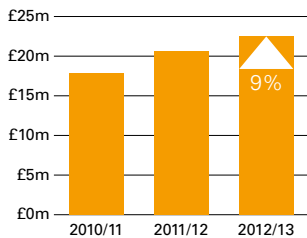
UK and Europe	
Grants across regions and to partners in the UK and Europe that cover more than 1 country	
	664

	£'000
Asia and the Middle East	
21 Afghanistan (offices in Herat and Kabul)	879
22 Bangladesh (office in Dhaka)	1,432
23 Cambodia (office in Phnom Penh)	307
24 Egypt	179
25 India (office in Delhi)	6,324
26 Iraq	338
27 Israel/occupied Palestinian territory	938
28 Kyrgyzstan	58
29 Lebanon	423
30 Myanmar (office in Yangon)	1,369
31 Nepal	81
32 Pakistan	841
33 Philippines (office in Manila)	1,236
34 Sri Lanka (office in Colombo)	563
35 Tajikistan (office in Dushanbe)	456
Grants to Asia and Middle East regional programmes	706
	16,130
Latin America and the Caribbean	
36 Bolivia (office in La Paz)	730
37 Brazil (office in São Paulo)	1,406
38 Colombia (office in Bogotá)	609
39 Dominican Republic (office in Santo Domingo)	270
40 El Salvador	303
41 Guatemala	297
42 Haiti (office in Port-au-Prince)	2,140
43 Honduras	206
44 Jamaica (office in Kingston)	203
45 Nicaragua (office in Managua)	596
46 Peru (office in Lima)	632
Grants to Latin America and Caribbean regional programmes	890
	8,282

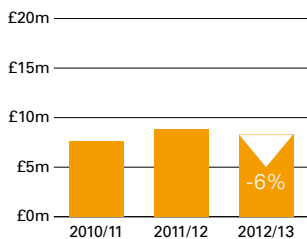




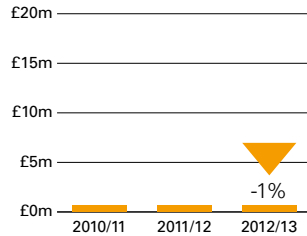
Africa
£22.5m (47%)



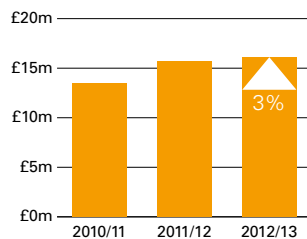
Latin America & Caribbean
£8.3m (17%)



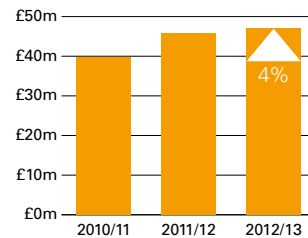
Global, Britain, Ireland and Spain
£0.7m (2%)



Asia & the Middle East
£16.1m (34%)



Total grants



Staff

On 31 March 2013, Christian Aid had 914 staff (average 854 full-time equivalent) – 14 more than in 2011/12. The number based overseas was 404 (44 per cent), compared to 409 in 2011/12. Of these, 95 staff were based in Asia and the Middle East, 259 in Africa and 50 in Latin America and the Caribbean.

In Britain, Ireland and Spain, we had 510 staff based in 24 offices (in 2011/12, we had 491 staff based in 24 offices).



On the morning of the 2013 Budget, over 500 campaigners dressed as Chancellor George Osborne gathered in London's Parliament Square. They were there to show the Chancellor why he needed to keep the promise to allocate just 0.7 per cent of the UK's gross national income to international aid – a promise that was kept.

Impossible to ignore

STRATEGIC CHANGE OBJECTIVE

Power to change institutions

Societies create powerful institutions – local and national governments, the private sector and intergovernmental agencies. These institutions have the ability to serve citizens' needs, but they can also become unaccountable, at the expense of vulnerable and marginalised groups.

If poverty is to end, the voices of vulnerable and marginalised people need to be heard, and institutions must be held to account by all citizens on the basis of equality. Everyone has the right to exercise power to shape their future, and to take part in making key decisions that affect their lives, irrespective of their wealth, status, gender or identity.

We continue to work with essential partners including the private sector, civil society groups, trade unions, churches, other faith groups and our supporters to ensure that the voices of those living in poverty are heard by the powerful, and to help poor communities to participate and hold powerful institutions to account.

The profile of tax was higher than we thought possible just a year earlier

This year we worked as part of a history-making coalition and put tax justice firmly on the G8's agenda. We supported an epic march of 60,000 people in India to claim their right to land. And we helped women reach positions of influence in Sierra Leone. Here's a snapshot of how the work we supported shifted the balance of power in 2012/13.

Towards tax justice

This year, as the UK government became chair of the G8, the world had a golden opportunity to tackle the root causes of poverty and hunger. We intensified our campaign to fight tax dodging, which keeps millions of people poor – and made significant progress.

At the Greenbelt festival in August 2012, Christian Aid and Church Action on Poverty unveiled the Tax Justice Bus (see picture, p38). By the end of its 53-day tour of Britain and Ireland, more than 5,000 people – including 56 MPs – had climbed aboard to hear how tax dodging hurts people both here at home and in the world's poorest countries.

During the tour, 10,000 people signed the Tick for Tax Justice action cards, which called on Prime Minister David Cameron to use his global leadership to tackle tax dodging.

The tax bus tour paved the way for the January 2013 launch of the Enough Food For Everyone IF campaign, a huge coalition of more than 200 charities, churches and other organisations, committed to ending global hunger, once and for all.

Christian Aid played a leading role, helping to establish tax justice as one of the campaign's four key themes, along with aid, land rights and transparency.

The IF campaign made tax dodging more than a domestic issue – it demonstrated its devastating consequences for the world's poorest countries. As part of the IF campaign, Christian Aid showed how the estimated US\$160bn developing countries are losing to tax dodging each year could more than cover the extra US\$50.2bn the UN has estimated is needed to create a 'world free from hunger' by 2025.

In the run up to Chancellor George Osborne's Budget in March, hundreds of Christian Aid supporters met with

60,000

women, children and men marched for land rights for India's poorest communities

MPs – and more than 10,000 wrote to them – to call on the government to keep its promises on aid and tackle tax dodging by UK companies overseas.

The government announced a Budget that maintained its commitment to spend 0.7 per cent of gross national income on aid, but fell short on measures to tackle tax dodging by UK companies in developing countries.

The IF campaign would go on to reach a crescendo in June 2013 as tens of thousands of supporters attended mass rallies in London and Belfast ahead of the G8 summit. Thanks to our campaigning, tax and transparency were put high on the political agenda. From the Finance Ministers' meeting through to the G8 summit itself, the profile of tax was higher than we thought possible just a year earlier.

While we've made great progress this year, we are only at the beginning of the road when it comes to ensuring developing countries have the tax revenues they need to pay for health, education and ending hunger.

In the coming year, we will keep up the pressure on David Cameron to make sure he delivers on the promises made

at the G8 and to turn the rhetoric into reality – for the sake of millions of the world's poorest people.

A global movement

Christian Aid's work in Britain and Ireland is part of a global movement to tackle tax injustice. Our partners are persuading governments across the world to implement fairer corporate tax legislation – generating revenue that has provided vital healthcare and economic support for tens of thousands of people.

Bolivia: In 2006, our partner the Centre for Labour and Agricultural Development (CEDLA) was one of the organisations that led calls to renationalise the country's oil and gas industries. The increased tax revenues from these renationalised industries now support welfare programmes for 2.4 million of Bolivia's most vulnerable people. One such programme is the cash transfer scheme for pregnant women and new mothers who receive money when they attend pre- and post-natal classes.

Since the scheme began in 2009, chronic infant malnutrition has fallen from 27 per cent to 16 per cent



Christian Aid/Simon Williams

The increased tax revenues from renationalised oil and gas industries now support welfare programmes for 2.4 million of Bolivia's most vulnerable people

and the number of babies born in Bolivia with the support of trained medical staff has risen from 55 per cent in 2009 to 76 per cent today.

Philippines: Christian Aid partner Action for Economic Reform successfully lobbied for increased taxes on tobacco and alcohol. The tax hike, which came into force in early 2013, brings the country in line with World Health Organization recommendations and is projected to lead to a 60 per cent fall in cigarette consumption by the end of 2014. The new tax revenue will provide the government with up to 500 billion pesos (£8.1bn) over the next five years, money earmarked to provide universal healthcare for the poorest Filipinos and to help some 40,000 tobacco farmers find a new way of making a living.

Rights for all

When people in poverty have their rights ignored or trampled on, we're helping them claim what should be theirs.

India: In October 2012, some 60,000 landless people – mainly dalits and tribal communities – began the epic journey from Gwalior to India's capital, Delhi. Their cause? The right to land: the means by which people can have a home, cultivate crops and earn a living. The March for Justice, or *Jan Satyagraha*, would have taken a month and covered more than 200 miles, but it came to a triumphant halt after just eight days when the Indian government agreed to meet the marchers' demands. Christian Aid partner Ekta Parishad organised the march, spending four years bringing together the voices and marching feet of 2,000 civil society groups from across the country.

Colombia: In 2009, the riot police evicted 123 farmers in Las Pavas, Colombia after pressure from a palm oil company. The Peace and Development Programme in Magdalena Medio (PDPMM), a Christian Aid partner and legal representative of the community has helped the community make their case to the government. More than three years later, in November 2012, the governmental authority that works on rural development ruled that a significant part of the territory Las Pavas is not the property of the palm company – a decisive step

Left: Members of India's largest adivasi community take part in the epic March for Justice, organised by Christian Aid partner Ekta Parishad.

Right: A woman prepares a meal for the community in a temporary camp in Las Pavas, Colombia.

toward making the farmers legal owners of the land. The sustained political and legal work by PDPMM and the peaceful protests organised by the farmers – in the face of wide-ranging threats – helped bring about this victory.

Empowering women

Across the world, women are under-represented in leadership positions, resulting in laws and policies that reflect men's priorities, not women's. We're striving to increase women's leadership in all areas of society, so that women and men work alongside each other to end poverty.

Sierra Leone: In 2008 only 10 per cent – four – of Kailahun district's elected officials were women, well below the government's minimum requirement of 30 per cent. Since 2008, our partner the Social Enterprise and Development Foundation (SEND) has helped make the district's council more transparent and accountable. It has given women more of a voice and improved their position and performance in government by ensuring the council developed a concrete gender action plan, by helping women councillors to have more of a say in the council's activities, and by organising community meetings at which updates on council spending can be streamed live on local radio. SEND's efforts have helped to change the picture dramatically. In the November 2012 elections in Kailahun, 41 per cent – 12 out of 29 – of the elected councillors were women, well above the government's national quota and surpassing SEND's goal of doubling the number of female district councillors.





Joyce Kaoza (right), a nurse from a Christian Aid partner in Malawi, looks on as a newly trained volunteer weighs five-month-old Mphatso Kenedy.

Bare necessities

STRATEGIC CHANGE OBJECTIVE

The right to essential services

We want to see all people able to get the services they need to cope with emergencies, make a living and have a healthy life – particularly services that reduce maternal and child mortality, and preventable diseases such as malaria, TB and HIV.

Access to these services is a fundamental right, so we work with governments, faith leaders and the private sector to ensure they are provided adequately and appropriately.

And we'll help make sure that vulnerable and marginalised people can access them, especially during humanitarian crises.

More than 99,500 women and children benefitted from vital maternal and infant healthcare in Kenya

In 2012/13 our partners made sure hundreds of thousands of people got the services and support vital to their health and wellbeing. Here are some of the highlights from the year.

Maternal and child health

In Kenya, more than 99,500 women and children benefitted from vital maternal and infant healthcare in 2012/13, thanks to work funded by our Programme Partnership Arrangement with DFID. They received life-saving services including the skilled support of a health professional during childbirth, ante- and post-natal care, immunisation and advice on nutrition.

The contribution of our partners was immense. At Kokwanyo health centre, for example, ADS Nyanza worked with the lead health professional to boost immunisation uptake from 69 per cent to 85 per cent between April 2011 and March 2013. It helped to increase the number of births attended by a skilled professional from 56 per cent to 75 per cent over the same period.

Mother-to-mother support groups are an innovative way of educating women about child and maternal healthcare. The groups run by two of our partners helped 3,200 women get access to crucial ante- and post-natal services. They also made sure 10,100 pregnant and lactating mothers received vital information on giving birth safely and how best to care for their babies.

In Malawi, Men As Partners groups – which Christian Aid helped to set up – led a campaign that saw a significant increase in the number of men accompanying their wives to antenatal clinics.

'I did not see why our involvement mattered,' said Zebulon Mwaungulu, 31, from Mwetanga village. 'This time around, I took her [to the ante-natal clinic] on our bicycle and we were given some advice together. We also did testing [for HIV] together. I have to help her with some work at home especially now that she is pregnant.'

HIV

Our partners across Africa continued to promote safe sexual practices and helped people living with HIV get critical health services.

In Burundi, BUNERELA+, a network of religious leaders living with, or personally affected by, HIV used church services and other religious meetings to promote HIV counselling and testing. They spoke out about the stigma that still surrounds the virus – stigma that can deter people from seeking out healthcare. The work of partners like BUNERELA+ contributed to an increase in the proportion of people taking up HIV counselling and testing services in Burundi – from 57 per cent in September 2011 to 87 per cent in February 2013.

Once people with HIV start receiving antiretroviral therapy (ARV) it's crucial they adhere to their full course of treatment to stay healthy. Our partners in Nigeria have helped increase ARV adherence from 80 per cent to 95 per cent among the people they work with. Support groups help people stick to their HIV treatment and the efforts of our partners have seen group membership increase significantly in the areas in which they work.

Our partners teach communities about safe sexual practices and how to access preventative health services, including condoms. Surveys carried out by our country offices showed that our partners have contributed to an increase in condom use in Burundi, from 7 per cent in September 2011 to 17 per cent in February 2013. Meanwhile, the proportion of people who say they used a condom during their most recent sexual encounter was found to have risen from 15 per cent to 24 per cent. The surveys also showed an increase in the number of people abstaining from sex – from 37 per cent to 46 per cent over the same period – and a rise in faithfulness to a single partner from 48 per cent to 54 per cent.

We continue to invest in our comprehensive SAVE approach to tackling HIV (see box opposite) and press governments to do the same. In 2012/13 – after intense lobbying from the Kenya Network of Religious Leaders Living with or Personally Affected by HIV and the Inter-Religious Council of Kenya – SAVE has been embraced as part of Kenya's national plan of action for HIV, a huge step towards its adoption as a national strategy.



Christian Aid/Rachel Stevens

Malaria

Malaria kills 600,000 people in Africa every year, and yet it can be prevented with something as simple and inexpensive as a mosquito net.

Our partners across Africa – where 90 per cent of the world's malaria deaths occur – are working hard to educate people about the importance of using a bed net. In Nigeria's Benue state, for example, research shows the education campaign is paying off – of the households who own nets, 57 per cent were using them in 2012, compared with just 29 per cent in 2011. We're seeing similar trends in Burundi, Malawi and Ethiopia, contributing to a fall of more

953,500

people were helped to adopt preventive health practices and/or get access to essential health services



Left: Fourteen-year-old Winifred, who is living with HIV, used to frequently suffer from malaria, forcing her to miss school. Since she started using a treated mosquito net, she has been able to attend school every day and her marks have improved.

Below: Some of the girls from Christian Aid-supported Girls Building Bridges, who won the prestigious International Diana Award in 2012 for their work on HIV. The girls spread awareness about the virus in a poor suburb of Luanda, Angola's capital city.

SAVE... stands for:

- S** **Safer practices**
(such as sexual abstinence and using condoms)
- A** **Access to treatment and nutrition**
(including ARVs, medication for opportunistic infections and adequate nutrition)
- V** **Voluntary counselling and testing**
- E** **Empowerment**
(including the reduction in stigma associated with HIV)

than 33 per cent in the number of people dying from malaria in Africa since 2000.

Nevertheless, there is still a long way to go before everyone who needs a bed net has one, and uses it.

Almost a million made safer

In 2012/13 our work with partners on preventative health practices and access to essential health services helped 953,500 people stay well or get the advice or treatment they needed.





Truphena Ileri gets weather forecasts by text message in Kenya's Mbeere district. It's part of a project run by Christian Aid partner CCSMKE to help farmers take control of their growing calendar and reap bigger yields.

Our fair shares

STRATEGIC CHANGE OBJECTIVE

Fair shares in a constrained world

We want to see all people have a fair and sustainable share of the world's resources.

We work to transform unjust, unsustainable economic policies so poor and vulnerable people can make a good living and be better prepared for disasters, while protecting the natural resources on which all our futures depend.

While economic growth can bring benefits, the pursuit of growth at all costs has led to massive increases in inequality. We need new economic models that put human wellbeing, equality and sustainability first.

We will advocate and campaign across the world for pro-poor markets, tax justice and a positive role for the private sector in development. We will join forces with environmental movements and climate scientists so that their expertise can help poor communities adapt to the impact of climate change.

We will support people living in poverty to move beyond subsistence and secure a greater share of wealth through markets and economies that function more fairly.

Supermarkets, restaurants and hotels across Nicaragua now buy from the cooperative, and its biggest customer, Wal-Mart, sells its products throughout Central America

From new ways to help farmers grow crops that can survive climatic extremes to helping poor families make a profit in the marketplace, we made sure thousands of people got a fairer share of the world's finite resources in 2012/13.

Making markets work for people

We want markets that work for everyone. Across the world in 2012/13, our partners helped poor people change market systems to gain a just share of the wealth they create.

Nicaragua: We've seen the most exciting results yet of our In Their Lifetime (ITL) funded project in Nicaragua (see p33). A Nicaraguan hibiscus cooperative is working towards becoming an independent, successful social business, thanks to an ITL grant channelled through supporting partner Nochari and a loan made directly to the cooperative. Since 2011, the cooperative has seen sales increase by over 70 per cent, generating greater incomes for its small producer members, farmers and the wider community.

The cooperative is a lifeline to small farmers struggling with increasingly erratic weather patterns and low prices for their maize and beans. Strong market demand for hibiscus means good prices for the farmers, and hibiscus is highly resistant to drought, flooding and pests.

Since 2011, Christian Aid has loaned the cooperative nearly £129,000 to increase production, improve processing, storage, transportation, and introduce new technology such as solar dryers and harvesting machines.

Supermarkets, restaurants and hotels across Nicaragua now buy directly from the cooperative, and its biggest customer, Wal-Mart, sells its products throughout Central America. As volumes grow and the cooperative develops relationships based on trust with its buyers, it can negotiate better prices. It aims to become self-sustaining by 2015/16.

By that time, we expect that more than 450 families will already have benefitted from the cooperative, which will have created over 3,000 seasonal jobs and 40 permanent posts.

Kenya: In the semi-arid Mbeere region of Kenya, unpredictable rainfall can leave farmers struggling to put food on the table. When they do produce a decent crop,

2,000

farmers in Kenya's Mbeere district now receive regular weather forecasts on their mobile phones



Christian Aid/Tabitha Ross

Nadua Rahhul, a Palestinian refugee living in Lebanon, received hairdressing training with the help of our partner Association Najdeh. She set up a salon in her home to supplement her family's meagre income.

they often don't know its market price, so risk selling it at less than its true value.

