

**Christian Aid
annual report and
accounts 2013/14**



Cover: In Bangladesh, 'change maker' Selina Begum has gained a position of respect in her community since joining a savings group and then going on to become its president. The group was set up by Christian Aid partner Shushilan, which also gave Selina and others training that helped them save lives in the aftermath of Cyclone Aila. Christian Aid/Tom Pilston

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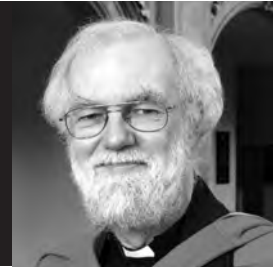
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Letter from the Chair



Like most of you, I struggle with a sense of being burdened by the immense scale of suffering and violence in our world at the moment. It can seem as though we are facing unprecedented challenges. But this is a stimulus for deepened commitment on the part of Christian Aid to create opportunities for change, to help people feel they can make a difference, and to bear witness to the inexhaustible value of all and the consequent need for justice for all.

The year has seen fresh problems arise for aid and development agencies. The new lobbying legislation has created some anxiety about discussing certain issues because of the risk of being judged to be too 'political'. While we at Christian Aid have no allegiance to any particular party in politics, we must still ask how political decisions affect the development of sustainable, secure and just environments for the poor. We hope to equip people with what they need to ask the difficult questions about how poverty and disadvantage arise.

The Christian churches have a key role in this discussion: bearing witness to what they believe is required of human relationships if they are to reflect the very life of God. On that basis, they must ask governments and public institutions if their decisions work for or against such just relationships. Christian Aid's mandate comes from the independence and spiritual energy of believing communities.

We continue with our core work of building change. In doing so, we ask: how do we bring new capacities to life so that people feel they have power to change their circumstances?

One of the most moving moments of my visit to South Sudan in July was meeting a group of women in Juba who had, with the help of one of our partners, built a small cooperative business. During the horrific violence last December, their property had been destroyed and their savings looted. But they had begun again, confident that the skill and vision they had developed could never be taken away. That is what we most hope for – a story of human growth that cannot be reversed.

It is for this reason that we seek to keep our eyes on 'big picture' issues – such as gender-related violence and the impact of climate change on the poorest.

We are currently pressing governments to deliver in the next round of climate talks, emphasising that objections to radical action on climate change lose more credibility as each new piece of research emerges.

We have also been involved in emergency operations, responding when vulnerable individuals and communities have needed immediate help. The enormous generosity of our supporters has raised more than £2m for the Syria Crisis Appeal.

We received more than £3.5m from supporters after Typhoon Haiyan devastated the Philippines, allowing us to reach nearly 182,000 people with emergency relief.

As always, we have been hugely fortunate in the expertise and commitment of our trustees. Over the past year, we said goodbye to Kumar Jacob and Gillian Kingston, who both retired last October after years of service. And we welcomed Alexis Chapman, Jennifer Cormack, Bala Gnanapragasam and Carla Stent, each of whom has already brought exceptional gifts of skill and vision. To Loretta and the senior leadership, we all owe thanks for devoted work, clear vision and positive energy. Facing intimidating challenges, we can be confident that we have the human resources we need to respond hopefully and effectively. We can proceed with solid expectations.

Dr Rowan Williams

Chair of the Christian Aid Board of Trustees

Letter from our Chief Executive



A world without poverty requires justice in its fullest sense, the kind of justice that means each person can expect to be heard and treated as someone of inestimable value. As you'll see in this report, our emergency response work is highly effective, our ability to help communities become stronger is widely respected, but we want to tackle the problems at source. Charity, in the narrow sense of giving people things they don't have, can do good. But on its own, it won't bring about the transformation that Christian Aid strives for.

That is why the Enough Food for Everyone IF campaign, which reached its climax in 2013/2014, was so important: it was a moment to say to G8 leaders that aid, which plays a crucial role in development, is not enough. That is why Christian Aid has championed the need for tax justice. As a result of our work on tax, I was invited to speak at the UK Government's pre-summit event to leaders from across the world about the importance of global tax reform in tackling poverty in developing countries.

Big campaign moments show the depth of public feeling and help us maintain the pressure on governments to deliver on their promises. More than 20,000 supporters wrote to Vince Cable to ask him to create a public registry of ownership that would reveal the ultimate beneficiaries of shell companies. It played a key part in persuading the UK Government to introduce legislation that will make it harder for those trying to dodge taxes in developing countries to succeed – increasing the ability of those countries to stand on their own two feet.