Now, for the first time ever, Mbeere's farmers are being sent weather forecasts and market information by text message – thanks to an innovative new project run by our partner CCSMKE with funding from DFID and our ITL scheme.

More than 2,000 of the region's farmers now receive regular weather forecasts on their mobile phones, so they can plan when to plant and harvest their crops. They've seen a significant increase in their yields since the project began in 2011 and are able to sell their produce at higher prices. For example, the farmers of one cooperative are expected to make a profit in 2013, thanks to a deal struck using the market information they've received through their mobiles.

For subsistence farmers to be making a profit from their land is a remarkable transformation. In the past, many of them would have sold livestock or land to pay for their children's school fees – costs they can now cover with their new income.

Lebanon and OPT: Our partners Association Najdeh and the YWCA are giving women in Lebanon and the occupied Palestinian territory the training and work experience they need to set up their own businesses. In 2012, almost 500 women graduated from vocational training, including courses in business management, insurance, event management and fitness coaching. About 350 women got work experience through on-the-job training with local businesses. In Lebanon, the project focuses on helping Palestinians who – as women and refugees – face both discrimination and economic hardship.

Emergencies: ready to respond

Disasters always hit the poorest communities hardest. That's why we support them to manage the risks and shocks affecting their lives, livelihoods and resources. When disaster strikes, we provide urgently needed relief, and afterwards we stay to help people on the long hard road to recovery. We make sure communities are better prepared to withstand – and respond to – the next emergency.

Philippines: Typhoon Ketsana hit the Philippines in 2009. We spent the next three years helping at least 11,350 people rebuild their lives and making local communities better prepared for the next disaster.

By September 2012, when we completed our recovery



Christian Aid/Matthew Gonzalez-Noda

In the Philippines we equipped emergency response teams with ropes, life vests, torches, two-way radios and several strategically placed evacuation boats

programme, our Rapid Response and Assessment Team had given 20 partners training in how to assess and respond effectively to disasters. Three partners had also carried out vital work with five communities, helping prepare them for future emergencies.

We helped set up emergency response teams in every community, equipping them with ropes, life vests, torches, two-way radios and several strategically placed evacuation boats. The teams were trained in search and rescue, first aid and evacuation procedures.

Each community has established an early warning system. Evacuation centres have been identified and every family has been told which one to use in case of emergency. The communities' evacuation

plans prioritise the evacuation of women, the elderly and children.

These new systems and skills changed lives in a series of floods that followed Typhoons Meari, Nesat and Nalgae in 2011, and monsoon rains that inundated the same region as Ketsana in August 2012.

Thanks to the painstaking but crucial work of our partners, the communities evacuated more quickly and effectively than after Ketsana in 2009.

Extreme monsoon rainfall devastated Metro Manila, capital of the Philippines, in August 2012, forcing nearly 700,000 people to evacuate their homes. Our partners have been helping local communities in the region to prepare for future floods.



Fighting for climate justice

If they take the threat of climate change seriously, world leaders need to agree a deal that will set far more ambitious targets to reduce carbon emissions and help poor countries adapt to its effects – effects that they're already experiencing.

Christian Aid is supporting a number of coalitions of civil society networks including the Pan-African Climate Justice Alliance, Equity and Ambition Group, South Centre and Third World Network. They're working to put global leaders on track towards a deal that effectively addresses the threat of climate change and promotes the rights of poor communities.

The outcome of the UN Doha Climate Conference at the end of 2012 was nowhere near what is needed to deal with the climate crisis. It failed to set more ambitious targets for cuts to carbon emissions and made no progress on the financing of emission reductions and adaptation measures in developing countries.

Together with our partners we are committed to promoting climate justice at the UN Framework Convention on Climate Change and ensuring the post-2015 framework – the replacement for the Millennium Development Goals – has responses to climate change at its heart.



Children doing their morning exercises at a residential camp in India run by Christian Aid partner ASTHA, part of a commitment to promote the education of girls.

Social transformation

STRATEGIC CHANGE OBJECTIVE

Equality for all

We believe that all human beings are created with equal, unique value, and that equality lies at the heart of Jesus' command to love our neighbours as ourselves.

We also know that inequality is the world's most vicious and persistent cause of poverty, discrimination and exclusion.

The most deep-rooted inequality is based on identity – when people are discriminated against because of their gender, race, ethnicity, sexual orientation, religion or caste. They're prevented from having control over their own lives or realising their potential.

Tackling inequality, discrimination and exclusion will become part of all our programme, campaign and advocacy work.

We will work with partners, faith groups and social movements worldwide to promote inclusion and equality. We'll hold governments and institutions to account on their efforts to build fairer societies. And we'll work with governments and the private sector to create innovative and large-scale solutions to end oppression, discrimination and inequality.

As long as women are without a voice, choice or control over their own lives, we can't end poverty

It is not possible to end poverty without ending inequality. In 2012/13 we helped women from Afghanistan to Zimbabwe fight for equality at home, at work and in the corridors of power. We stood alongside communities discriminated against on the basis of ethnicity, caste and religion as they asserted their right to own land and earn a living.

Equal rights for women

The vast majority of the world's poor people are women. As long as women are denied economic, political and social equality with men, as long as they are without a voice, choice or control over their own lives, we can't end poverty.

That's why we're promoting gender equality as part of everything we do. See p31 for more on how and why we made women's rights a top priority in 2012/13.

Across the world we're tackling the social and economic inequality that makes women reliant on men. In places as far afield as Central America, Tajikistan, the Sahel and Zimbabwe we're helping women to develop local products to sell at market, so they can increase their income and become more economically independent.

Brazil: As a movement of more than 1.5 million people dedicated to promoting social justice and equality, our partner the Landless People's Movement (MST) in Brazil has the potential to create a social revolution.

MST encourages women to expect an equal say, whether in the home, at work, in council meetings or as part of its highly successful agricultural cooperatives.

Alcinda Soares Ribeiro – known by all as Preta – describes some profound changes in her community of Lagoa do Jungo thanks to MST. She says that women now have their own bank accounts and driving licences, making them more independent; women and men play equal roles in the home, on the farm and on local committees because they have declared all work 'gender neutral'; and women are encouraged to get involved in decisions about funding and budgeting because, as Preta says: 'There is no liberation without a fair share of control over finance.'

Huge mining, timber and dam-building projects threaten the quilombola way of life

It is the fact that MST is a movement, and works through strong community groups and cooperatives, that is key to this burgeoning gender revolution, says Preta. 'The problem is that in Brazil women's work and men's work are valued differently. But when we are in a group, the collective contains the behaviour of certain men that don't agree with challenges to that culture,' she explains.

Putting women on the world's agenda

If poverty is to be eradicated, we must create a world where men and women stand together as equal partners. That's why Christian Aid has been calling for equality to be at the heart of a new global development agenda that will replace the Millennium Development Goals (MDGs) when they expire at the end of 2015. We are arguing for a new goal on gender equality and for gender to be an integral part of the whole post-MDG framework.

The High Level Panel on the post-2015 Development Agenda and the current UK Secretary of State for International Development Justine Greening have both supported this call. The Department for International Development (DFID) has also welcomed the work of the Gender and Development Network, a Christian Aid partner, which has set out a strong case for a stand-alone goal on gender equality and women's empowerment.

As the post-MDG negotiations continue, we will intensify our efforts to make sure that gender and other forms of inequality are addressed in the new framework.

Aashama looks down at a necklace that signifies her status as a jogini, or 'servant of god'. She was 'married' to the local goddess by her parents when she was just seven. As a jogini she can't marry any man and is the property of the men in the village. It is a cultural practice in India that dates back 2,000 years and justifies the sexual exploitation of poor dalit girls in the name of religion.



1.5 million

people are part of the movement in Brazil to promote land rights, gender equality and social justice

Land rights for marginalised groups

Brazil: The term 'environmental racism' has been coined by Brazilian civil society to describe the stereotypes used to dismiss the land rights of indigenous and quilombola people (Afro-Brazilian descendants of escaped slaves). The consequences are devastating for these poor communities, especially those who live in the Amazon rainforest, where huge mining, timber and dam-building projects threaten their way of life.

Legal titles to land can offer some protection. Studies have shown that where collective land titles are held by indigenous or quilombola communities, only one per cent of the land is deforested, as opposed to 20 per cent in the rest of the Amazon. But the majority of these communities do not hold legal land titles.

Our partner the Pro-Indigenous Commission of São Paulo is helping the quilombola communities in Oriximiná, northern Brazil, hold on to lands on which their ancestors have lived for generations.

In 2012 it helped the communities fight for their collective land titles and block a timber company seeking to start logging in the area. In the process it is helping to conserve part of the Amazon.

India: Dalit communities are historically denied land and the means to make a dignified living due to deep-rooted caste-based discrimination.

For adivasi – or tribal – communities, their forest way of life is in danger: the land they have lived on for generations is increasingly threatened by mining, logging and other major developments.

We're supporting local civil society organisations who are working to redress the balance.

In Andhra Pradesh, our partner Watershed Support Services and Activities Network (WASSAN) helped dalit and adivasi communities join the state-run employment guarantee scheme, which provides a secure source of income when agricultural work is hard to come by during the off-season.

In 2012/13, WASSAN helped 2,250 households get more than 50 days of paid work and helped 137 people secure entitlements to land.

Two young members of a quilombola community living in the Amazon rainforest – Dielem (left) and her brother Deivite – go for a swim in the river after school.





A boy plays football in a centre run by the Culture and Free Thought Association – a Christian Aid partner that supports children affected by Israel's blockade of the Gaza Strip and by conflict in the region.

Free from fear

STRATEGIC CHANGE OBJECTIVE

Tackling violence, building peace

We want to see people protected from violence and living in peace.

Although security is a fundamental human right, millions of people are imprisoned in poverty by conflict and violence.

Conflict between and within nations destroys homes, infrastructure, livelihoods and essential services.

Violence tears apart families and breaks down social structures. Social and domestic violence feed off and perpetuate the oppression of women and minorities.

We protect people from violence, and challenge its causes.

We build networks and systems to help build peace. We will work to create social movements with women at the centre to prevent violence.

We strengthen legal systems and see perpetrators brought to justice. The rule of law is not just fundamental to civilized life: it is essential for thriving, economically viable societies.

Our partners prepared their response as bombs were still falling on Gaza, working through electricity, water and fuel shortages

Violence tears lives apart. From delivering relief in the midst of two devastating conflicts in the Middle East to pushing for new laws to protect women in Bolivia and Iraq, we helped thousands of people live a life free from violence in 2012/13.

Getting relief to Gaza and Syria

Gaza: On 14 November 2012, in response to rocket fire, Israel launched a major military assault on Gaza. Eight days of airstrikes and bombardment left 167 Palestinians and three Israelis dead, according to the Israeli human rights organisation and Christian Aid partner B'Tselem.

Our partners prepared their response as bombs were still falling on Gaza, working through electricity, water and fuel shortages. They delivered medical services to at least 600 injured people and helped almost 2,000 severely traumatised women, young men and children get counselling and other forms of psychological support.

To help fund the life-saving work of our partners, we launched the Gaza and Middle East Crisis Appeal on 21 November. By the end of March 2013, the appeal had raised £370,000.

We also urged our supporters to write to the EU's High Representative for Foreign Affairs, Baroness Ashton, and Foreign Secretary William Hague, asking them to use their influence to ensure that the EU provides the leadership needed to help secure peace in Gaza. About 4,000 supporters took action. We continue to press for peace.

Syria: The conflict in Syria has seen hundreds of thousands of people killed and injured, and whole communities destroyed. By the time the conflict entered its third year in March 2013, escalating violence had forced more than a million people to flee across the border into neighbouring countries.

Many of these refugees had to endure a gruelling and often terrifying journey, only to face overcrowded and unsanitary conditions when they arrived in Lebanon, Jordan and Iraq. Many were in urgent need of basic essentials such as food, blankets and hygiene kits, as well as counselling to help them deal with their traumatic experiences.

Our partners in Iraq successfully campaigned for changes in the law that make female genital cutting illegal and ensure 'honour killings' are treated as murder



Our partners began their response to the crisis in October 2012 in Lebanon. As the conflict escalated, we extended our work to help people who had sought refuge in northern Iraq. Through our ACT Alliance partner, the International Orthodox Christian Charities, we were able to reach those in desperate need inside Syria itself.

In February 2013, in response to the deteriorating humanitarian situation in Syria and neighbouring countries, we launched an emergency appeal, which had raised £145,000 by the end of March. We were also part of a Disasters Emergency Committee appeal for Syria.

The money helped our partners provide food, cooking equipment, bedding, clothes and other essentials to those most in need.

We contributed to one Lebanese partner's overall appeal, which by March 2013 had reached nearly 42,000 people caught up in the crisis. Our partner Mouvement Social provided support to 120 Syrian refugee children, creating a safe space for their wellbeing and protection, while also giving them access to educational, recreational, social and psychological support.

We are still appealing for funds and will continue to respond to the needs of those affected by the conflict

in Syria. But only a just and lasting peace will bring an end to the suffering of Syria's people.

Keeping children in conflict safe

In October 2012, Protecting Children from Conflict – a three-year EU-funded project – was completed. Involving a wide range of civil society groups across the Middle East it sought to address the impact of conflict on children in the region. Christian Aid, which played a key role in the project, worked with partners Mouvement Social in Lebanon and the Culture and Free Thought Association in the occupied Palestinian territory.

The partners developed a toolkit on how to help children caught up in conflict come to terms with their traumatic experiences – through techniques such as drawing, drama, puppetry and animation. We held workshops with children to help them better understand how to stay safe in the midst of conflict – including knowing who to turn to and where to go.

An independent external evaluation conducted this year stated the project's awareness-raising techniques put the issue on the public and media agenda in the region, making key policy changes to ensure children are better protected more likely.

42,000

Syrians given emergency support by our Lebanese partner's crisis appeal

Preventing violence against women

Bolivia: In March 2013 the Bolivian government passed the 'Comprehensive Law to Guarantee Women a Life Free from Violence' – legislation welcomed by Christian Aid partners who have been concerned about the rising number of cases of gender-based violence in the country. It provides wide-ranging services for survivors of abuse and severe penalties for those who commit violence against women.

The new law represents a huge advance from previous legislation, which did not consider spousal rape a crime and passed sentences of only four to ten years for offences that under the new law could result in imprisonment for up to 30 years.

It is extremely ambitious and comprehensive, with practical measures to prevent violence reoccurring, plans to rehabilitate offenders, detailed descriptions of 15 different types of violence against women, and strict sanctions against offenders.

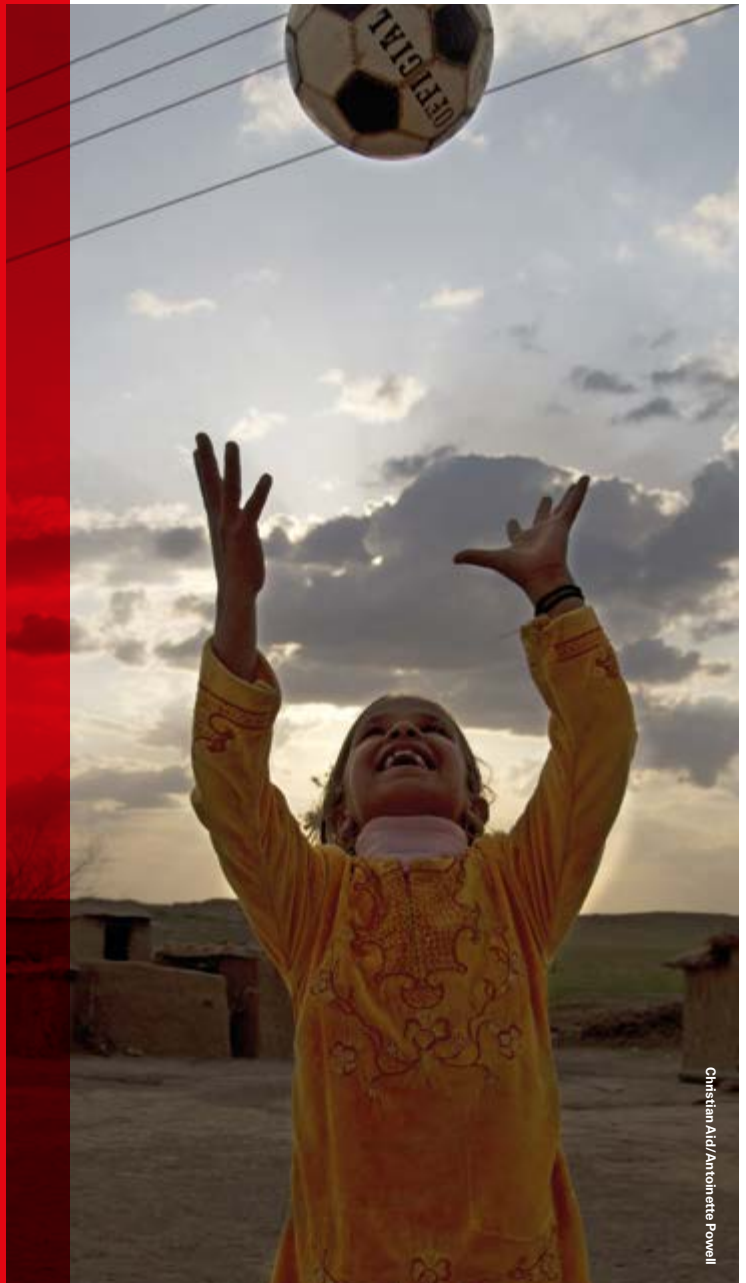
While the law is a victory for women's rights advocates, Christian Aid partners will be working to make sure it is implemented effectively.

Iraq: In northern Iraq Christian Aid partners ASUDA and REACH successfully campaigned for changes in the law that make female genital cutting illegal and ensure 'honour killings' are treated as murder. To make sure these new laws are enforced and that women's rights are recognised by the institutions that provide judicial, protection and healthcare services, our partners have conducted training for religious leaders, judges, lawyers, health professionals and police officers.

The impact of this pioneering work is reflected in many trends in northern Iraq. New government bodies and positions have been established to provide women with vital information, protection and justice. Women's issues, though still a taboo, have never been as openly discussed in Iraq as they are now.

Left: Khariyas Hussaini, known as Vian, with her one-year-old daughter, Bertan. Vian, 22, is a schoolteacher who arrived in northern Iraq after fleeing fighting in Syria while several months pregnant.

Below: Sara Wahid plays outside her home in Zanan Bchuk, northern Iraq. Behind her are the electricity lines that will bring mains power to her village. The regional government funded the electricity project, thanks to lobbying by the local community with support from our partner REACH.





Gyanti Devi marched towards Delhi, India, in the hope of getting her land in Bihar back.

Equality for women: no exceptions

Promoting equal rights for women has been a major focus for Christian Aid in 2012/13. We're integrating work on gender equality into everything we do.

Gender equality cuts across all of our five ambitions in Partnership for Change – which is why we included at least one example of our work with women under each ambition in this report.

Under Partnership for Change we have committed to:

'Incorporate analysis of power, gender and inequality into all our programming, campaign and advocacy work, in order to put this objective at the heart of every area of our work and our own future development.'

We are conducting a rigorous self-assessment of our gender work to understand where we need to improve.

We have recruited a Corporate Gender Champion and, after evaluating our country programme work, are developing an organisation-wide gender strategy.

Our gender-sensitive programming policy sets out four tracks that all programmes are committed to implementing:

1. Addressing the key power relations between women and men that perpetuate exclusion and inequality.
2. Doing no harm: making sure we do not reinforce gender inequality in our programmes.
3. Ensuring women participate and have a voice in all our work.
4. Improving our work on gender by increasing capacity and learning.

Our partners worked hard to promote gender equality in 2012/13. We have already highlighted some outstanding examples. Here are some more:

- In **Ethiopia**, our partner Water Action has made sure that at least five of the 11 members of new water management committees are women.

- In **Kenya**, our partner CREAW is helping increase women's representation in local government.
- In **Cambodia**, our partner Cambodian Women's Crisis Centre provided support in 2012/13 to approximately 1,500 women and girls who have lived through severe physical or sexual violence, trafficking and other forms of abuse.
- Christian Aid works with partners in Britain and Ireland as part of ABColombia, linking with more than 100 Colombian organisations to advocate against sexual violence and threats against female human rights defenders.

In 2013/14, we will continue to integrate and expand our work on gender.

We've committed to putting gender equality at the heart of every area of our work



A supporter finding entertaining ways to raise money for Christian Aid Week.

Better together

We can't achieve the hugely ambitious goals we've set ourselves in Partnership for Change on our own. That's why we're building stronger, smarter, deeper relationships – with churches, faith groups, governments, donors, companies, grassroots organisations, communities and individuals.

In 2012/13 we were blown away by the generosity of the British and Irish public. They helped us reach an income of £95.4m, despite economic troubles at home. We're deeply grateful for their support and that of all our partners.

Christian Aid Week

Once again Christian Aid Week 2012 proved one of the country's biggest fundraising events of its kind, as more than 100,000 people from all over Britain and Ireland got involved to help end poverty.

They conducted house-to-house collections and held special church services, cake sales and coffee mornings. The most daring threw themselves out of a plane in a sponsored skydive or signed up to a sponsored mobility scooter race – 'Scoot for a Hoot'.

The dedication and generosity of our supporters and volunteers meant Christian Aid Week 2012 raised £12.6m – an increase of £0.6m on 2011. We cannot thank them enough.

Institutional donors

Our relationships with institutional donors have continued to thrive. The DFID Programme Partnership Arrangement (PPA), agreed in 2011, is worth £21.7m to us over three years. It is strategic funding that

supports our development work in 23 countries, encourages innovation and helps us improve the quality of our organisation's work.

In 2012/13, we received £7m of the PPA. We also secured £5m in UK Aid Match funding from the UK government after it agreed to match the public's donations during Christian Aid Week up to that value. This money is being used to fund livelihoods and health programmes in eight countries.

The other highlights of our institutional income in 2012/13 include:

- grants worth €7.6m (£6.4m) from the European Commission, including six new grants for long-term development programmes through EuropeAid
- support for eight humanitarian and risk-reduction programmes in the Democratic Republic of Congo (DRC), Bangladesh, Burkina Faso, Philippines and India from the European Commission Humanitarian Office
- Christian Aid Ireland's four-year programme funding from Irish Aid includes more than €3m (£2.5m) per year for a governance programme across seven countries, as well as €800,000 (£677,000) for humanitarian programmes in DRC, Mali, Niger and Myanmar.

This year our contract income grew significantly because of the expansion of the three contracts we are delivering for DFID: the Civil Society Fund for Good Governance in the DRC; the Enhancing Interaction and the Interface between Civil Society and the State (ENCISS) programme in Sierra Leone; and the Poorest Areas Civil Society programme in India (PACS2).

As part of managing these contracts we are giving a greater number of small grants than ever before. So, for the first time, we included these micro-grantees in our figures on partners in this report. This has meant that the number of partners with whom we work increased from 578 in 2011/12 to 814 in 2012/13.

In the coming year we are looking to expand our capacity to take on further large contracts from donors such as DFID and the European Commission.

In Their Lifetime

In Their Lifetime – our collaboration with a visionary group of supporters to invest in innovative and exciting projects around the world – continued to inspire great interest in 2012/13. We now have more than 160 ITL supporters who have committed to donate more than £6.1m over the next few years to 16 new projects that are changing people's lives for the better.



Christian Aid/Emma Donlan

Helping thousands of Kenyan farmers get more money for their crops (p19), giving hundreds of Palestinian women the chance to set up their own businesses (p20), the opening of a chocolate factory in Bolivia and a hugely successful hibiscus-selling cooperative in Nicaragua (p19) are just some of the growing group of innovative projects ITL has made possible.

It is challenging Christian Aid to test new ideas, empowering our partners to be creative, and shaping how we think about and tackle poverty.

Christian Aid in Spain

In 2008 our Board of Trustees considered a range of options to expand our fundraising, advocacy and campaigning base. Perhaps the most high-profile initiative since has been our decision to set up a subsidiary charity in Spain.

We registered in Spain in July 2008 under the name Christian Aid International, although we operate there as InspirAction.

The Board of Trustees approved a five-year business plan to generate significant new funds for our international programmes.

Following the near-collapse of the Spanish economy this was

In February 2013, chocolate production began at a new factory in Bolivia built by local cocoa farmers with the support of our partner CIPCA. This young man, from one of the local indigenous communities, has been taught by CIPCA to process cocoa, making bars of cooking chocolate to sell at a profit. In time, the factory plans to produce delicious high-quality chocolate for the national and international market.

We tap into the power of big business to help poor communities keep more of the wealth they create

much less successful than we hoped and both the Christian Aid and InspirAction boards agreed to suspend further investment in fundraising there to reach new supporters.

In contrast, our advocacy and campaigning work in Spain has been more successful than we originally expected. InspirAction quickly established itself as an innovative, youthful and credible voice on development issues.

The impact on fundraising of unanticipated changes in the economic and political environment in Spain demonstrates the importance of Christian Aid's risk management systems. They meant we were able to identify challenges in a timely fashion, and make changes to our strategy that minimised loss.

In Partnership for Change we reiterate our commitment to be innovative and explore new business models that will help us to make a greater impact. Such innovation will always bring with it an element of risk. Our experience in Spain has tested our ability to manage these risks, and has taught us valuable lessons for the future.

Smarter relationships with the private sector

Christian Aid works with the private sector to help it become a force to end, not exacerbate, poverty. As an engine of wealth creation, it has a crucial role to play.

We work with the private sector to raise money. In 2012/13 the Good Little Company helped generate more than £45,000 for our work through the sale of its sausages,

and we received £75,000 from the Monsoon Accessorize Trust.

We strive to influence multinationals, publicly and privately, on business practices relating to tax, environmental impact and human rights. In 2010, we challenged four FTSE 100 companies – IHG, TUI Travel, Vodafone, and Unilever – to be 'thought leaders' on tax and transparency. In 2013, Unilever and Vodafone released tax conduct guidelines and principles for their practice.

We help pro-poor enterprises get new investment. For example, we acted as a guarantor for our partner Mali-Folkecenter so it could obtain a loan from a local bank.

We support our partners to tap into the power of big business to help poor communities keep more of the wealth they create. For example, in Nicaragua the biggest customer of our partner's hibiscus cooperative is the corporate giant Wal-Mart, which sells the cooperative's products throughout Central America (see p19).

Fighting poverty through the church

As the development agency of 41 sponsoring churches, we encourage churches to become more active members of the movement to end poverty. We want to help them foster their existing links with poor communities overseas.

For example, with the Church of England, we piloted the Companion Links Liaison Service in April 2012, with the Diocese of Southwell and Nottingham. The scheme will provide the diocese with access to Christian Aid resources and expertise. This will include helping them build

relationships with Christian Aid country staff and partners, and get involved with advocacy work.

A visit by the diocese to Rwanda with Burundian partners has also been planned. It will explore the key role that the church played in helping the country recover from the 1994 genocide, and how lessons can be learned to help other conflict-affected countries.

We are now working with other dioceses in England to better understand how we can help the Church in its role as part of the movement to end poverty.

Ultimately, we aim to make the Companion Links Liaison Service available to all Church of England dioceses as well as to other denominations with similar linking structures.

We have a long-standing and close relationship with the Church of Scotland. In the last year this partnership has been strengthened by a meeting between the Church of Scotland's office-bearers and executive staff and our Directors and staff members in London, as well as by our involvement in a joint consultation with the Church of Scotland's World Mission Council, Church and Society Council and Ecumenical Relations Committee in Edinburgh, addressed by our Chief Executive. Christian Aid Scotland and the Church of Scotland are engaged in an extensive programme of joint working, framed by our five change objectives.



Christian Aid partner Chetna Vikas helps some of India's poorest and most remote communities access and improve government welfare schemes. This includes the country's main programme for tackling malnutrition and health problems in children under six and their mothers.

Open and honest

We constantly strive to become more accountable and transparent. We're accredited with the highest international standards of accountability. We have committed to ensuring we're as answerable as possible to our supporters, donors, partners and the people we help.

We are accountable to those people living in poverty in whose name we work. But we are also answerable to our supporters, donors, partners and staff.

Humanitarian Accountability Partnership

Central to our accountability commitments are the standards set out by the Humanitarian Accountability Partnership (HAP).

In 2009, Christian Aid received HAP accreditation, and became the largest UK development agency, and the first in the Republic of Ireland, to have been awarded the Humanitarian Accountability and Quality Management Standard by HAP for our humanitarian, development and advocacy work in developing countries.

Since then, we have worked to roll out the HAP Standard in 18 countries in which we work.

We were awarded HAP recertification earlier this year and will seek to keep rolling out the standard to all country offices and partners by 2015. We have started delivering support and training to country offices, so that they can ensure communities always have effective ways to make complaints, give feedback and, ultimately, hold us to account.

In 2012, we jointly commissioned an independent study into the impact of accountability on programme

effectiveness with Save the Children and HAP. *Improving Impact: Do Accountability Mechanisms Deliver Results?* reinforced our commitment to accountability. It showed that a modest investment in information sharing, ensuring project participants are involved in the design and delivery of programmes, and setting up a means of listening to and acting on feedback, creates more successful projects.

The International Aid Transparency Initiative

We believe that transparency empowers people. By improving access to better information, we can help individuals and communities hold governments, businesses, civil society and other groups to account for their actions and commitments, and make informed choices.

So, in 2012/13, we continued to expand our reporting against the International Aid Transparency Initiative (IATI). This initiative seeks to make information on aid spending more transparent by encouraging agencies to publish information on a quarterly basis, in a common format that is comparable and machine readable. In September 2012, we made our first report available on the publicly accessible IATI registry. We've continued to update, expand

and improve the information in subsequent reports.

We are now exceeding the minimum standard of IATI reporting required of DFID PPA holders, and we will continue to develop these reports in the coming year.

Supporters

We are grateful to receive feedback and comments on our work from supporters. We strive to provide the best service possible for our supporters, so we appreciate them letting us know if we fall short. All the feedback we receive, whether complaint or praise, helps us to improve.

In 2012/13, we had 765 pieces of formal feedback: 628 expressed dissatisfaction with Christian Aid, while 77 people gave us positive comments. We also received 60 comments that were broadly neutral. The most common areas of feedback were:

Complaints about our Present Aid website and fulfilment

We relaunched our Present Aid website and made changes to the process for despatching cards and certificates. Both changes were made close to the launch of our pre-Christmas promotions and were consequently launched with limited

We are now exceeding the minimum standard of the International Aid Transparency Initiative

testing. This resulted in a number of supporters receiving a less than satisfactory service – the biggest cause of frustration over the year. Since Christmas we have made improvements to the website and fulfilment processes, which will hopefully mean we avoid similar problems this coming Christmas.

Complaints about telephone fundraising

Christian Aid contacts supporters by telephone and this is not always well received. We closely monitor the comments and feedback we get, as well as monitoring the calls themselves. The number of calls that led to complaints is a very small percentage of the total number of calls we make (0.25 per cent), and we are always happy to desist from calling people when asked to do so.

We now have a dedicated team of people who make calls. Our supporters are contacted by people who have a much deeper interest and understanding of Christian Aid's work, improving the quality of the calls. And it continues to be an effective way of raising money.

Complaints about campaigning and policy

One area that tends to generate debate is our work in Israel and the occupied Palestinian territory. Some people have accused us of bias in favour of the Palestinians, an accusation we strongly deny. In 2012, our Christmas appeal focused on our partner Physicians for Human Rights Israel and its work in the West Bank. Donations to the appeal suggest many people are happy to support the work we do there.

Complaints about Christian Aid Week

Christian Aid Week is our biggest fundraising event and more than 100,000 people volunteer their time and energy as organisers and collectors. It is perhaps inevitable that all this activity generates some complaints. Householders commonly complained about collectors leaving envelopes when a 'no junk mail' sticker was displayed. For organisers, the format of some resources, particularly a packet of seeds to thank collectors, was the biggest concern. Improved guidance to collectors and a more traditional thank-you card were both produced for Christian Aid Week 2013.

Praise and satisfaction

As well as the complaints we receive, we are also grateful to supporters who let us know when they feel things have gone well. The Lent resource, Count Your Blessings, is particularly popular. Whether supporters use the printed resource or prefer to download the app to their smart phone, Count Your Blessings is a well-liked way of observing Lent and raising money. The Tax Justice Bus, below, which toured Britain and Ireland in conjunction with Church Action on Poverty, was also popular with supporters (see p11).



Monitoring our environmental impact

If the world is to avoid disastrous climate change, fossil fuel use must fall dramatically in the next 20 years. This will mean significant changes to how people live and work.

If we are to speak credibly and encourage others to reduce their carbon footprint, we must lead by example. We have therefore been reporting our own in-house greenhouse gas emissions since 2005/06.

After a large decrease in our emissions, our footprint started to creep back up after 2009/10. This year, though, our emissions fell by two per cent thanks mainly to a reduction in electricity and paper use, more than compensating for a small increase in flights.

New energy-efficient computers in head office and an increase in the proportion of recycled paper we use also helped to reduce our environmental impact.

It is worth noting that we buy much of our electricity from renewable sources. However, because we follow DEFRA's carbon reporting guidelines, we do not include this carbon saving in our footprint figures.

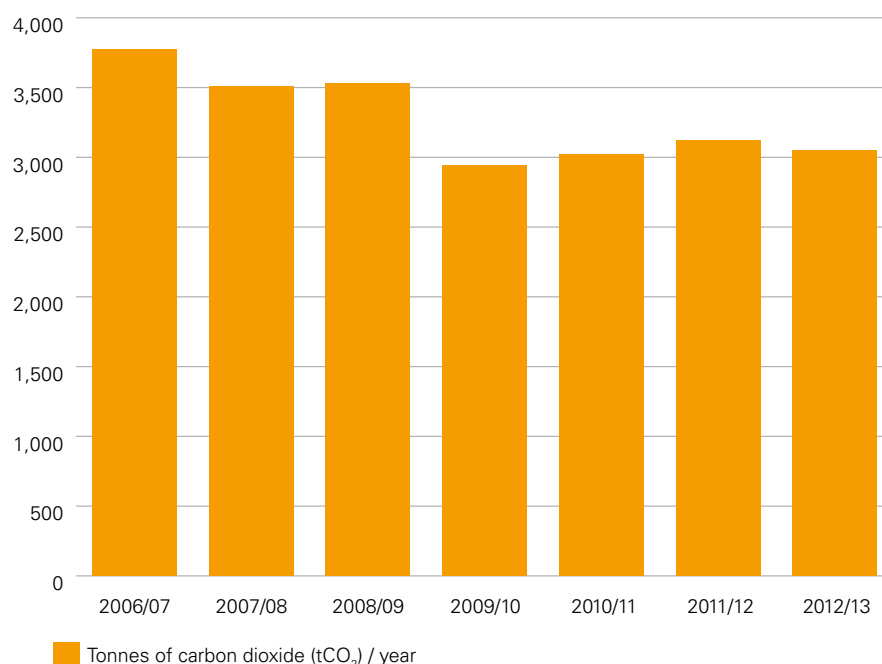
We are working to increase the amount of data we are recording as part of our footprint and next year will be able to comply with the new carbon reporting guidelines from DEFRA. This reporting will become mandatory for a range of large companies and government departments, thanks to successful campaigning by Christian Aid and others.

We are working to improve the efficiency of our carbon data collection systems, particularly from our global offices, by integrating carbon and financial accounting more closely. This year, we have

implemented a new automated payment system, which helps capture our footprint at source. This has helped us do more to cut emissions, and we are now working with staff to drive further reductions.

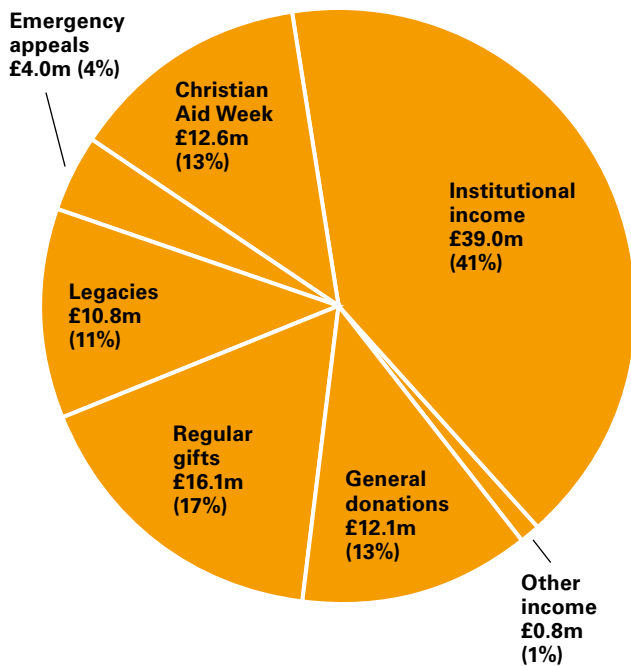
	2011/12	2012/13	tCO ₂ change 12/13	% CO ₂ change 12/13
Flights – central	748	808	60	8%
Flights – regions	341	386	45	13%
Vehicle travel – central	58	64	6	10%
Vehicle travel – regions	325	354	29	9%
Train travel – central	30	24	(6)	(20%)
Train travel – regions	2	1	(1)	(50%)
Electricity use – central	275	211	(64)	(23%)
Electricity use – areas and regions	178	165	(13)	(7%)
Gas use – central	66	92	26	39%
Other energy use – areas and regions	75	94	19	25%
Paper and printing – central	940	773	(167)	(18%)
Paper and printing – areas and regions	74	77	3	4%
Buses, taxis, ferries, Tube	1	1	0	0%
TOTAL	3,113	3,050	(63)	(2%)

Christian Aid's comparative carbon footprint

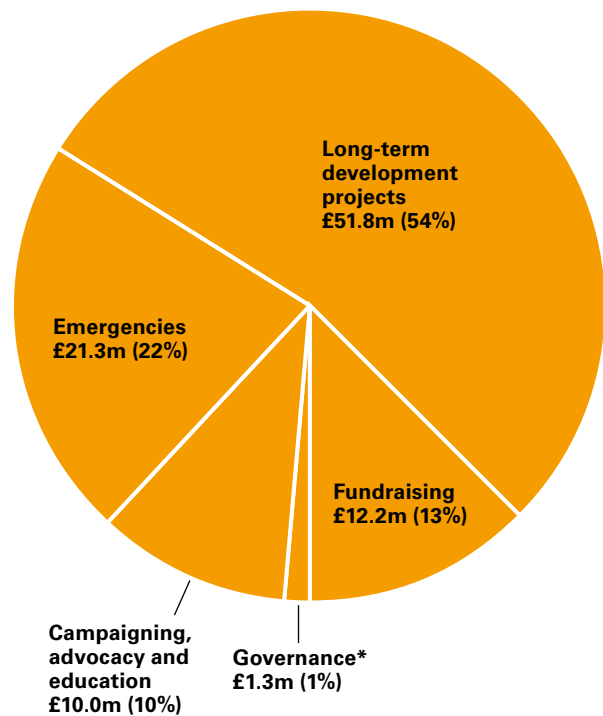


Financial review for the year ended 31 March 2013

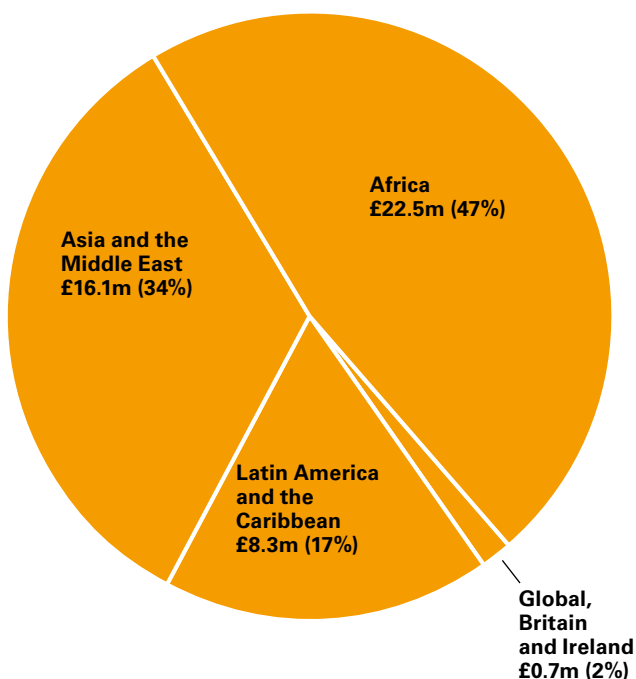
How we raised the money...



how we spent it...