One of the greatest structural power imbalances in our world is the lack of equality for women and girls: they do two-thirds of the world's work, earn one-tenth of the world's income and own only 1% of the world's property.

I visited the work of our partner the Cambodian Women's Crisis Centre in Phnom Penh, and met with some truly inspirational survivors of domestic violence, trafficking and rape. It confirmed my conviction that we can make a difference in the lives of women and girls, and that, working together with our partners, we must do more.

We have begun to implement a wide-ranging gender strategy, rooted in decades of experience, to increase

women's economic, social, personal and political empowerment. Change will not be quick, but I've been heartened by the potential of our relationship with churches and other church agencies to alter how gender roles are understood and to influence international efforts to change social norms.

During the year, we have continued to advocate for robust action on climate change. The science is clear: extreme weather events like Typhoon Haiyan in the Philippines will be much more likely if emissions continue unabated. Now is the time to begin to campaign together again, with renewed energy and urgency, before the window closes on the world's opportunity to reach a fair and ambitious global deal on climate change in Paris in 2015.

On the financial front, the year has brought significant successes. Our income for the year exceeded £100m for the second time, with our legacy income breaking all previous records and institutional funding increasing as donors recognise the value of investing in our expertise and reach. We also recorded our highest ever level of charitable activity.

Behind this headline lies a decline in funding for some of our core work to tackle poverty. It's clear that our individual supporters are stretched in the current financial climate. It's also clear that they remain incredibly generous.

I am thankful to Christian Aid staff across the world who show such professionalism and dedication in these highly pressurised times. I am also deeply grateful to Rowan and all our trustees for their sustained support to help ensure that Christian Aid is the best agency it can be.

Loretta Minghella
Chief Executive

Strategic report

Objectives and activities

Our world is one of unprecedented technological advances and vast resources. Yet, more than ever, extraordinary prosperity and power sit alongside extreme poverty and people denied the opportunity to control their own lives. Around the world 1.6 billion people wake up every day to a life of grinding poverty.

It does not have to be like this.

The choices humanity makes are what cause poverty, and we – the wealthiest generation in human history – have the greatest opportunity to overcome it.

The signs are already there. Since 1950, thanks to the actions of millions of people committed to change, child mortality has more than halved, the number of children getting primary education globally has grown to almost 90% and life expectancy in developing countries has risen by 20 years.

We know that the root cause of poverty is lack of power: the power, for example, to have your say and be heard, to know your rights and demand them, to access essential services such as health and education, to share fairly in the world's resources, to live in peace and security.

Addressing this imbalance in power was at the heart of our strategy *Partnership for Change*, which we launched in April 2012. It sets out the vision for the organisation's work and how we want to make that vision a reality. We have continued to use this vision to guide our work in 2013/14.

As the title suggests, it emphasises the importance of partnership. Christian Aid's strengths, experience and understanding of poverty mean we can make a huge contribution – but not on our own.

All of our work is based on trusting and effective relationships. We work with others as part of a global movement committed to ending poverty and social injustice. They include:

- churches and faith groups around the world, including our 41 sponsoring churches, interfaith networks, and ACT Alliance, a coalition of more than 140 churches and affiliated organisations
- local partner organisations across 40 countries, rooted in the communities with whom they work. They have a deep understanding of what is required to help the people around them lift themselves out of poverty
- local and national governments around the world – with whom we engage regularly on policy issues, and to deliver large programmes
- business and the private sector – from multinational companies to community cooperatives. We advocate for pro-poor sustainable and ethical business practices and harness the power of the market to bring about fundamental change for poor communities
- individuals in Britain and Ireland, and around the world. Our supporters' generosity in giving, praying and taking action is at the heart of our work. Christian Aid Week 2013, for example, brought together more than 100,000 tireless volunteers, engaged hundreds of thousands more and raised close to £12m. When they come together, our supporters can build political pressure for the changes needed to end poverty.

We are committed to growing and deepening this community of energetic, mutually respectful relationships.

Rooted in our belief in a creative and loving God, we're clear that poverty can be eradicated by empowering individuals and communities. *Partnership for Change* identifies three fundamental shifts in power that will help bring about an end to poverty:

- Power for people to withstand threats and disasters, to seize opportunities, to live with dignity and to thrive.
- Power for people to get a fair and sustainable share of the world's resources.
- Power for people to have a say in the vital decisions that affect their lives and to play a full part in society and the economy.

To bring about these shifts in power, *Partnership for Change* identifies five strategic aims for our work:

1. **Power to change institutions.** We give poor communities around the world the power to influence institutions – so that the decisions affecting their lives are made responsibly and fairly. And we mobilise our supporters in the UK to campaign on issues such as tax dodging and climate change – striving for and bringing about changes to government policies.
2. **The right to essential services.** We help people access services crucial for their health and wellbeing. Through targeted campaigns we urge governments and businesses to make sure essential services and medicines are affordable. And we show the standard of service delivery and community strengthening that is possible through the work of our partners – work that governments can then adopt, adapt or scale up.

3. **Fair shares in a constrained world.** We help people get a fair and sustainable share of the world's resources. We strive to make markets work for poor communities, not against them, and we promote fair and green alternatives to our usual patterns of consumption.
4. **Equality for all.** We strive for a more inclusive world where identity – gender, ethnicity, caste, religion, class, sexual orientation – is no longer a barrier to equal treatment. We hold governments and global institutions to account for their record of implementing policies and laws that combat inequality and discrimination. We work through churches and interfaith networks to challenge intolerance and promote inclusion.
5. **Tackling violence, building peace.** We ensure that vulnerable people are protected from violence and live in peace. We're part of social movements for change that challenge attitudes, behaviours and beliefs that perpetuate violence. We push for those responsible for violence to be held to account, and for governments to prioritise peaceful alternatives.

These changes will represent radical progress towards our vision of ending poverty worldwide. We will judge our success against them.

Achievements and performance

All of our work, regardless of where in the world it takes place, is implemented in collaboration with partner organisations, who we support and work alongside in many different ways.

Here's how, working together, we performed against each of our strategic change objectives in 2013/14.

Strategic change objective: Power to change institutions

This year we worked to make sure that governments and other institutions share power with those they serve, in ways that are just, accountable and inclusive.

Putting tax justice at the top of the agenda

In 2013/14, the passion and dedication of our supporters helped put tax justice at the top of the world's agenda, leading to some major political breakthroughs.

More than 50,000 people turned out at mass rallies in London and Belfast ahead of the G8 summit in June 2013 – the culmination of the Enough Food for Everyone IF campaign. IF was a huge coalition of more than 200 charities, churches and other organisations, committed to ending global hunger – making it the biggest campaign of its kind since Make Poverty History.

Christian Aid played a leading role, helping to establish tax justice as one of IF's four key themes, along with aid, land rights and transparency. We showed how tax dodging was having devastating consequences for the world's poorest countries, depriving them of vital revenues that could help provide services such as healthcare and education to lift their people out of poverty.

We inspired a growing desire across the development sector to tackle tax dodging, and the huge momentum of the IF campaign propelled the issue to the top of the agenda at the G8. This pressure helped persuade UK tax havens to sign a convention to improve transparency, while G8 leaders made a broad commitment to tackle tax dodging, which needs to be implemented in the year ahead.

Giving tax dodgers nowhere to hide

In the autumn of 2013 we worked to turn the promises made at the G8 into a reality. We shone a spotlight on 'phantom firms' – a complex network of trusts and shell companies used by unscrupulous multinationals, with the help of the secrecy granted by tax havens, to conceal the profits they make and the taxes they owe.

More than 20,000 supporters called on the Secretary of State for Business Vince Cable to create a public registry of ownership that would reveal the ultimate beneficiaries of shell companies.

Thanks to our campaign work alongside others, in October 2013 the UK Government announced it would set up just such a public registry of beneficial owners.

Tax justice around the world

We've strived to advance the cause of tax justice in many of the countries in which we work.

In Ghana, Sierra Leone, Nigeria, Kenya and South Africa, for example, we've helped partners increase public awareness of tax as an issue and to scrutinise government use of tax revenue. Over time, this should make these governments significantly more accountable to their people. We are also conducting important research alongside Global Witness on the illicit economy and its impact on development.

Climate change campaign:

Warsaw and the 'Fast for the Climate'

If the world is to avoid the most catastrophic effects of climate change, we urgently need decisive political action. This year, though, the necessary political will has been sadly lacking and nowhere near enough progress has been made.