...and where the grants went



		Percentage of total
Institutional income	£39.0m	41
Regular gifts	£16.1m	17
Christian Aid Week	£12.6m	13
General donations	£12.1m	13
Legacies	£10.8m	11
Emergency appeals	£4.0m	4
Other income	£0.8m	1
Total income	£95.4m	100
Fundraising	£12.2m	13
Long-term development projects	£51.8m	54
Emergencies	£21.3m	22
Campaigning, advocacy and education	£10.0m	10
Governance	£1.3m	1
Total expenditure	£96.6m	100

*Governance costs are costs associated with the general running of the charity, as opposed to those costs associated with fundraising or charitable activity.

Income

Total income for 2012/13 was £95.4m, down very marginally £0.1m on last year, but in line with the board-approved plan. This static income level masks a fall in general donations

from the public which is offset by an increase in income received under contract from governments.

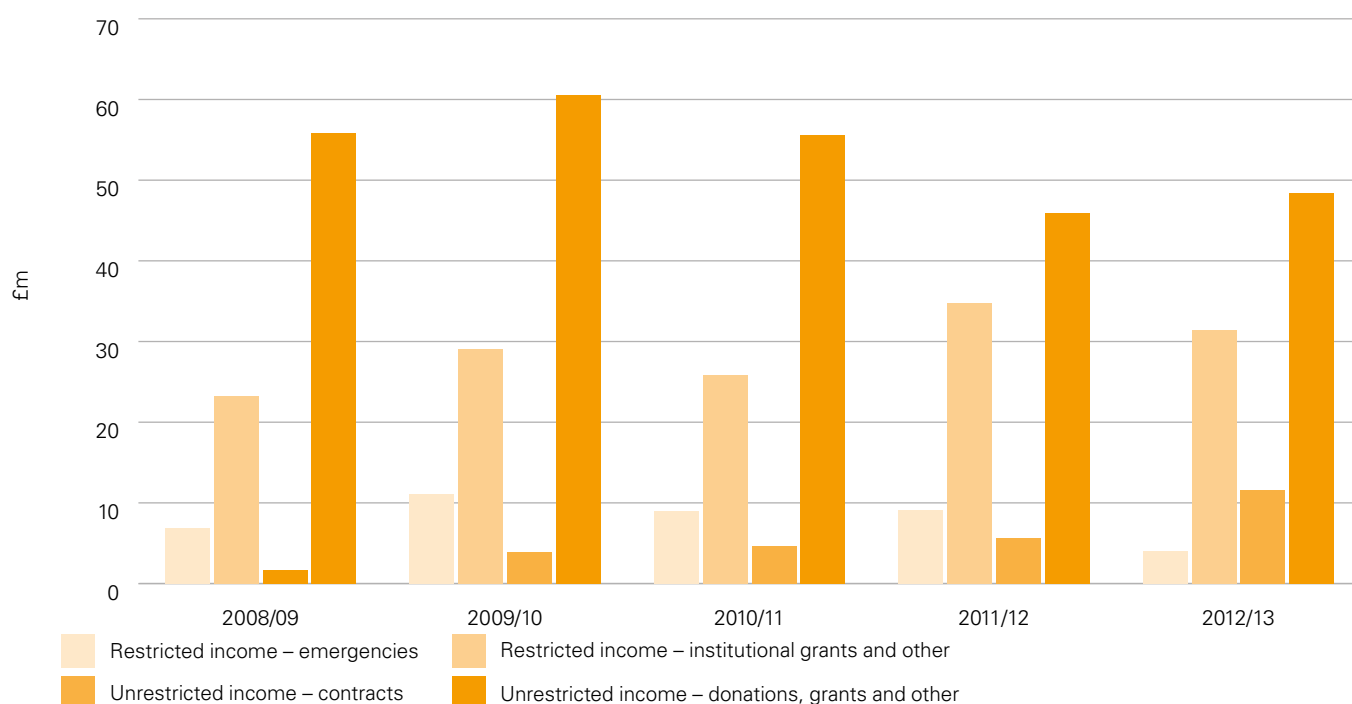
Total income by type

	2008/09	2009/10	2010/11	2011/12	2012/13	2012/13 change
Donations	£58.2m	£67.4m	£62.2m	£57.7m	£55.6m	(4%)
Institutional grants	£25.7m	£32.0m	£27.0m	£31.1m	£27.4m	(12%)
Other income	£3.8m	£5.2m	£5.8m	£6.7m	£12.4m	85%
Total income	£87.7m	£104.6m	£95.0m	£95.5m	£95.4m	0%

Total income by restriction

	2008/09	2009/10	2010/11	2011/12	2012/13	2012/13 change
Restricted income – emergencies	£6.9m	£11.1m	£9.0m	£9.1m	£4.0m	(56%)
Restricted income – institutional grants and other	£23.3m	£29.1m	£25.8m	£34.8m	£31.4m	(10%)
Unrestricted income – contracts	£1.7m	£3.9m	£4.6m	£5.7m	£11.6m	104%
Unrestricted income – donations, grants and other	£55.8m	£60.5m	£55.6m	£45.9m	£48.4m	5%
Total income	£87.7m	£104.6m	£95.0m	£95.5m	£95.4m	0%

Total income by restriction



Total income by location of donor

	2012/13	2012/13 % of total
England, Wales and Scotland	£80.9m	85%
Northern Ireland	£2.7m	3%
Republic of Ireland	£3.9m	4%
Channel Islands and Isle of Man	£0.6m	1%
Spain	£0.3m	0%
Elsewhere in Europe	£6.2m	6%
Rest of the world	£0.8m	1%
Total income	£95.4m	100%

Donations

Economic uncertainty continues to create a challenging environment in which to fundraise. Voluntary donations reduced by 4%, from £57.7m in 2011/12 to £55.6m in 2012/13.

- The absence of a major emergency this year was the main reason for the fall in voluntary income. Donations from our humanitarian appeals dropped by £3.3m to £1.7m, and income received from the Disasters Emergency Committee fell by £1.7m to £2.4m.
- We had our highest ever income from legacies – £10.8m. This included one exceptional gift of £1.2m and two generous in-memory gifts.
- Payroll and committed giving raised more than £16m, £0.7m less than last year's total and below our target. Changes to our donor recruitment work over the last year are partly responsible for the shortfall, while we have been adapting our donor recruitment to our target market over the last year.
- Our income for Christian Aid Week 2012 was £12.6m, an increase of £0.6m on 2011. About 60% of the total was raised through house-to-house collections.
- The success of Christian Aid Week 2012 was further boosted by the news that DFID would match the first £5m donated by Christian Aid supporters and the general public.
- Major donors gave us £2.25m this year, and committed to giving us £6.1m over the next few years. We raised more than £2m from trusts and foundations, with particularly strong results of almost £0.7m from Jersey, Guernsey and the Isle of Man. The new Philanthropy team had its most successful year yet, securing £125,000 in grants, and started to fundraise from the US.
- Our Present Aid offering did less well. Although raising nearly £0.8m it was down by £0.2m on the previous year, in part following delays in launching the new website.
- The corporate partnerships team raised £0.7m in gifts in kind, and £0.2m in corporate cash appeals and affinity partnerships.

Institutional grants and other income

The lifetime value of grants and contracts awarded during the year was £16.1m. This was significantly lower than in 2011/12 when we were awarded two strategic multi-annual grants by DFID – for £21.7m over three years – and Irish Aid – for €12.2m (£10.3m) over four years.

Here are some of the highlights from the year:

- We were awarded a £5m UK Aid Match grant linked to Christian Aid Week 2012, which is supporting our work across Africa and Asia.
- The European Commission awarded us €7.6m (£6.4m) worth of grants. These included six new grants through EuropeAid for long-term development programmes, such as an innovative women's rights programme in Afghanistan and a maternal health programme in Kenya. The European Community Humanitarian Office (ECHO) supported eight humanitarian response and disaster risk reduction programmes in the DRC, Bangladesh, Burkina Faso, Philippines and India. Christian Aid Ireland started implementing a new four-year Programme Agreement from Irish Aid and secured funding of €800,000 (£677,000) for humanitarian programmes in the DRC, Mali, Niger and Myanmar.
- This year we continued to grow our contract income significantly as the level of activity has increased on the three contracts we are delivering for DFID: the new Fund for Civil Society in the Democratic Republic of Congo (DRC), the Enhancing Interaction and the Interface between Civil Society and the State (ENCISS) programme in Sierra Leone and the Poorest Areas Civil Society programme in India (PACS2).

Institutional grants and other income

	2009/10	2010/11	2011/12	2012/13	2012/13 change
Number of grants and contracts submitted	178	148	119	136	14%
Number of grants and contracts awarded	86	79	71	74	4%
Value of grants and contracts awarded	£42.4m	£34.8m	£48.5m	£16.1m	(67%)
Income receivable in the year	£35.9m	£31.5m	£36.7m	£38.0m	4%

Expenditure

Our total expenditure increased by two per cent in 2012/13, from £94.8m to £96.6m. Direct charitable expenditure is at an historic high and reflects the strong level of activity of our international programmes.

Total expenditure

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2012/13 change
Direct charitable activity	£66.2m	£75.3m	£79.7m	£74.3m	£80.9m	£83.1m	3%
Fundraising	£15.6m	£18.0m	£15.4m	£14.6m	£12.6m	£12.2m	(3%)
Governance	£0.7m	£0.9m	£0.8m	£1.2m	£1.3m	£1.3m	0%
Total expenditure	£82.5m	£94.2m	£95.9m	£90.1m	£94.8m	£96.6m	2%
Fundraising costs as percentage of total expenditure	19%	19%	16%	16%	13%	13%	



The new strategic priorities of Partnership for Change and the impact of Christian Aid's international programmes are presented in the front section of the annual report.

Our expenditure on development increased from £45.6m in 2011/12 to £51.8m in 2012/13. We can't hope to reflect the full range of achievements – from Afghanistan to Zimbabwe – that this spending made possible. But here are some of the outstanding examples of what Christian Aid and our partners accomplished with these funds:

- We were commended by the Independent Commission on Aid Impact for the way we applied our thinking and experience across the DFID Programme Partnership Arrangement (PPA), with its focus on health, wealth creation and resilience in 23 countries. Since the start of the PPA in 2011, our health and livelihoods projects have reached more than 4.8 million people.
- The three major service contracts we manage for DFID continued to grow:
 - in India, the Poorest Areas Civil Society programme, implemented through 90 partners, is enabling 8 million people marginalised by caste, gender, ethnicity or religion across seven states to get an equal stake in India's development. The programme has earned an extension in resources and duration
 - in the DRC, the Civil Society Fund enables almost 50 grassroots organisations across the country to hold all levels of government to account
 - in Sierra Leone, the ENCISS programme won presidential recognition for its key role in enabling free, fair and peaceful elections, and has been extended.
- Our work in Sierra Leone to promote dialogue between partners, communities and decision makers also received support from the Irish Aid Programme Framework, which funded our work on governance and conflict resolution in seven countries.
- A new global programme across eight countries was made possible by the £5m we received in UK Aid Match funding for Christian Aid Week 2012. The programme has promoted good health for 200,000 people and improved the livelihoods of 150,000 in Myanmar, the DRC, Ghana, Sierra Leone, South Sudan, Zambia and South Africa.
- As one global programme begins another concludes; among the successes of the Governance and Transparency Fund is a 30 per cent rise in girls' school attendance in eight districts in Tajikistan, thanks to a public ombudsman scheme established by the fund.
- We maintain a strong portfolio of European Union-funded activities: from disaster response and preparedness in Bangladesh and Malawi to human rights work on the Haiti/Dominican Republic border.
- In Their Lifetime (ITL) is a new fundraising collaboration with a group of major donors who fund innovative projects with big potential. It has allowed us to pursue alternatives to grant-making and inclusive approaches to market.
- Unrestricted funds continue to play a vital role in promoting new approaches and making it possible for us to work in the most difficult and challenging circumstances. Examples include our work to help non-Jewish citizens of Israel gain fair access to services, and strengthening our programmes in the new nation of South Sudan and in Myanmar as the country opens up. The need to make the best possible use of unrestricted funds has led to some hard decisions too. In March 2013 we closed our Khartoum office and ended our programme in the Republic of Sudan.
- We continued to provide small businesses with loans. As part of our Toughstuff project we lent working capital to entrepreneurs selling solar-panel equipment in rural Kenya. The project came to an end this year after providing more than a thousand poor households with clean energy. Unfortunately, we didn't manage to create the self-sustaining rolling fund we'd aimed for because the project's surplus couldn't cover the ongoing costs of managing the fund. We learnt from this experience that a period of traditional grant support is necessary before a project can become self-sustaining.

We've therefore provided a hibiscus cooperative in Nicaragua with combined loan and grant funding, which has helped double harvest production this year. The cooperative remains on target to repay its loan and you can read more about its success on p19. Using the same model, we are now in the exploratory phase of a project in Bolivia, which will help cocoa farmers improve their access to markets. You can read more on p34.
- We spent £0.5m last year to promote and trial groundbreaking approaches to tackling poverty through our Innovation Fund. We piloted a finance project to reduce the cost of exchanging money for partner grants, which will deliver annual savings of between £0.1m and £0.2m. In Peru and Kenya we've helped alpaca farmers, beekeepers and others improve their access to markets, successes we will build on over the coming year. In the UK, the Companion Links Liaison Service has been so successful in developing strong links between the Diocese of Southwell and Nottingham and communities in Burundi, Israel and the occupied Palestinian territory that we are now exploring how to extend this work. We have closed our Innovation Fund as we have taken the decision that innovation should be embedded throughout our work and a separate fund is not needed.

Expenditure on emergency programmes was £21.3m in 2012/13, £3.0m less than in 2011/12.

- We launched an emergency appeal focusing on the conflict in the Middle East and Gaza in November 2012, which was followed by another one focusing on the conflict and refugee crisis in Syria. You can read more about the appeal and our response to the crises on p27.
- We also launched a low-level appeal for the conflict and drought-affected people in the Sahel region of Africa.
- During the year we were able to support emergencies that did not hit the headlines – in Bangladesh, Colombia, Sierra Leone, Myanmar, Lebanon, Gaza, eastern DRC and several states in India. We also continued to help people recover from emergencies in east Africa, Pakistan, the Philippines and Haiti.

Expenditure on campaigns, advocacy and education fell by £1.1m to £10.0m (from £11.1m in 2011/12). This reduction is due to an organisational shift from a dedicated campaigns team, to campaign and education support being more integrated across regions, especially in England. During this period Christian Aid continued to campaign on the issue of tax justice, particularly through the coalition-based IF campaign, in the lead-up to the G8 meeting (June 2013). The outcomes of the G8 itself represented some notable successes in the attitudes and statements of political leaders on tax.

Fundraising costs as a percentage of total expenditure remained at 13 per cent, although there was a slight reduction in the costs themselves – from £12.6m in 2011/12 to £12.2m in 2012/13 – as we put more emphasis in achieving a good return on every pound invested in fundraising, and continued the work started last year to align fundraising with our revised target market.

Reserves

The charity's operational reserve has increased from £16.5m to £18.0m in light of higher unrestricted income than expenditure. The trustees reviewed the target level for this reserve during 2011/12 and set a target of £19.3m. The trustees anticipate the reserve will remain at its current level in 2013/14, but increase again in the years that follow.

Reserves

	2010/11	2011/12	2012/13	2012/13 change
Operational reserve	£20.0m	£16.5m	£18.0m	9%
Fixed asset reserve	£3.0m	£3.9m	£3.2m	(18%)
Other unrestricted reserves	£2.8m	£1.4m	£0.9m	(36%)
Pension deficit	(£10.8m)	(£10.1m)	(£8.0m)	(21%)
Unrestricted reserves, net of pension deficit	£15.0m	£11.7m	£14.1m	21%
Restricted reserves	£13.8m	£16.2m	£12.1m	(25%)
Total reserves, net of pension deficit	£28.8m	£27.8m	£26.2m	(6%)

Structure, governance and management

Organisational structure

Christian Aid operates through an incorporated charity registered with the Charity Commission for England and Wales and with Companies House (Company number 5171525). Various subsidiary and connected charities support Christian Aid and are described below.

The Board of Trustees of Christian Aid consists of a Chair; a nominee from each of the national committees for Wales and Scotland; the Chair of Christian Aid Ireland; a nominee of Churches Together in Britain and Ireland (CTBI); and up to 15 other trustees appointed by the members (the sponsoring churches in Britain and Ireland). This mix ensures an appropriate balance of lay and ordained people, gender, age, ethnic origin, church tradition, geographical spread, and knowledge and skills relevant to our work. In keeping with good governance practice, one quarter of the trustees retire at each Annual General Meeting and are eligible to be re-appointed for further terms of office, usually limited to eight consecutive years. This process does not apply to the nominees from the national committees and CTBI.

The board's principal responsibilities include determining the overall strategy, policies, direction and goals of Christian Aid; protecting and promoting the identity and values of the charity; and fulfilling their statutory responsibilities.

The board delegates certain functions to committees of trustees, including a nominations and procedures committee, a finance and audit committee, a human resources governance and strategy committee, and a remuneration committee.