In November, we joined forces with ACT Alliance at the annual international climate change summit – COP 19 – in Warsaw, Poland. We strenuously lobbied policymakers, citing strong scientific evidence and our own first-hand knowledge of the effects of climate change on the poor communities we support.

In the devastating wake of Typhoon Haiyan, which ripped through his homeland on 8 November, Philippines delegate Yeb Saño made an impassioned plea for action to tackle climate change. He pledged to fast during the summit until, in his words, 'a meaningful outcome is in sight'. We called on our supporters to join with Yeb in a 'Fast for the Climate' – our Chair Dr Rowan Williams led a number of our supporters to do this.

The UK Government's response to COP 19 was to announce that UK money will no longer be invested in new coal power projects around the world, recognising the urgent need to stop burning the planet's dirtiest fossil fuel.

We saw further progress at Warsaw, with countries agreeing on a new mechanism to plan and prepare for loss and damage associated with the impact of climate change in particularly vulnerable countries. This will potentially benefit millions of people.

Redoubling our efforts

We must now increase our efforts on climate change if we're to galvanise the political will that's so urgently needed.

We will continue to help our global partners play an informed, effective part in national, regional and global climate change negotiations. And at a global leaders' summit organised by UN Secretary-General Ban Ki-moon in September 2014, we'll demand real commitment from world leaders to deliver a fair, ambitious and legally binding agreement to tackle climate change.

Post-2015

This year, we have also been working tirelessly on the post-2015 process – global negotiations that will produce a new set of targets to replace the Millennium Development Goals.

We've concentrated on persuading governments in the North and South to put environmental sustainability, climate change and equality at the heart of this agenda.

We produced a new report, *The World We Want to See: Perspectives on Post-2015*, which sets out our partners' views on what the new goals should be. It launched at Lambeth Palace with a roundtable attended by Department for International Development (DFID) minister Lynne Featherstone and it was used at the UN General Assembly in September 2013 and in subsequent UN meetings.

A voice for the voiceless

On top of our global campaigning, we supported poor and marginalised groups in more than 20 countries – from Palestinian citizens in Israel to dalit communities in India – to have a real voice in the decisions that affect their lives.

Here are just some of the ways we've enabled people to have greater influence this year:

- We've raised citizens' awareness of their rights as taxpayers in Ghana, working towards a fairer and more equitable tax system that benefits the poorest.
- We've helped women in Nigeria influence decisions and run for office – and saw seven women elected as councillors in Anambra; a first small step on a long journey towards greater leadership by women.
- Our innovative and custom-made text message system – SMS Voices – connected citizens in Sierra Leone with their local councillors, creating a positive dialogue and making the state more accountable to its people.
- In Mali, our partners persuaded the government to give women greater land ownership, granting five land titles to farmers' associations comprising mainly women.

Power to the people

This year saw the completion of Power to People, a major programme run by Christian Aid and funded by DFID.

According to DFID's final evaluation, our partners were able to influence governments, institutions and political leaders effectively. This brought about genuine improvements to the way eight countries were governed, shifting the balance of power towards women and other poor and marginalised people, so that they can advocate for their own rights.

The programme has given us a more sophisticated understanding of power relationships – of how to have the most influence and where best to exert that influence to create change.

Strategic change objective: The right to essential services

Everyone, everywhere has a fundamental right to the services that are critical to their health and wellbeing.

Last year, we made sure hundreds of thousands of people around the world got access to the basic services – such as healthcare and education – that they need.

We pressed governments to increase their spending on health and improve the care they provide. We helped women and marginalised communities – often excluded from services to which they should be entitled – understand their rights and gain access to the services that *are* available or demand better ones. And, working through our partners, we delivered services ourselves as a model for governments to follow.

Around the world in 2013/14, we broke down the barriers that stop poor and marginalised communities accessing services, helping to improve healthcare significantly for vulnerable people. Here are some of the highlights.

Ethiopia, Kenya, Malawi

We helped the Ethiopian, Kenyan and Malawian ministries of health equip existing health facilities and set up new ones. And we supported medical staff with refresher training and supervision.

As a model for these governments to follow, we piloted community-level referral methods, such as using motorbike ambulances to improve access to health services for women and children in remote areas. We used mobile phone technology to monitor the uptake of services such as immunisation and give patients the information they need, including providing pregnant women with antenatal care reminders.