The nominations and procedures committee is responsible for nominating new trustees to the members and for reviewing the performance of the board.

The finance and audit committee reviews reports from external and internal auditors; monitors the performance of Christian Aid's investment managers; and advises the board on risk management, financial control, plans and budgets.

From June 2013 the finance and audit committee was replaced by two committees: an audit and risk committee and a finance, fundraising and investment committee.

The human resources governance and strategy committee provides advice on human resources (HR) policies, to ensure that they are aligned with Christian Aid's values and objectives.

The remuneration committee reviews the principles governing the pay and benefits of all employees of Christian Aid. It also determines the pay and benefits of the Chief Executive.

National committees for Wales and Scotland continue to support the board in appropriately articulating Christian Aid's work and engaging with the churches and other stakeholders.

The board reports to the members at the annual general meeting. The members are the 41 sponsoring churches, as listed in the 'Acknowledgements' section on p77.

At the end of 2011 the board undertook a review of its performance leading to a series of recommendations that

were implemented during 2012/13. They include more frequent meetings of the board; the splitting of the finance and audit committee into an audit and risk committee and a finance, fundraising and investment committee; and the upgrading of the HR governance and strategy committee from an advisory capacity to full committee status.

Charitable companies in the Republic of Ireland and Northern Ireland are responsible for the affairs of Christian Aid in Ireland. Although two legal forms exist, Christian Aid Ireland operates as a single pan-Ireland development agency working in close cooperation with Christian Aid. The Irish sponsoring churches, the Irish Council of Churches and Christian Aid are members of Christian Aid Ireland. All three boards include some common board members. Christian Aid Ireland operates under the Christian Aid name through a licence agreement with Christian Aid.

Christian Aid is registered with the Office of the Scottish Charity Regulator (OSCR) in recognition of its fundraising activities in Scotland.

In 2009, Christian Aid registered a new charitable foundation in Spain. The charity undertakes a range of development awareness and advocacy activities under the name InspirAction. The board of InspirAction operates under this name under licence from Christian Aid.

Christian Aid has also established separately registered legal entities in a number of countries in which we have programmes. These entities are consolidated as branches of Christian Aid in the same way as other country offices because programme management continues to operate within the delegated authority framework of Christian Aid.

Since January 2011, Christian Aid's programme in Zambia has been merged with the Zambian programmes of Norwegian Church Aid and DanChurchAid as a joint country programme. Norwegian Church Aid retains management control of the joint programme, although a co-ordinating committee of the three agencies provides strategic oversight.

The British and Irish Churches Trust acts as custodian trustee to Christian Aid and Churches Together in Britain and Ireland (CTBI). The trust has legal title to Christian Aid's head office – Interchurch House – on behalf of the two charities, who jointly own the property.

New trustees undertake a comprehensive induction programme, which covers both the formal governance arrangements – including Christian Aid's legal structures and obligations – and our charitable priorities and work. In addition, trustees are invited to meet regularly with individual staff members to gain a more thorough understanding of specific areas of work, and time is set aside at each board meeting for groups of senior staff to present their work in more depth.

We also recognise the importance of trustees keeping up to date with current rules, regulations and best practice. Trustees are therefore invited to attend seminars and conferences, which give them a better understanding of their roles and responsibilities.

Trustee attendance register

	Board		Other committees	
	Total	Attended	Total	Attended
Anne Owers (chair) (^{2, 4}) (resigned November 2012)	4	4	2	1
John Davies	6	4		
Robert Fyffe ²	6	3	2	2
Carolyn Gray ^{3, 4}	6	5	6	6
Victoria Hardman	6	5		
Tom Hinton ¹	6	6	4	4
Kumar Jacob (vice chair) ^{2, 3, 4}	6	6	6	4
Gillian Kingston	6	4		
Mervyn McCullagh (appointed November 2012)	2	2		
Alan McDonald	6	4		
Morag Mylne	6	5		
Wilton Powell	6	2		
Alastair Redfern	6	3		
Brian Ridsdale ^{1, 4}	6	5	6	6
Charlotte Seymour-Smith ⁴	6	6	2	2
Graham Sparkes (resigned November 2012)	4	3		
Paul Spray	6	5		
Bridget Walker (resigned November 2012)	4	3		
Trevor Williams	6	5		

1. Finance and audit committee

2. Nominations and procedures committee

3. HR, governance and strategy committee

4. Remuneration committee

Christian Aid operates through the main charity and the subsidiary and connected charitable companies referred to in note 17 of 'Notes to the financial statements' on p69.

Public benefit

The trustees confirm that they have referred to the guidelines contained in the Charity Commission's general guidance on public benefit when reviewing Christian Aid's aims and objectives, and in planning activities and setting policies and priorities for the year ahead.

The objects of Christian Aid are:

- the furtherance of charitable purposes which relieve and combat poverty, malnutrition, hunger, disease, sickness or distress throughout the world
- the furtherance of charitable purposes which advance or assist such other charitable work as may be carried out by or with the support of the sponsoring churches.*

Christian Aid carries out these objects through working towards its essential purpose to expose the scandal of poverty, to help in practical ways to root it out from the world, and to challenge and change the systems that favour the rich and powerful over the poor and marginalised.

The activities Christian Aid undertakes to further its charitable purposes for the public benefit are concentrated on providing grants to 814 partner organisations in 46 countries working on long-term development and responding to emergencies, as well as campaigning, advocacy and education work.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

*More information is available in our Memorandum and Articles of Association.

Information provided to auditors

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the company's auditors are unaware
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Crowe Clark Whitehill LLP remained Christian Aid's auditors throughout the year.

Under the Charity Accounting and Reporting Regulations 2005, the trustees have undertaken to give details of various financial policies of the organisation. These are detailed below.

Reserves policy

The charity's reserves fall into two types.

Restricted funds are generated when the donor stipulates how their donation may be spent. In most cases there will be a time lag between when such funds are received and when they are spent. In particular, with many of the recent emergency appeals there is the need for immediate relief work, followed up with longer-term rehabilitation and development activities, in line with the appeal request, resulting in part of the appeal monies being spent over a number of years.

Deficits on restricted funds arise where grants to partners have been approved against various projects that the trustees expect to be funded by institutional donors, but the criteria for recognition of income has not been met. Based on reports from partners on the progress of these projects at year end, the trustees determine whether the associated income should be recognised in the accounts. We review the status of all projects financed through restricted funds every quarter. The trustees are content with the overall level of the deficits in these funds at 31 March 2013.

At 31 March 2013, restricted funds totalled £12.1m.

Unrestricted funds are generated when the donor does not stipulate how the income may be spent. Within certain operating needs, the trustees' policy is to ensure that such funds are expended as soon as possible, while guaranteeing these resources are used effectively. Unrestricted funds include designated and other funds where the trustees have set aside monies for a specific purpose or to cover possible risks. At 31 March 2013 the principal funds were:

- The operational reserve: held to cover any temporary shortfall in income, unforeseen rise in spending requirements or other financial contingency, so that the charity – and in particular funding to partners – can continue to operate at any time. The level of this reserve is based on the trustees' assessment of the likelihood of such financial contingencies and the impact they might have. The trustees reviewed the target level for this

reserve during 2011/12 and set a target of £19.3m. The reserve currently stands at £18.0m, an increase of £1.5m on the previous year. The trustees anticipate the reserve will remain at its current level in 2013/14 but increase again in the years that follow.

- General funds represent other unrestricted reserves held separately from the operational reserve. At 31 March 2013, the parent charity held £0.3m and the Irish and Spanish charities £0.6m.
- The fixed-asset designated reserve: comprises the funds invested in fixed assets to allow the organisation to carry out its work effectively. At 31 March 2013, the level of this reserve was £3.2m and included the assets disclosed in note 8 of 'Notes to the financial statements'. Because this reserve comprises fixed assets, it is not possible to use them elsewhere within the charity.
- The negative designated pension reserve of £8.0m represents the deficit on the final salary pension scheme as valued under FRS17 as at 31 March 2013. See note 22 of 'Notes to the financial statements' for more information.

At 31 March 2013, unrestricted funds, net of the estimated pension deficit, totalled £14.1m, an increase of £2.5m over the year.

Investment policy

Christian Aid manages its investments within its ethical guidelines and in ways that maximise the overall return on cash resources. This is done on a combined income-and-capital basis, and is subject to the need for short-term realisability of funds and a degree of measured risk.

Short-term cash is managed internally, and held in overnight and term deposits with a range of approved banks. Longer-term cash is held in an Epworth Affirmative deposit account which is a Charity Commission approved pooled fund consisting of deposits held with a number of financial institutions. A proportion of the longer-term cash is managed by investment managers CCLA on a mandate which has as a prime objective the preservation of capital. It is invested in a portfolio of short-term bonds, with about half invested in government issues (gilts) and the balance in bonds issued by companies which meet CCLA's ethical investment standards. The quality of the underlying portfolio is very high, with 75 per cent of the investments invested in AAA-rated securities or cash. We have a defensive strategy to protect the portfolio against a move up in yields, which includes a heavy weighting to floating-rate notes within a portfolio that has a greater bias towards shorter dated stocks than the benchmark.

Ethical screening is embedded in CCLA's investment process. Any companies involved in the production of landmines, cluster bombs and nuclear weapons will be excluded from the fund. Companies with significant involvement in tobacco, alcohol, the production of pornography, gambling and strategic military sales will also be excluded, as will businesses that are laggards in addressing the environmental, social and governance issues of the day.

Grants policy

The majority of Christian Aid's charitable work is carried out by making grants to partner organisations. Grants are made within the agreed strategies of Christian Aid. Grants for development programmes tend to be given on a three-year basis.

Project proposals are subject to a formal approval process before individual grants are approved. All projects are systematically monitored for the duration of their existence, and major projects are subject to a final evaluation process. All trustees continue to be informed of every grant made by Christian Aid in the course of a financial year, and further details are available by writing to the director of finance and operations at Christian Aid.

In recent years, Christian Aid has started acting as a sub-contractor for a number of governments, including the UK government. Under these contracts, Christian Aid disburses grants to a range of donor-approved grantees in countries including the DRC, Sierra Leone and India. The selection, monitoring and evaluation of these grantees are subject to contract-specific performance measures.

Risk management

Christian Aid's work to eradicate poverty is inherently risky, particularly in fragile or conflict-prone countries, or when speaking out on difficult or controversial issues. Managing risks effectively is integral to the achievement of our essential purpose, and governance structures are in place to ensure the early identification and mitigation of key risks and support the delivery of our strategy.

The trustees are ultimately responsible for risk management and the effectiveness of Christian Aid's internal control systems. The major risks to which Christian Aid is exposed, as identified by the trustees, have been reviewed and systems or procedures have been established to manage those risks. Following a governance review in 2011/12, the board decided to separate the finance and audit committee into two new sub-committees: an audit and risk committee and a finance, fundraising and investment committee. This has the benefit of widening the membership of the audit and risk committee to include non-financial input and will increase the focus and discussion on risk matters. The first meeting of the new audit and risk committee was in June 2013.

The board has considered and approved the risk management policy and Christian Aid's risk appetite approach. It has delegated the regular review of the risk management process to the audit and risk committee, which also oversees the work of the internal audit function and receives regular reports from the head of internal audit and risk. The systems and procedures are designed to manage rather than eliminate risk and provide reasonable but not absolute assurance against material misstatement or loss.

Senior management ensures that day-to-day risk management processes are embedded across the organisation through the effective implementation of policies and procedures. Risk registers have been developed at a corporate, department and major-project level. Risks are

assessed taking account of their likelihood and potential impact. Our response to them is regularly discussed at the directorate business meetings and with the trustees.

There are a number of working groups managing risks in high-risk areas as defined in the risk register. For 2012/13, these continued to include the business continuity group, the health, safety and security committee, the public policy group and the large programmes oversight committee. Serious incidents and near misses are monitored and inform the ongoing development of risk-management strategies. Risk management is embedded in our processes supporting the implementation and evaluation of our Partnership for Change strategy.

Internal audit is responsible for assessing the adequacy and effectiveness of internal controls against a schedule of audits approved annually by the audit and risk committee, taking account of the corporate risk register. The results of the audits are reported to management and the directorate, and summarised for the audit and risk committee. Management is responsible for implementing agreed actions arising from the internal audit process and progress against this is tracked and regularly reviewed by senior management, the directorate, and the audit and risk committee. On an annual basis, the audit and risk committee also receives an annual assurance statement from the Finance and Operations Director, which details key controls in place during the year. This is supported by completion of the Charity Commission's internal financial controls for charities checklist.

Internal audit has implemented an internal control self-assessment process requiring overseas offices and programmes to confirm adherence to key controls and report on any material control breakdowns and actions to prevent their reoccurrence. This is intended to maximise coverage of our country programmes and to provide a mechanism for ensuring the control framework is fully embedded internationally. Where gaps are noted, management is required to implement corrective actions and report on this to internal audit. Where themes are noted, they are reported to senior management and actions are taken to review and reinforce related policies and procedures. The results of the internal control self-assessment are reviewed with the audit and risk committee.

The self-assessments are tested as part of the standard internal audit programme for countries and programmes that are visited. Internal audit also provides training and support to country programmes in the development and regular review of risks and mitigation strategies relevant to their operations. Online risk training has been developed and is a component of the core learning and development framework for all staff.

Principal risks

The countries in which we operate

Risk

Working to eradicate poverty requires us to operate in places that are inherently challenging because of conflict, corruption, natural disasters, weak infrastructure and poor governance. A material change in international dynamics, either globally or in specific countries or regions where we work, could

impact our ability to work effectively and safely in those locations or to implement our global advocacy campaigns. These changes may include a reduction in support for civil society, economic or political collapse, conflict or serious environmental disaster.

External issues can escalate very quickly, while lack of infrastructure and climatic factors can make it difficult to reach the most vulnerable communities and to monitor the performance of our programmes. This can affect the quality of our results.

Mitigation

We operate through grantees, partners and alliances, such as ACT Alliance, that have roots in the communities in which they are working. This ensures that we are able to respond quickly and sustainably to changing circumstances and that we have access to regular and up-to-date information to ensure our programmes remain relevant. Our partners are supported locally through 32 country offices providing monitoring and evaluation, compliance training and support, networking opportunities and support for capacity building.

All Christian Aid staff travelling to and within our overseas operations are subject to our security policies and procedures, and receive appropriate security training. All country programmes have up-to-date security policies, provide briefings to visitors and adjust security assessments, as appropriate, in response to major changes in the political and security environment. Our advocacy programme is designed to lobby relevant institutions to improve the lives of poor and marginalised people, and our other programmes to enable them to assert their rights. As a last resort, we may withdraw staff from insecure locations or delay the implementation of a programme.

Advocacy and popular campaigning

Risk

Christian Aid speaks out against the causes of poverty and this can put us in direct opposition to those with different views. In some situations, this can put staff and partners at risk. If communications are inappropriate or poorly researched, or erroneous statements are made, this could risk lives, damage our reputation if libellous and harm key relationships. Similarly, we could be challenged by those with vested interests who merely object to us telling the truth. Actions by partners could draw Christian Aid into litigious or conflict-related situations, particularly where they publish materials or engage in actions with our financial support. In addition, as poverty is a complex and multi-dimensional issue, communicating this in interesting and engaging ways that can be easily understood by supporters, the general public, donors and other stakeholders can be challenging.

Mitigation

We have a public policy group that is responsible for approving and communicating our public policy in key areas. We have developed corporate advocacy priorities that we believe will have the greatest impact on poverty and

we focus our popular campaigning on these priorities.

We ensure we have expertise in these focus areas and that communications are researched and checked by external advisors, as necessary, prior to issue. Clear guidance is given to country programmes about issues they need to consider when supporting partner publications.

Working through and with partners

Risk

We believe that the most effective way to reduce poverty is to work through partners that are rooted in the communities in which they work. This approach is not without risk, however, as partners may lack capacity, especially in challenging contexts. As a result, there is an inherent risk of poor programmes being delivered, misuse of funds and a failure to be accountable to beneficiaries.

Our engagement with DFID delivering a range of civil society programmes under contract in India, Sierra Leone and the DRC, means that we are working with a large number of new grantees outside of our core partner base.

Our new corporate strategic framework envisages a greater range of partnerships, including new models of working with governments, civil society organisations and the private sector.

We believe that these partnerships are essential to achieving our ambitions, but there is an inherent risk that working with others could dilute our strategy or lead us to compromise on our objectives. Christian Aid's reputation could be damaged by association with the actions of others, over whom we have no direct control.

Mitigation

We ensure that we thoroughly research our implementing partners by carrying out initial capacity assessments that consider the organisation's past performance and governance processes before providing funding. We monitor all of our programmes and provide feedback to partners where issues are noted for future follow up. We support partners, where necessary, in building their capacity, including training on donor compliance requirements. All partners in receipt of £50,000 or more of Christian Aid funding in any year are required to undertake an external audit.

As a certified Humanitarian Accountability Partnership member, we invite feedback from beneficiaries. We also commission and publish independent external evaluations of our work. We have anti-fraud and corruption policies and a process for fully investigating and reporting all incidents. The large programmes oversight committee monitors the performance of the major service contracts and major grants, and reviews the supporting risk management procedures.

We have a due diligence process to help in the evaluation of new business models for partnerships outside of our traditional implementing partner and alliances base. This includes directorate and board involvement in determining the range and depth of partnerships and associated business models, and is underpinned by our core values framework.

Economy, sector competition and financial strategy

Risk

As the impact of the global recession continues to be felt, our supporters and donors still face difficult economic times. This, along with increased competition for funds, may reduce the amount of income, particularly core income from unrestricted sources, available for use in our programmes. In addition, there is a risk that donors may change their funding priorities to areas that are not aligned with our strategic priorities, or change the way in which those funds are disbursed. If our income drops, we may need to reduce the scale of our programmes. We continue to carry a deficit in the closed final salary pension scheme, which could increase depending on economic and other factors.

Mitigation

We have a reserves policy, which takes account of our principal risk factors. Performance against our reserves target is regularly reviewed with the board. We have income targets and regularly review our performance against these. We have a thorough planning process that challenges our income assumptions and how we spend our funds. We closely monitor our costs and seek opportunities to improve efficiency where possible. During the year a new operational management group was established, chaired by the Finance and Operations Director. Part of the group's remit is to monitor performance against our operational plans and related risks and opportunities.

We have a programme management information system, implemented in 2012. By improving data collation the system is helping fundraisers understand our development programmes better and align them more closely with donor interests. The new finance, fundraising and investment committee, which met for the first time in July 2013, has expanded the role of the former finance and audit committee to consider fundraising plans and performance.

Christian identity

Risk

Christian Aid is owned by the British and Irish churches and our core belief is that all people are created equal, with inherent dignity and infinite worth. We are proud of our Christian heritage, identity and strong church support. Strengthening our partnership with the church is fundamental to the delivery of our Partnership for Change strategy.

This partnership comes with risks, however. External perceptions of Christianity could have a detrimental impact on our work. Tensions between the state and the church, should they arise, could adversely impact our own relationship with government. And we could also fail to make the most of our opportunities to engage the church in the fight against poverty.

Mitigation

Our work to eradicate poverty targets the most vulnerable and marginalised, regardless of faith, and we work with alliances of other faiths and with secular groups and organisations that

share our determination to end poverty. We have an open recruitment policy and we do not proselytise.

Our new strategy has, at its heart, the desire to engage the church in the fight against poverty and help supporters put their faith into action.

Regulatory compliance

Risk

We operate in 46 countries with many different jurisdictions. Failure to keep abreast of local laws and requirements could compromise our ability to continue operating in these locations. We are also bound by British and Irish law and Charity Commission rules.

Mitigation

We have in-country teams in many of the places where we work, which are responsible for ensuring compliance with local requirements, including registration, tax compliance and statutory reporting. Where required, external audits of our country offices are performed. We monitor changes to British and Irish regulation and review our response with our advisors and trustees as appropriate. We have created a new Governance Manager role that will support the trustees and the Company Secretary and further strengthen our regulatory compliance.

Christian Aid pension schemes

The trustees closed the final salary pension scheme to new members and to future accrual on 30 June 2007. In its place Christian Aid offers UK qualifying staff a defined contribution group personal pension scheme. In the Republic of Ireland, Christian Aid also contributes to an occupational money-purchase scheme.

The scheme actuary carried out a three-yearly valuation of the now closed final salary scheme as at September 2011. The calculated deficit in the scheme was £18.0m, which has led to a revised recovery plan put forward by Christian Aid and agreed by the pension trustees from April 2013.

In addition, the scheme actuary carries out a separate annual valuation in line with the accounting standard FRS17. This is undertaken using different assumptions and may result in a different funding position. The 31 March 2013 valuation under this method showed a deficit of £8.0m. This reflects a significant improvement on the previous years' position; an improvement in the quantity and value of scheme assets has more than covered a further increase in calculated scheme liabilities. Details are shown in full in note 22 of 'Notes to the financial statements'.

Christian Aid continues to set the level of its operational reserve to reflect the continuing risks attached to the pension scheme.

The Pensions Trust (Verity Trustees Limited) continues to act as trustee to the final salary scheme. The equity component of the scheme funds continues to be managed by the Legal and General Assurance Society Limited and invested in an FTSE4GOOD tracker fund.

Remuneration policy

The salaries of Christian Aid staff are periodically benchmarked against comparable organisations, including other charities and church organisations, with the support of an external consultant. Christian Aid aims to set salaries equivalent to the median for such organisations. During the year, the board approved a revised set of pay principles. It adopted the Hutton Fair Pay Review recommendation on executive pay, which means the salary of our highest paid employee is now no more than four times the median salary of UK-based employees.

Salary scales are increased on an annual basis in line with the average of earnings and retail price inflation, subject to affordability. The Board of Trustees awarded a two per cent rise from April 2013.

All posts are evaluated based on agreed, organisation-wide criteria that determine the grade and salary for the post.

Communicating with staff

Christian Aid is committed to open and accountable management of our employees. They can expect to be properly line-managed and can raise concerns through their manager or through senior management, including the Chief Executive.

All staff are regularly informed and consulted about changes and developments within the organisation. Our intranet is a key tool for consultation, with blogs being used to gather staff feedback on proposed changes. This year, staff participated in a review of our internal communications channels and systems. Their feedback is now shaping improvements.

Staff are kept up to date in regular all-staff meetings broadcast on internet radio to all Christian Aid offices. Majority World News is the daily staff information bulletin and The Week is a regular update of key news for all employees. A series of lunchtime talks broadcast to staff worldwide is one of the many initiatives helping to create a culture of continuous learning and information sharing.

UK-based staff are encouraged to join a trade union and our overseas staff are represented by elected coordinators. Unite and the National Union of Journalists are the recognised unions within Christian Aid. They help staff members and coordinators during key consultations and with employee-relations issues.

Christian Aid holds both Investors in People and Investing in Volunteers awards, in recognition of our performance against good practice standards for relations with staff and volunteers.

Health, safety and security of our staff

This year has seen another increase in violence against aid workers. According to the Aid Worker Security Database, 308 have been killed, kidnapped or wounded, compared with 245 last year.

More than two-thirds of these incidents took place in a small number of highly insecure countries – Afghanistan, Somalia, Pakistan, Sudan and South Sudan. We also have staff in other insecure parts of the world, such as the Middle East and west Africa.

Against that backdrop, Christian Aid makes sure our staff are adequately trained in security awareness and first aid. We help them learn how to manage risk so that they can safely carry out their work in dangerous environments. We have an effective reporting system on the intranet for both security and health and safety incidents – all are investigated and lessons learnt.

This year our staff reported 37 incidents, of which 11 related to health and safety, and 26 to security. We're pleased to say that none of these incidents seriously affected our staff or had an impact on our reputation. Our programme work was disrupted once because of violence in Mali and to a lesser extent during the Kenyan elections.

We regularly practise our crisis management procedures with country offices and had a major London-based exercise last September, where a number of lessons were learnt.

At the same time we are working hard to improve the security awareness of our partners. Working with ACT Alliance's Security Co-ordinator and using an ECHO multi-region risk management project, we've trained more than 68 staff from 41 ACT Alliance member organisations or partners from 31 countries over the past six months. And we helped our partners in Mali to prepare and then use contingency plans when conflict broke out.

We now host the European Interagency Security Forum secretariat, which has further enhanced our security status among our peer organisations.

Diversity and disability

It is Christian Aid's policy to respect the diversity of all employees and volunteers. We treat them fairly and equally regardless of characteristics such as physical or mental disability, gender, sexual orientation, race, caste, culture, nationality, ethnic origin, religious belief or age.

Wherever possible we encourage applications from disabled people, help them develop their skills, and take every reasonable measure to adapt our premises and working conditions to enable disabled people to work or volunteer at Christian Aid.



Dr Rowan Williams

Chair of the Christian Aid Board of Trustees
17 September 2013

Auditors' report

Independent auditors' report to the members and trustees of Christian Aid

We have audited the financial statements of Christian Aid for the year ended 31 March 2013, which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes numbered 1 to 22.

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

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

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

We have been appointed as auditor under section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Scope of the audit of the financial statements

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

In addition, we read all the financial and non-financial information in the trustees' *Annual Report* to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2013 and of the group's 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, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 or the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate accounting records; or
- the parent charitable company 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.



Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
London
18 September 2013

Financial statements

Consolidated statement of financial activities (incorporating an income and expenditure account) for the year ended 31 March 2013

	Notes	2013 Unrestricted funds £'000	2013 Restricted funds £'000	2013 Total funds £'000	2012 Total funds £'000
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Donations	2	46,704	8,922	55,626	57,704
Institutional grants	3, 19-21	903	26,536	27,439	31,064
Activities for generating funds		258	-	258	363
Investment income		470	51	521	662
Incoming resources from charitable activities	4	11,566	-	11,566	5,660
Other incoming resources		35	-	35	-
Total incoming resources		59,936	35,509	95,445	95,453
Resources expended					
Cost of generating funds					
Costs of generating voluntary income	5	12,051	50	12,101	12,558
Fundraising trading: cost of goods sold and other costs	5	92	-	92	41
Investment management costs	5	38	-	38	37
Charitable activities					
Development	5	30,919	20,914	51,833	45,608
Emergencies	5	3,373	17,902	21,275	24,239
Campaigning, advocacy and education	5	9,567	423	9,990	11,056
Governance costs	5	1,235	57	1,292	1,302
Total resources expended		57,275	39,346	96,621	94,841
Net income/(expenditure) for the year		2,661	(3,837)	(1,176)	612
Other recognised gains/(losses)					
Losses on investment assets	9	(56)	-	(56)	(281)
Actuarial gains/(losses) on defined benefit pension scheme	22	(329)	-	(329)	(1,266)
Exchange translation difference arising on consolidation		191	(207)	(16)	(27)
Net movement in funds		2,467	(4,044)	(1,577)	(962)
Reconciliation of funds					
Total funds brought forward at 1 April		11,660	16,164	27,824	28,786
Total funds carried forward at 31 March	14,15	14,127	12,120	26,247	27,824

There are no recognised gains or losses, or movements in funds, other than those disclosed above.

Balance sheets

as at 31 March 2013

	Notes	Consolidated group		Parent charity	
		2013 £'000	2012 £'000	2013 £'000	2012 £'000
Fixed assets					
Tangible fixed assets	8	3,223	3,873	3,192	3,850
Investments	9	17,605	16,750	17,630	16,775
		20,828	20,623	20,822	20,625
Current assets					
Stocks		4	10	-	-
Debtors	10	9,876	10,512	7,987	8,749
Short-term cash deposits		1,832	2,172	1,832	2,172
Cash at bank and in hand		7,287	8,586	5,465	6,288
		18,999	21,280	15,284	17,209
Liabilities					
Creditors: amounts falling due within one year	11	(5,610)	(3,990)	(5,507)	(3,867)
Net current assets		13,389	17,290	9,777	13,342
Net assets excluding pension liability					
Defined benefit pension scheme liability	22	(7,970)	(10,089)	(7,970)	(10,089)
Net assets including pension liability		26,247	27,824	22,629	23,878
Restricted funds					
Appeals and other donations – funds in surplus	15	7,110	10,891	6,846	10,328
Institutional grants – funds in surplus	15	6,217	7,412	3,551	4,651
Institutional grants – funds in deficit	15	(1,207)	(2,139)	(1,187)	(2,139)
Total restricted funds		12,120	16,164	9,210	12,840
Unrestricted funds					
Unrestricted funds excluding pension reserve		22,097	21,749	21,389	21,127
Pension reserve	22	(7,970)	(10,089)	(7,970)	(10,089)
Total unrestricted funds	14	14,127	11,660	13,419	11,038
Total funds		26,247	27,824	22,629	23,878

The financial statements were approved on the authority of the board and signed on its behalf by:



Dr Rowan Williams

Chair of the Christian Aid Board of Trustees

17 September 2013

Consolidated cash flow statement

for the year ended 31 March 2013

	2013 £'000	2012 £'000	
Reconciliation of net incoming resources to net cash inflow from operating activities			
Net incoming resources	(1,176)	612	
Investment income	(521)	(662)	
Depreciation charge	833	535	
Profit on sale of tangible fixed assets	(35)	-	
FRS17 difference between pension contributions and current service costs	(2,448)	(1,939)	
Exchange translation difference arising on consolidation	(16)	(27)	
Decrease in stocks	6	13	
(Increase)/decrease in debtors	636	(4,917)	
Decrease/(increase) in current liabilities	1,620	(1,150)	
Net cash inflow from operating activities	(1,101)	(7,535)	
Consolidated cash flow statement			
Net cash inflow from operating activities	(1,101)	(7,535)	
Return on investments and servicing of finance			
Interest received	521	662	
Capital expenditure			
Payments to acquire tangible fixed assets	(186)	(1,409)	
Proceeds from sales of tangible fixed assets	38	-	
Payments to acquire investments	(27,081)	(7,010)	
Proceeds of sale of investments	26,170	10,435	
	(1,059)	2,016	
Cash (outflow)/inflow before use of liquid resources	(1,639)	(4,857)	
Management of liquid resources			
Decrease/(increase) in short-term deposits	340	3,137	
Decrease in cash during the year	(1,299)	(1,720)	
Analysis of net funds as shown in the balance sheet and changes during the year			
	As at 1 April 2012	Change in year	As at 31 March 2013
	£'000	£'000	£'000
Cash at bank and in hand	8,586	(1,299)	7,287
Short-term cash deposits	2,172	(340)	1,832
Net funds	10,758	(1,639)	9,119

Notes to the financial statements

for the year ended 31 March 2013

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at market valuation. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities", published in March 2005, the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006, and applicable UK accounting standards.

In the trustees report there is a review of financial performance and of the charity's reserves position. There are adequate financial resources and the charity is well placed to manage business risks. The planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. It is a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. There are no known material uncertainties that call into doubt the charity's ability to continue. The accounts have therefore been prepared on the basis that the charity is a going concern.

The statement of financial activities and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line-by-line basis. No separate income and expenditure account of the charity has been presented, as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The gross income of the charity for the year was £91.6m (2012: £91.2m) and its gross expenditure was £92.5m (2012: £91.2m).

The group accounts include a 100 per cent consolidation of Christian Aid Trading Limited, Christian Aid Ireland Limited (a charitable company registered in Northern Ireland), Christian Aid Ireland Limited (a charitable company registered in the Republic of Ireland) and Christian Aid International (a charitable foundation registered in Spain). The group accounts also include a 71.25 per cent proportional consolidation of The British and Irish Churches Trust Limited, since Christian Aid's interest relates directly to its share of the underlying assets, liabilities and cash flows. Further details of the subsidiaries are given in note 17.

b. Fund accounting

Reserves policy is given on page 48 of the trustees' report. Reserves are either unrestricted or restricted funds.

Restricted funds represent income to be used for a specific purpose as requested by the donor. Income and expenditure on these funds are shown separately within the statement of financial activities and analysed into their main components in note 15.

Unrestricted funds are those that have not had a restriction placed on them by the donor. Designated unrestricted funds

are those where the trustees have set aside monies from unrestricted funding for specific purposes. Details can be found in the trustees' report and in note 14.

c. Incoming resources

All incoming resources accruing to the charity during the year are recognised in the statement of financial activities as soon as it is prudent and practicable to do so, when entitled, certain and measurable. Incoming resources from charitable activities refer to contract income, which is recognised as unrestricted income in the period in which the income is earned, is certain of receipt and can be measured with reliability.

Gifts in kind for use by the charity are included in the accounts at their approximate market value at the date of receipt. Gifts in kind for distribution are included in the accounts at their approximate market value at the date of distribution.

Legacy income is included where there is sufficient evidence of entitlement, certainty of receipt and where the amount is measurable. No value is included where a legacy is subject to a life interest held by another party.

d. Resources expended

All expenditure is accounted for on an accruals basis and is classified under headings that aggregate all costs related to that category. The costs of each staff team, including a relevant proportion of support costs allocated on a usage basis, are allocated across the headings of costs of generating funds, charitable activities and governance based on the proportion of time spent on each of these areas of work.

Costs of generating funds comprises the costs incurred in commercial trading activities, investment management costs and fundraising and publicity costs. Fundraising and publicity costs includes the costs of advertising, profile-raising, producing publications, and printing and mailing fundraising material, as well as the staff costs in these areas and an appropriate allocation of support costs.

Costs of charitable activities includes direct expenditure incurred through grants to partners and operational activities and an appropriate allocation of support costs. Grants to partners are recognised as expenditure when there is a legal or constructive obligation to make the grant. This is usually immediately prior to a payment being made. Grant expenditure also includes grants made through sub-contractors.

Governance costs represent the costs associated with the governance arrangements of the charity, which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity.

Support costs include the central or regional office functions such as facilities management, finance, human resources and information systems.

e. Tangible fixed assets and depreciation

Tangible fixed assets costing over £5,000 are capitalised at cost. Depreciation is provided in order to write off the cost of tangible fixed assets over their estimated useful economic lives, on a straight-line basis, as follows:

Freehold land	Nil
Freehold properties	50 years
Leasehold properties	5 years
Leasehold improvements	5 years
Office furniture, fittings and equipment	5 years
Motor vehicles	5 years
Computer equipment	4 years

Assets in the course of construction are not depreciated while in construction. Once the construction is completed the cost is transferred to another fixed asset class and depreciated accordingly.

f. Stocks

Stocks consist of educational materials valued at the lower of cost and net realisable value.

g. Pension costs

Defined Benefit Scheme – The amounts charged in the statement of financial activities are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs and other finance costs have been recognised immediately in the statement of financial activities. Actuarial gains and losses are recognised immediately in “Other recognised gains and losses”. This is in accordance with FRS17, Retirement Benefits.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond. The actuarial valuation is obtained at least triennially and is updated at each balance sheet date. The resulting defined pension scheme asset or liability is shown separately on the face of the balance sheet.

On 30 June 2007 the scheme was closed to new entrants and for future accrual for members.

Defined Contribution Scheme – Christian Aid also operates a defined contribution scheme for employees. The charity’s contributions to the scheme are charged in the statement of financial activities in the period in which the contributions are payable.

h. Taxation and irrecoverable VAT

Christian Aid is a registered charity and as such is potentially exempt from taxation of its income and gains, to the extent that they fall within the charity exemptions in the Corporation Tax Act 2010 or Section 256 Taxation of Chargeable Gains Act 1992. No tax charge has arisen in the year. No tax charge has arisen in the subsidiaries, due to their policy of gifting all taxable profits to Christian Aid each year.

In common with many other charities, Christian Aid is unable to recover the majority of VAT that is incurred on purchases of goods and services in the UK. The amount of VAT that cannot be recovered is included within the appropriate underlying cost and was £0.8m for the year (2012: £1.2m).

i. Foreign currencies

Foreign currency balances have been translated at the exchange rate ruling at the balance sheet date. Income and expenditure transactions have been translated at the prevailing rate at the time of the transaction.

j. Related party disclosures

The charity has taken advantage of the exemption which is conferred by FRS8, Related Party Disclosures, that allows it not to disclose transactions with group undertakings that are eliminated on consolidation.

k. Fixed asset investments

Fixed asset investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising from disposals and revaluations throughout the year.

l. Operating leases

Rentals applicable to operating leases are charged to the consolidated statement of financial activities in the period to which the cost relates.

2. Donations

	2013 Unrestricted £'000	2013 Restricted £'000	2013 Total £'000	2012 Unrestricted £'000	2012 Restricted £'000	2012 Total £'000
Christian Aid Week	12,589	-	12,589	11,997	-	11,997
In Their Lifetime	-	1,479	1,479	-	948	948
Denominational appeals	210	1,461	1,671	245	1,244	1,489
Christian Aid humanitarian appeals	-	1,675	1,675	-	5,005	5,005
Disasters Emergency Committee appeals	-	2,356	2,356	-	4,105	4,105
Legacies	10,766	10	10,776	7,622	24	7,646
Regular gifts	16,059	46	16,105	16,690	97	16,787
Other donations	7,080	1,895	8,975	7,190	2,537	9,727
Total donations	46,704	8,922	55,626	43,744	13,960	57,704

Total donations of £55.6m (2012: £57.7m) includes £4.9m of tax recovered through tax efficient giving (2012: £5.4m).

Legacies of which we have been notified, but not recognised as income, are valued at £8.7m (2012: £8.4m).

Total donations include gifts in kind valued at £749,000 (2012: £531,000).

Donations received from the public in the Isle of Man (excluding Government grants) during 2012-13, included above, were £45,620 (2012: £42,842).

3. Institutional grants

	Notes	2013 Unrestricted £'000	2013 Restricted £'000	2013 Total £'000	2012 Unrestricted £'000	2012 Restricted £'000	2012 Total £'000
Department for International Development	19	84	13,533	13,617	149	12,091	12,240
European Commission		516	5,105	5,621	657	5,866	6,523
Irish Aid		-	3,416	3,416	-	3,759	3,759
United States Agency for International Development (USAID)		-	-	-	28	108	136
Jersey Overseas Aid Commission		-	360	360	-	375	375
Guernsey Overseas Aid Commission		-	80	80	-	115	115
Isle of Man Overseas Aid Committee		-	187	187	-	248	248
Other governments and public authorities		16	571	587	25	3,240	3,265
Comic Relief	20	-	528	528	6	1,451	1,457
ICCO*	21	-	-	-	7	(15)	(8)
Other institutions		287	2,756	3,043	305	2,649	2,954
Total institutional grants		903	26,536	27,439	1,177	29,887	31,064

Total institutional grants of £27.4m (2012: £31.1m) includes gifts in kind valued at £40,000 (2012: £2.2m).