In Malawi, we piloted the innovative training of traditional birth attendants to take on a new role as ‘mothers’ advisers’, after they were banned by the government from delivering babies. They now identify pregnant women and refer them to health centres for antenatal care and delivery. This has improved the relationship between the government and traditional birth attendants, who are now regarded as partners in reproductive health.

In Kenya, our partner organisations reached almost 217,000 people with vital information to help prevent the spread of HIV, tuberculosis and malaria, and to improve maternal and child health. We helped 24,000 children under five to access crucial life-saving healthcare, such as growth monitoring, deworming, immunisation, and nutrition and vitamin A supplements.

Our Kenya programme reached more than 161,000 people living with HIV and AIDS, helping to reduce the stigma that so often surrounds the virus. Our work through faith groups has seen 500 religious leaders publicly disclose their HIV-positive status and then help congregation members to come to terms with living with HIV. We’ve provided more than 42,500 churchgoers with information about prevention, stigma reduction and treatment.

Nigeria

In Nigeria, we piloted an innovative malaria project called Improving Community Response to Malaria.

It conclusively demonstrated that by bringing together both public and private sector prevention, testing and curative services, and by giving the local community a voice in how those services are delivered, the access and uptake of anti-malaria prevention and care could be significantly improved.

In Nigeria’s Plateau and Benue States, we distributed 10,900 long-lasting insecticide-treated nets in 43 communities, benefiting 54,500 people. In Plateau, Benue and Anambra states we also educated almost 75,000 people – nearly two-thirds of whom were young people or children – about the risks of malaria.

A recent evaluation showed that 97% of the people sampled who took part in the programme now sleep under a mosquito net compared with 62.5% before the project; and 79% of pregnant women are now receiving malaria prophylaxis, compared with 51% when the project started. A survey in Benue State showed that 93% of the respondents now understand how malaria is transmitted and how to protect themselves from it.

Burundi

In Burundi, four of our church-based partners have helped almost 360,000 people in their communities gain a greater understanding of health issues, access existing health services or demand better ones, and join health insurance schemes.

Our partner Observatoire de l'Action Gouvernementale has successfully persuaded the government to spend five times more on healthcare in 2014 than in the previous year, and to make medicines and services more widely available.

South Sudan

Education is every child's basic right. It's particularly vital in countries affected by conflict – where school can provide children with a sense of normality and the hope of a better future. In South Sudan we gave more than 25,000 children access to good quality education. We provided school facilities and supplies, trained 900 teachers and raised awareness among 20,000 community members about the barriers that prevent girls getting an education.

Christian Aid worked with local and faith-based partners, including Muslim and Christian religious leaders, in seven of South Sudan's 10 states to disseminate the key message that HIV is a virus and not a moral issue. This has encouraged people living with HIV to access treatment and live full, dignified and healthy lives.

More than 10,000 people have benefited from this work.

Myanmar

In Myanmar, our community health work brings together the government and ethnic groups with the common purpose of delivering vital health services to marginalised communities. This work has helped improve access to services for many vulnerable people, mostly women and children, and proved an important starting point in wider conversations around peace.

Our DFID-funded Emergency Health Care Programme in the south-east of Myanmar has produced excellent results. It used rapid diagnostic test kits to diagnose more than 6,000 patients with malaria, all of whom were then treated and cured.

India

In October 2013, Cyclone Phailin hit India's Odisha coast with wind speeds reaching 130mph. Around 12 million people were affected, and more than 200,000 homes damaged or destroyed. Despite the magnitude of the cyclone, the death toll was much lower than expected, thanks in large part to the excellent disaster-preparedness work of our partners.

Before the storm struck, our partners were part of an evacuation effort that saw more than 1 million people escape to safer areas.

Strategic change objective:
Fair shares in a constrained world

We want fairer markets and economies that help poor communities move beyond subsistence and secure a greater share of the wealth they generate. We want poor people to be less vulnerable to changes in local and global markets.

This is about more than simply helping small farmers grow and sell more. It's about helping them to influence the way the market works – to understand why it does not function well, and how they can fix it.

In 2013/14 we worked with partners in 14 countries to make markets work better for poor communities.

In Kenya, for example, we analysed the market for honey and found that two significant factors were holding farmers back: the quality of the process for producing honey and their inability to sell in bulk, hampering their ability to make a profit.