Funding of £61,388 was contributed by ACT members towards the ACT security coordinator (NCA – Norwegian Church Aid – £10,736 (100,000 NOK), ICCO* KIA – Kerk in Actie – £14,388 (US\$10,668/€10,000)). Expenditure amounted to £65,512.54. (2012 funding received DKH – Diakonie Katastrophenhilfe – £18,834 (US\$30,000) expenditure £9,972).

*ICCO is an international organisation for development cooperation based in the Netherlands.

4. Incoming resources from charitable activities

	2013 Unrestricted £'000	2013 Restricted £'000	2013 Total £'000	2012 Unrestricted £'000	2012 Restricted £'000	2012 Total £'000
UK government – Department for International Development						
PACS2 civil society programme in India	4,618	-	4,618	1,791	-	1,791
CSF civil society programme in DRC	2,465	-	2,465	1,903	-	1,903
ENCISS civil society programme in Sierra Leone	4,432	-	4,432	1,697	-	1,697
Population Services International						
USAID Aidstar AIDS support and assistance programme in Haiti	27	-	27	267	-	267
Other organisations	24	-	24	2	-	2
Total incoming resources from charitable activities	11,566	-	11,566	5,660	-	5,660

5. Total resources expended

	Other direct costs			Allocation of support costs		2013 Total £'000	2012 Total £'000
	Grants to partner organisations £'000	Staff costs £'000	Non staff costs £'000	Staff costs £'000	Non staff costs £'000		
Costs of generating voluntary income	-	5,338	5,429	769	565	12,101	12,558
Fundraising trading: cost of goods sold and other costs	-	-	92	-	-	92	41
Investment management costs	-	20	18	-	-	38	37
Total cost of generating funds	-	5,358	5,539	769	565	12,231	12,636
Development	30,076	10,534	7,156	2,463	1,604	51,833	45,608
Emergencies	16,992	2,166	1,234	205	678	21,275	24,239
Campaigning, advocacy and education	530	4,943	3,286	680	551	9,990	11,056
Total charitable activities	47,598	17,643	11,676	3,348	2,833	83,098	80,903
Governance	-	766	385	84	57	1,292	1,302
Total resources expended	47,598	23,767	17,600	4,201	3,455	96,621	94,841
Grant expenditure analysed by region				2013 £'000	2012 £'000	2013 %	2012 %
Africa				22,522	20,603	47%	45%
Asia and the Middle East				16,130	15,660	34%	34%
Latin America and the Caribbean				8,282	8,765	17%	19%
Global				664	671	2%	2%
Total grants to partner organisations				47,598	45,699	100%	100%

All our grants are to organisations, not individuals. Details of grants made are available from the Director of Finance and Operations, Christian Aid, 35 Lower Marsh, London SE1 7RL.

Costs of generating funds comprises the costs incurred in commercial trading activities, investment management costs and fundraising and publicity costs. Fundraising and publicity costs include the costs of advertising, profile-raising, producing publications and printing and mailing fundraising material, the staff costs in these areas and an appropriate allocation of support costs.

Charitable activities includes expenditure incurred through grants to partners and through operational activities and includes an appropriate allocation of support costs.

Governance costs represent the costs associated with the governance arrangements of the charity, which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity.

Governance costs	2013 £'000	2012 £'000	Allocation of support costs	Basis of allocation	2013 £'000	2013 £'000	2013 £'000	2012 £'000
					Staff costs	Other costs	Total	Total
Internal audit	254	200						
External audit	93	104	Facilities management	Headcount	148	1,759	1,907	1,593
Trustees' expenses	15	13	Finance teams	Headcount	1,268	107	1,375	1,453
Strategic management	930	985	Human resources	Headcount	1,619	419	2,038	1,794
	1,292	1,302	Information systems	Headcount	931	1,116	2,047	1,841
			Pension scheme and financial management	Headcount	235	54	289	314
					4,201	3,455	7,656	6,995

6. Staff and trustee costs

	2013	2012
	£'000	£'000
Staff costs of Britain-, Ireland- and Spain-contracted staff		
Salaries	17,262	16,686
Pension contributions	1,166	1,208
National Insurance contributions	1,775	1,737
Benefits in kind	257	308
Total staff costs (Britain, Ireland and Spain contracts)	20,460	19,939
Staff cost of overseas-contracted staff	7,508	6,584
Total staff costs	27,968	26,523

Staff numbers by location	2013	2012
	FTE	FTE
Britain-, Ireland- and Spain-based staff	458	450
Overseas-based staff	396	352
Total staff FTE	854	802

FTE = full-time equivalent

Overseas staff includes 17 employees (2012: 18 employees) on Britain, Ireland and Spain contracts based in the charity's overseas offices.

Staff numbers by activity	2013	2012
	FTE	FTE
Generating funds	157	136
Charitable activities	681	653
Governance	16	13
Total staff FTE	854	802

The emoluments of the Chief Executive, the highest paid employee, were £126,206 (2012: £123,729). The CEO's expenses were £6,103 (2012: £11,754). The most significant element of the Chief Executive's expenses is the cost of visits to partner organisations.

6. Staff and trustee costs (continued)

The number of higher-paid staff with emoluments falling in the following ranges were:

	2013	2012
£120,000 to £129,999	1	1
£110,000 to £119,999	-	-
£100,000 to £109,999	-	-
£90,000 to £99,999	-	-
£80,000 to £89,999	4	4
£70,000 to £79,999	-	-
£60,000 to £69,999	8	7

Contributions in the year for the provision of defined contribution pension schemes to higher paid staff were £96,932 (2012: £90,272).

Trustees' expenses	2013	2013	2012	2012
	No. of trustees	£'000	No. of trustees	£'000
Trustees' expenses – parent	18	9	18	6
Trustees' expenses – other group charities	24	9	24	12

No emoluments are paid to trustees. Trustees are reimbursed for their incidental expenses in attending board, executive and other meetings. Additionally, trustees may occasionally visit Christian Aid partners and programmes overseas with costs of such trips being met by the charity. Two trustees claimed expenses in excess of £1,500 but not more than £2,100, most of which was in relation to visits to Christian Aid partners overseas; otherwise, no individual trustee claimed expenses of more than £1,500.

7. Statement of financial activities

Net movement in funds is stated after the following charges:

	Consolidated group		Parent charity	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Auditors' remuneration				
Fees payable to parent charity's auditors for the audit of the charity's annual accounts	56	54	56	54
Fees payable to parent charity's auditors for the audit of the charity's subsidiaries pursuant to legislation	-	5	-	-
Total audit fees	56	59	56	54
Other services	8	13	8	13
Total fees payable to parent charity's auditors	64	72	64	67
Rental costs in relation to operating leases – land and buildings	108	101	205	205
Investment manager's fee	18	17	18	17

8. Tangible fixed assets

	Central office freehold £'000	Other leasehold/ freehold property £'000	Leasehold improvements £'000	Computer equipment £'000	Office furniture, fittings and equipment £'000	Motor vehicles £'000	Total £'000
Cost							
At 1 April 2012	1,855	272	2,641	5,598	822	838	12,026
Additions	-	-	13	68	14	91	186
Disposals	-	-	-	(806)	(144)	(65)	(1,015)
At 31 March 2013	1,855	272	2,654	4,860	692	864	11,197
Depreciation							
At 1 April 2012	752	73	2,597	3,487	655	589	8,153
Charge in year	37	7	15	622	46	106	833
Disposals	-	-	-	(806)	(144)	(62)	(1,012)
At 31 March 2013	789	80	2,612	3,303	557	633	7,974
Net book value							
At 31 March 2013	1,066	192	42	1,557	135	231	3,223
At 1 April 2012	1,103	199	44	2,111	167	249	3,873
Held by parent charity	1,066	192	26	1,557	135	216	3,192
Held by subsidiaries	-	-	16	-	-	15	31

9. Investments

	Consolidated group		Parent charity	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
As at 31 March				
Gilts – UK	3,600	6,955	3,600	6,955
Fixed-interest securities	2,231	850	2,231	850
Floating-rates notes	4,169	2,305	4,169	2,305
Sterling deposits	7,319	6,067	7,319	6,067
Investment properties	-	350	-	350
Unlisted investments	157	150	157	150
Investments in subsidiary undertakings	-	-	25	25
Programme-related investments	129	73	129	73
Total investments	17,605	16,750	17,630	16,775
Movements during the year				
At the beginning of the year	16,750	20,456	16,775	20,482
Cost of acquisitions	27,081	7,010	27,081	7,010
Disposals	(26,170)	(10,435)	(26,170)	(10,435)
Unrealised loss	(56)	(281)	(56)	(282)
Total investments	17,605	16,750	17,630	16,775

Programme-related investments consists of a social investment loan to a cooperative in Nicaragua. The trustees are satisfied that making this loan constitutes a programme investment that furthers the objects of the charity.

Investments forming more than five per cent of the investment portfolio (gilts, fixed-interest securities and floating-rates notes) were as follows:

	2013 £'000	2013 %	2012 £'000	2012 %
UK Treasury Government Bond 0% 2013	3,600	36.0	-	-
UK Treasury Government Bond 5.25% 07/06/2012	-	-	5,612	55.6
KFW FRN 09/03/2015	1,002	10.0	-	-
Republic of Finland FRN 25/03/2015	1,001	10.0	-	-
EIB FRN 30/01/2014	510	5.1	-	-
KFW FRN 15/02/2013	-	-	901	8.8
Skipton Building Society 2% 04/05/2012	-	-	850	8.5
West Bromwich 2% 05/04/2012 EMTN	-	-	850	8.5
European Investment Bank 4.75% 06/06/2012	-	-	492	5.0

10. Debtors

	Consolidated group		Parent charity	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Payments in advance for Christian Aid Week	391	405	391	405
Other prepayments	650	376	594	308
Accrued income	5,795	6,388	3,196	3,833
Other debtors	3,019	3,343	2,829	3,060
Amounts due from subsidiary undertakings	-	-	114	221
Amounts due from connected charities	21	-	863	922
Total debtors	9,876	10,512	7,987	8,749

11. Creditors: amounts falling due within one year

	Consolidated group		Parent charity	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Interest-free loans from supporters	118	158	118	158
Trade creditors	1,581	1,296	1,572	1,288
Deferred income	1,369	986	1,369	986
Tax and social security	563	520	555	507
Other creditors	1,314	739	1,270	699
Accruals	665	291	623	229
Total creditors	5,610	3,990	5,507	3,867

Movement on deferred income during the year:

	Consolidated group		Parent charity	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Balance brought forward	986	577	986	577
Released to income	(986)	(577)	(986)	(577)
Received in year	1,369	986	1,369	986
Balance carried forward	1,369	986	1,369	986

12. Future commitments

In addition to the amounts shown as creditors in these accounts, there are also commitments to projects which have been accepted in principle by Christian Aid's board and are expected to be recommended for funding in 2013/14.

	Consolidated group		Parent charity	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Commitments	2,627	3,902	2,627	3,902

13. Leasing commitments

As at 31 March 2013, the group had annual commitments under non-cancellable operating leases of:

	Consolidated group		Parent charity	
	2013 £'000	2012 £'000	2013 £'000	2012 £'000
Operating leases that expire after more than five years				
Land and buildings	104	83	205	205
Other	4	2	-	-
	108	85	205	205

14. Unrestricted funds

	Opening balance £'000	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Transfers £'000	Closing balance £'000
Consolidated group						
Operational reserve	16,534	-	-	-	1,418	17,952
General funds	782	57,184	(53,823)	(56)	(3,805)	282
General funds – Christian Aid Ireland	459	2,319	(2,431)	189	(16)	520
General funds – InspirAction	101	288	(271)	2	-	120
Fixed asset fund	3,873	-	(833)	-	183	3,223
Pension reserve	(10,089)	145	83	(329)	2,220	(7,970)
Consolidated group total unrestricted funds	11,660	59,936	(57,275)	(194)	-	14,127
Parent charity						
Unrestricted funds excluding pension reserve	21,127	57,044	(54,506)	(56)	(2,220)	21,389
Pension reserve	(10,089)	145	83	(329)	2,220	(7,970)
Parent charity total unrestricted funds	11,038	57,189	(54,423)	(385)	-	13,419

15. Restricted funds

Consolidated group	Opening balance £'000	Incoming resources £'000	Resources expended £'000	Currency translation £'000	Closing balance £'000
In Their Lifetime	1,095	1,479	(960)	-	1,614
Denominational appeals	494	1,433	(1,381)	-	546
Christian Aid humanitarian appeals:					
Bangladesh cyclone	11	-	(11)	-	-
East Africa food crisis	3,042	88	(1,223)	-	1,907
Haiti earthquake	2,731	23	(971)	(3)	1,780
Indian Ocean tsunami	8	-	(8)	-	-
Indonesia and Philippines natural disasters	243	2	(244)	-	1
Pakistan floods	1,050	10	(735)	-	325
Philippines typhoon	183	7	(165)	-	25
South Asia floods	21	-	(20)	-	1
West Africa food crisis 2012	201	1,082	(1,185)	-	98
Gaza Middle East	64	-	(64)	-	-
Gaza Middle East 2012	-	370	(56)	-	314
Syria	-	145	(21)	-	124
Disasters Emergency Committee appeals:					
East Africa food crisis	959	1,079	(2,024)	-	14
Haiti earthquake	311	1,148	(1,454)	-	5
Indonesia and Philippines natural disasters	12	-	(12)	-	-
Pakistan floods	30	130	(160)	-	-
Other donations	436	1,996	(2,076)	-	356
Appeals and other donations – total restricted funds	10,891	8,992	(12,770)	(3)	7,110
Institutional grants – funds in surplus	7,412	12,691	(13,682)	(204)	6,217
Institutional grants – funds in deficit	(2,139)	13,826	(12,894)	-	(1,207)
Total restricted funds	16,164	35,509	(39,346)	(207)	12,120
Parent charity	Opening balance £'000	Incoming resources £'000	Resources expended £'000	Currency translation £'000	Closing balance £'000
Appeals and other donations – funds in surplus	10,328	8,319	(11,801)	-	6,846
Institutional grants – funds in surplus	4,651	9,343	(10,443)	-	3,551
Institutional grants – funds in deficit	(2,139)	16,741	(15,789)	-	(1,187)
Total restricted funds	12,840	34,403	(38,033)	-	9,210

16. Analysis of net assets

Fund balances as at 31 March 2013 are represented by:

	Unrestricted funds		Restricted funds	Total
	Designated £'000	Other £'000	£'000	
Consolidated group				
Fixed assets	3,223	-	-	3,223
Investments	-	17,605	-	17,605
Current assets	-	6,879	12,120	18,999
Current liabilities	-	(5,610)	-	(5,610)
Pension liability	(7,970)	-	-	(7,970)
Total net assets	(4,747)	18,874	12,120	26,247
Parent charity				
Fixed assets	3,192	-	-	3,192
Investments	-	17,630	-	17,630
Current assets	-	6,074	9,210	15,284
Current liabilities	-	(5,507)	-	(5,507)
Pension liability	(7,970)	-	-	(7,970)
Total net assets	(4,778)	18,197	9,210	22,629

17. Subsidiary undertakings

The Christian Aid group comprises the parent charity (Christian Aid) and five subsidiary undertakings. The results for the year of the subsidiary undertakings are given below.

Christian Aid Ireland Ltd (Northern Ireland) (CA NI)

A charitable company limited by guarantee, incorporated in Northern Ireland, Christian Aid Ireland (Northern Ireland) was established by the Irish Churches and Christian Aid to further develop the work of Christian Aid in Northern Ireland. Christian Aid Ireland (Northern Ireland) is consolidated on a line-by-line basis in the Christian Aid group financial statements, in line with Financial Reporting Standard 2. The Christian Aid Ireland (Northern Ireland) year end was 31 March 2013.

Christian Aid Ireland Ltd (Republic of Ireland) (CA ROI)

A charitable company limited by guarantee, incorporated in Republic of Ireland, Christian Aid Ireland (Republic of Ireland) was established by the Irish Churches and Christian Aid to further develop the work of Christian

Aid in Republic of Ireland. Christian Aid Ireland (Republic of Ireland) is consolidated on a line-by-line basis in the Christian Aid group financial statements, in line with Financial Reporting Standard 2. The Christian Aid Ireland (Republic of Ireland) year end was 31 March 2013.

Christian Aid International (CA INT)

A charitable foundation registered in Spain, Christian Aid International operates under the brand name InspirAction with the objective of raising awareness of, and funds for, some of the world's poorest and most marginalised communities. Christian Aid is the sole member with authority to appoint and remove trustees from the foundation. Christian Aid International is consolidated on a line-by-line basis in the Christian Aid group financial statements, in line with Financial Reporting Standard 2. The Christian Aid International year end was 31 March 2013.

The British and Irish Churches Trust Ltd (BICT)

A charitable company limited by guarantee, incorporated in England and Wales, which owns Interchurch House on behalf of Christian Aid and Churches Together in Britain

and Ireland (CTBI). The year end of this company was 31 December 2012, the date of CTBI's year end. The figures below represent Christian Aid's 71.25 per cent interest. The reserves retained within BICT are related to the management of Interchurch House.

Christian Aid Trading Ltd (CAT)

A company limited by share capital, incorporated in England and Wales. Its two shares are held by Christian Aid. Christian Aid Trading Ltd carries out the trading and commercial promotional activities of Christian Aid, the incorporated charity. The net taxable profit is transferred by Gift Aid to Christian Aid. The Christian Aid Trading Ltd year end was 31 March 2013.

	2013 CA NI £'000	2013 CA ROI £'000	2013 CA INT £'000	2013 BICT £'000	2013 CAT £'000	2012 CA NI £'000	2012 CA ROI £'000	2012 CA INT £'000	2012 BICT £'000	2012 CAT £'000
Total incoming resources	2,905	3,919	312	514	213	3,247	4,839	419	515	321
Total resources expended	(3,192)	(3,959)	(295)	(514)	(97)	(3,356)	(4,198)	(362)	(515)	(46)
Net incoming resources	(287)	(40)	17	-	116	(109)	641	57	-	275
Revaluation on translation	-	(20)	2	-	-	-	(23)	(4)	-	-
Gift Aided to Christian Aid	-	-	-	-	(116)	-	-	-	-	(275)
Retained surplus/ (deficit) for the year	(287)	(60)	19	-	-	(109)	618	53	-	-
Total assets	865	3,480	164	51	191	1,536	3,514	146	51	308
Total liabilities	(303)	(583)	(17)	(37)	(166)	(687)	(557)	(18)	(37)	(283)
Total funds	562	2,897	147	14	25	849	2,957	128	14	25

18. Derivatives not included at fair value

Christian Aid uses derivative financial instruments to manage its exposure to foreign currency exchange risks, including foreign exchange forward contracts. The fair value of these instruments is calculated at the balance sheet date by comparison between the rate implicit in the contract and the exchange rate at that date.

At 31 March 2013, Christian Aid had commitments to buy US\$8m in foreign exchange forward contracts, with an unrealised gain of £314,000 (2012: commitments to buy US\$12m in foreign exchange forward contracts, with an unrealised loss of £241,000 – fair value calculated as at 31 March 2012).

At 31 March 2013, Christian Aid had commitments to buy 99.4m Indian rupees in foreign exchange forward contracts with an unrealised gain of £95,000 (2012: commitments to buy £50.7m Indian rupees, with an unrealised loss of £51,000 – fair value calculated as at 31 March 2012).

19. Department for International Development funding

In the year ended 31 March 2013, grants totalling £13.6m (2012: £12.2m) were received by Christian Aid from the Department for International Development, as follows:

	2013 Unrestricted £'000	2013 Restricted £'000	2013 Total £'000	2012 Total £'000
Programme Partnership Arrangement	-	7,256	7,256	7,256
UK Aid Match	-	1,700	1,700	-
Power to the People	-	1,418	1,418	1,183
Consortium of British Humanitarian Agencies	-	-	-	444
For specific programmes in:				
India	-	664	664	544
Malawi	-	1,570	1,570	980
Myanmar	40	699	739	853
Zimbabwe	44	226	270	980
	84	13,533	13,617	12,240

Expenditure for the Governance and Transparency Fund (GTF 301) 'Power to the People', in the year ended 31 March 2013, amounted to £1.6m (2012: £1.1m).

20. Comic Relief funding

In the year ended 31 March 2013, grants totalling £0.5m (2012: £1.5m) were received by Christian Aid from Comic Relief, as follows:

	2013 Unrestricted £'000	2013 Restricted £'000	2013 Total £'000	2012 Total £'000
Asia Regional Programme	-	-	-	113
People Living Positively	-	191	191	307
For specific programmes in:				
Angola	-	13	13	121
Ghana	-	-	-	125
Kenya	-	51	51	447
Sudan	-	273	273	344
	-	528	528	1,457

21. ICCO* funding

Consolidated group	Opening balance	Incoming resources	Resources expended			Closing balance
	£'000	£'000	Salaries £'000	Other costs £'000	Grants to partners £'000	£'000
ACT Central Asia (Tajikistan)	16	(16)	-	-	-	-
Civil society organisations (CSO) capacity strengthening	72	-	(4)	(34)	-	34
Earthquake preparedness initiative in Tajikistan and Kyrgyzstan	-	16	-	-	(16)	-
Total ICCO funding	88	-	(4)	(34)	(16)	34

*ICCO is an interchurch organisation for development cooperation based in the Netherlands.

22. Pensions

Christian Aid operates a defined benefit (final salary) funded pension scheme, contributes to a defined contribution pension scheme and participates in The Pensions Trust Growth Plan.

a. Defined benefit (final salary) funded pension scheme

The scheme is closed to future accrual but has retained a salary link for active members.

(i) The amounts recognised in the balance sheet are as follows:

	2013 £'000	2012 £'000
Present value of funded obligations	(48,068)	(43,850)
Fair value of plan assets	40,098	33,761
Deficit	(7,970)	(10,089)

Amounts in the balance sheet:

Liabilities	(7,970)	(10,089)
Assets	-	-
Net liability	(7,970)	(10,089)

(ii) Changes in the present value of the defined benefit obligation are as follows:

	2013 £'000	2012 £'000
Opening defined benefit obligation	43,850	41,261
Current service cost	134	130
Interest on obligation	1,996	2,256
Actuarial losses/(gains)	3,154	1,077
Benefits paid	(1,066)	(874)
Defined benefit obligation at end of year	48,068	43,850

(iii) Changes in the fair value of the scheme assets are as follows:

	2013 £'000	2012 £'000
Opening fair value of scheme assets	33,761	30,499
Expected return	2,141	2,165
Actuarial gain/(loss)	2,825	(189)
Employer contributions	2,437	2,160
Benefits paid	(1,066)	(874)
Fair value of scheme assets at the year end	40,098	33,761

The employer expects to contribute £2,220,000 to the scheme for the year starting 1 April 2013. The current arrangements as regards to contribution levels are described in the Schedule of Contributions dated 15 December 2009.

(iv) The amounts included within the statement of financial activities are as follows:

	2013 £'000	2012 £'000
Current service cost	(134)	(130)
Past service cost	-	-
Expected return on scheme assets	2,141	2,165
Interest on obligation	(1,996)	(2,256)
Total amount charged within net incoming/(outgoing) resources	11	(221)
Actuarial gain/(loss)	(329)	(1,266)
Total amount charged to the statement of financial activities	(318)	(1,487)

	2013 £'000	2012 £'000
Net cumulative actuarial losses since 1 April 2002	14,689	14,360

(v) The major categories of scheme assets by value and as a percentage of total scheme assets are as follows:

	Value at 31 March 2013 £'000	Proportion %	Value at 31 March 2012 £'000	Proportion %
Equities	25,495	64%	22,068	65%
Bonds	14,129	35%	11,364	34%
Cash	474	1%	329	1%
	40,098	100%	33,761	100%

The scheme holds quoted securities and these have been valued at bid-price. The corresponding amounts from previous years are not valued at bid-prices and have not been restated. The scheme assets do not include investments issued by Christian Aid nor any property occupied by Christian Aid. The overall expected rate of return on the scheme assets has been based on the average expected return for each asset class, weighted by the amount of assets in each class.

	2013 £'000	2012 £'000
The actual return on the scheme assets in the year	4,966	1,976

(vi) Principal assumptions at the balance sheet date (expressed as weighted averages):

	2013	2012
Discount rate	4.40%	4.60%
Rate of increase in salaries	4.30%	4.60%
Rate of increase of pensions: LPI 5%	2.40%	2.20%
Rate of revaluation of deferred pensions in excess of the Guaranteed Minimum Pension	3.30%	3.10%
Inflation assumption – Retail Price Index	3.30%	3.10%
Inflation assumption – Consumer Price Index	2.40%	2.20%
Expected return on scheme assets as at the beginning of each period presented	6.22%	6.93%
The mortality assumptions adopted at 31 March 2013 imply the following life expectancies:		
	2013 Years	2012 Years
Male retiring at age 65 in 2013	23.3	23.1
Female retiring at age 65 in 2013	25.3	24.9
Male retiring at age 65 in 2033	25.5	25.4
Female retiring at age 65 in 2033	27.2	26.8

(vii) The amounts for the current and previous periods are as follows:

	2013 £'000	2012 £'000	2011 £'000	2010 £'000	2009 £'000
Defined benefit obligation	(48,068)	(43,850)	(41,261)	(43,522)	(30,295)
Scheme assets	40,098	33,761	30,499	27,695	20,339
Surplus/(deficit)	(7,970)	(10,089)	(10,762)	(15,827)	(9,956)
Experience gain/(loss) on scheme liabilities	340	1,661	-	313	520
Actual return less expected return on scheme assets	2,825	(189)	(313)	4,945	(5,311)

b. Defined contribution pension scheme

The total cost of the defined contribution pension scheme to the charity was £990,235 (2012: £946,631). There were no outstanding or prepaid contributions at 31 March 2013.

c. The Pensions Trust Growth Plan

The Pensions Trust Growth Plan is a multi-employer pension plan which is in most respects a money purchase arrangement but has some guarantees. The pension guarantees create a defined benefit pension obligation. Following a change in legislation in September 2005, there is a potential debt owed by participating employers of The Growth Plan in the event that an employer ceases to participate in the scheme or the scheme winds up at a time when it is not fully funded on a buy-out basis. At this point in time the trustee does not intend to wind up the Growth Plan. Following an actuarial valuation of The Growth Plan as at 30 September 2012, the updated estimated employer debt on withdrawal for Christian Aid as at 30 September 2012 was £838,000 if we include series three liabilities in the calculation (30 September 2011: £700,000) and £1,137,000 if we exclude series three liabilities.

Reference and administrative details

Board of trustees

Chair

Anne Owers (until November 2012)^{2,4}
Rowan Williams (from 1 May 2013)^{1,2,3}

Vice Chair

Kumar Jacob (until November 2012)^{2,3,4}

Other trustees

John Davies
Robert Fyffe²
Carolyn Gray^{3,4}
Victoria Hardman
Tom Hinton¹
Gillian Kingston
Alan McDonald
Mervyn McCullagh (from November 2012)
Morag Mylne
Wilton Powell
Alastair Redfern
Brian Ridsdale¹
Charlotte Seymour-Smith⁴
Graham Sparkes (until November 2012)
Paul Spray
Bridget Walker (until November 2012)
Trevor Williams

Kumar Jacob

Following the resignation of Anne Owers in November 2012, Kumar Jacob was appointed interim Chair and he served in that role until April 2013, when he reverted to his previous role as vice Chair following the appointment of Rowan Williams.

Committee advisers

Duncan Brown^{3,4}
Gerald Gallagher (until November 2012)
Phil Hodgkinson¹
Linda Holbeche³
Jenine Langrish¹
Graham O'Connell³
Karen West³

Executive officers

Chief Executive

Loretta Minghella

Directors

Finance and Operations
- Martin Birch
Strategy and People Management
- Martin Kyndt
Policy and Public Affairs
(from 11 June 2012)
- Christine Allen
Supporter and Community Partnerships
- David Pain
International
- Paul Valentin

Registered office

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Professional advisers

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Solicitors

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Gregory Rowcliffe Milners
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Bankers

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Manchester M60 4EP
Standard Chartered Bank
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1 Basinghall Avenue
London EC2V 5DD

Investment managers

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Primrose Street
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Epworth Investment
Management Limited
9 Bonhill Street
London EC2A 4PE
CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London EC4V 4ET

Investment and pension advisors

Lane, Clark, Peacock LLP
30 Old Burlington Street
London W1S 3NN

1 Member of finance and audit committee*
2 Member of nominations and procedures committee
3 Member of HR, governance and strategy committee**
4 Member of remuneration committee

* The finance and audit committee was replaced earlier in the year with two new committees: the finance, fundraising and investment committee, and the audit and risk committee

** The organisational development and strategy advisory committee became a full committee during the year with a name change to HR, governance and strategy committee

To find out more about our work, please visit our websites

christianaid.org.uk
 christianaid.org.uk/scotland
 christianaid.org.uk/cymru
 christianaid.ie
 christianaid.org.uk/learn
 presentaid.org
 inspiraction.org
 christianaidcollective.org

or email us at: info@christian-aid.org

If you have any comments or queries about our Annual Report, please let us know at info@christian-aid.org or phone us on +44 (0)20 7523 2225

Directorate

Chief Executive

Loretta Minghella

**International Department
 Corporate Gender Champion
 (maternity cover)**

Josh Levene

Head of Africa

Karimi Kinoti

Head of Asia and Middle East

Ray Hasan

Head of Humanitarian

Nick Guttman

**Head of Large and Complex
 Programmes**

Sarah Moss

Head of Latin America and Caribbean

Andrew Croggon

**Head of Programme Delivery and
 Operations**

Robin Greenwood

Head of Programme Funding

Dominic Brain

Head of Programme Performance

Daniel Jones

International Director

Paul Valentin

Finance and Operations Department

Director of Finance and Operations

Martin Birch

Governance Manager

Ade Lawal

Head of Contracts and Procurement

John Ward

Head of Finance

Fabienne Arminjon

Head of ICT

Philip Humphries

**Head of Internal Audit and Risk
 Management**

Gaynor Miller

Head of Supporter Relations

Helen Campbell

Policy and Public Affairs Department

Chief Development Economist

Priya Lukka

Director of Policy and Public Affairs

Christine Allen

Head of Advocacy

Laura Taylor

Head of Church Advocacy

Dionne Gravesande

Head of Policy

Alison Kelly

**Supporter and Community
 Partnerships Department**

Chief Executive, Christian Aid Ireland

Rosamond Bennett

**Director of Supporter and Community
 Partnerships**

David Pain

Head of Christian Aid Scotland

Kathy Galloway

Head of Christian Aid Wales

Cathrin Daniel

Head of Communications

Steven Buckley

Head of England (North and Central)

Paul Brannen

Head of England (South)

Jeremy Wyman

Head of Insight

Clare Bamberger

Head of Inspiring Participation

Paul Langley

Head of Private Sector Participation

Mark Boulding

Strategy and People Management

Business Partners

Maria Farres

Karen McCreanor

[One position vacant]

**Director of Strategy and
 People Management**

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Head of Global HR Services

Harbinder Kaur

**Head of Strategy Implementation
 and Internal Communications**

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Christian Aid

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Email: cardiff@christian-aid.org

Tel: +44 (0) 29 2084 4646

Acknowledgements

Sponsoring churches

Baptist Union of Great Britain
Baptist Union of Scotland
Baptist Union of Wales
Cherubim and Seraphim Council of Churches
Church in Wales
Church of England
Church of God of Prophecy
Church of Ireland
Church of Scotland
Congregational Federation
Council of African and Afro-Caribbean Churches
Council of Oriental Orthodox Christian Churches
Countess of Huntingdon's Connexion
Fellowship of the Churches of Christ
Free Church of England
Greek Orthodox Church
Independent Methodist Churches
International Ministerial Council of Great Britain
Joint Council for Anglo-Caribbean Churches
Lutheran Council of Great Britain
Methodist Church
Methodist Church in Ireland
Moravian Church of Great Britain and Ireland
New Assembly of Churches
New Testament Assembly
New Testament Church of God
Non-Subscribing Presbyterian Church of Ireland
Old Baptist Union
Presbyterian Church in Ireland
Presbyterian Church of Wales
Religious Society of Friends in Britain
Religious Society of Friends in Ireland
Russian Orthodox Church
Salvation Army (UK Territory)
Scottish Episcopal Church
Seventh Day Adventist Church
Union of Welsh Independents
Unitarian and Free Christian Churches
United Free Church of Scotland
United Reformed Church
Wesleyan Holiness Church

Acknowledgements

All of Christian Aid's work is based on the spirit of cooperation and partnership. We would like to express our sincere thanks to the many organisations and individuals who make our work possible. Together we strive to be part of a worldwide movement of people committed to eradicating poverty and social injustice.

We want to give special thanks to the following supporters.

Individual supporters

This movement includes the many hundreds of thousands of supporters who contribute to our work in a multitude of ways – as individual donors, campaigners, collectors, local and national committee members, or through local churches.

We would like to thank our specialist volunteers who have significantly extended the reach of our work by speaking, taking lessons and assemblies, writing media articles, helping in our offices, undertaking research and translation work, organising events and much more.

We would also like to extend a special thank you to a small group of supporters who have made an extraordinary commitment over five years to our In Their Lifetime appeal. The campaign will enable Christian Aid to respond in innovative ways to increase the scope of some of our most effective work.

Institutions and trusts

ACT Alliance
APRODEV
The Band Aid Charitable Trust
Centre for Research on Multinational Corporations (SOMO)
Comic Relief
Consortium of British Humanitarian Agencies (CBHA)
DanChurchAid
Department for International Development (DFID)
Disasters Emergency Committee (DEC)
Electric Aid
Episcopal Relief and Development
European Commission
European Commission Humanitarian Aid (ECHO)
Fondation Ensemble
ICCO

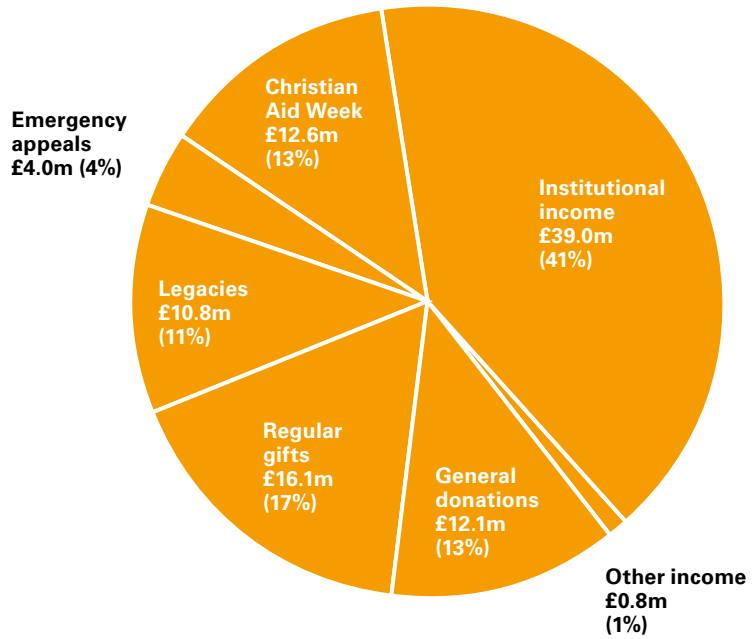
International Orthodox Christian Charities
Irish Aid
Isle of Man International Development Committee
KFW
Norwegian Church Aid
Scottish Government
States of Guernsey Overseas Aid Commission
States of Jersey Overseas Aid Commission
Stavros Niarchos Foundation
Trocaire
United Nations Development Programme
United States Agency for International Development (USAID)

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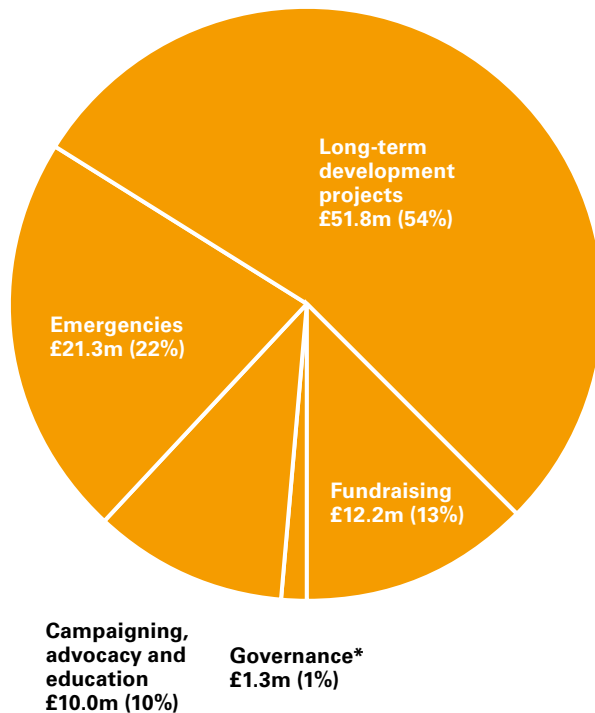
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Ecclesiastical Insurance Group
Ecotricity
The Entertainer
Gilead Sciences
The Good Little Company
John Ayling Associates
Kingsway
Latham & Watkins
Monsoon Accessorize
Simmons & Simmons
Traidcraft
Triodos
And
Aberdeen Energy Technology
Account-Ability Limited
AFD Software
Gaia Communications
Goodcall
M247 (formerly Christian Technology)
The Midcounties Co-operative
Morphy Richards
New Covent Garden Soup
The Rainbow Shop
Renishaw
Rethink Europe (formerly Redeem)
St Mark's Press
TCS Biosciences
Thomson Reuters
The Toy Trust
United Tyres
William Sinclair



Total income: £95.4 million



Total expenditure: £96.6 million



*Governance costs are costs associated with the general running of the charity, as opposed to those costs associated with fundraising or charitable activity.

Christian Aid is a member of the

actalliance

Christian Aid is a Christian organisation that insists the world can and must be swiftly changed to one where everyone can live a full life, free from poverty.

We work globally for profound change that eradicates the causes of poverty, striving to achieve equality, dignity and freedom for all, regardless of faith or nationality. We are part of a wider movement for social justice.

We provide urgent, practical and effective assistance where need is great, tackling the effects of poverty as well as its root causes.

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