Our partners are now helping farmers get the financing they need to improve their equipment and the quality of the honey they produce. And they're creating profitable 'honey hubs', which allow farmers to come together to combine what they produce and sell it in bulk.

This innovative programme will have a huge impact, directly benefiting 10,000 farmers, the majority of whom are women. It will also give communities more influence in the market and help farmers to develop efficient business models for the trading of honey.

Changing the rules of the game

Understanding the formal policies, laws and regulations that governments impose on markets and private businesses, as well as the informal behaviours, customs and norms that determine how markets work, can help influence 'the rules of the game'.

In El Salvador, small-scale shrimp producers sell unprocessed shrimps to intermediaries, who pay significantly lower prices than those at the national market. Our partner Procares is helping shrimp-producer cooperatives to secure a fair price for their produce.

Procares brought together producers, intermediaries, buyers, retailers (local supermarkets and restaurants), NGOs and the government to discuss both the buyers' and producers' needs. As a result, the cooperatives now sell added-value produce directly to markets, boosting their prices and guaranteeing a consistent supply of quality shrimps.

To help establish the new process, the government paid \$200,000 for the construction of a shrimp storage and refrigeration facility.

In Malawi, our partners launched a platform for pigeon pea farmers so they can engage with the industry's big traders, processors, exporters, marketing service providers and seed producers, as well as the government's agricultural advisers. We've helped these farmers make contact with competitive buyers, explore opportunities to access export markets and link up with financiers.

Farmers came from all seven pigeon pea growing districts – representing more than 340,000 smallholder pigeon pea producers – to participate. They committed to organising themselves into strong pigeon pea associations, and one partner is training farmers in good production practices and helping them to develop a business mindset.

So far, the programme has benefited more than 4,000 farmers, who have more than doubled farm yields from 500kg to 1,100 kg per hectare, increasing their income by 90%.

Withstanding disaster

Many of the people we support face extreme and constant threats to their way of life: from climate change to conflict, from earthquakes to dwindling natural resources.

Our efforts to help people move beyond subsistence and enjoy the benefits of fairer markets will almost certainly fail unless we address these risks. That's why, in 2013/14, we've been supporting people to better withstand disasters, adapt to climate change and cope with the other pressures they face.

The Philippines

Typhoon Haiyan, thought to be the strongest storm in recorded history, struck the Philippines in November 2013. Winds of up to 170mph devastated large parts of the country (eastern, central and western Visayas, and northern Palawan). The worst affected provinces included Leyte, Samar, Iloilo and Palawan.

Around 14 million people were affected, 4.1 million forced from their homes and more than 6,200 people lost their lives. In the immediate aftermath, Christian Aid's partners in the Philippines reached more than 182,000 people in some of the worst affected and most isolated areas, providing vital supplies including food, water, sleeping mats, blankets and shelter kits.

The storm destroyed not only homes, but people's means of earning a living.

Since Haiyan hit, we have provided more than 100,000 people with cash assistance and livelihoods support, such as new fishing boats and nets.

Together with partners such as the Disasters Emergency Committee (DEC), we raised more than £10m through Typhoon Haiyan emergency appeals.

Churches across the UK and Ireland responded generously to the humanitarian crisis, and raised in excess of £1m.

In Bihar State, India, our partners helped 124 communities, containing 17,108 households recover from the 2008 Kosi floods and be better prepared for the next disaster. This work included developing flood preparedness actions and helping farmers test new, more resilient varieties of wheat and maize crops.

In Burkina Faso, our partners successfully lobbied for the passing of a parliamentary law that makes disaster management a national priority. It will help to address drought in rural areas and protect the livelihoods of poor farmers.

Information is power

In the past year we have also helped more poor farmers access crucial information about their climate.

Our partners in Nicaragua, Kenya, Malawi, India and the Philippines are providing poor farmers with a combination of weather forecasts and relevant agricultural advice, supporting them to make the right crop-growing decisions to increase their yields, and their income. We're also helping farmers use their own rainfall records to make climate-smart decisions and to know when to expect droughts or floods.

In some cases, we're providing information that will give farmers the chance to make long-term plans. In Nicaragua, for example, our partner Centro Humboldt has developed a regional climate model for three major crops for five-year periods up to 2035-39. It has used data from the National Hydro-Meteorological Agency, as well as two years of rainfall information collected by 20 farmer groups in drought-prone areas not covered by the network of climate monitoring stations.

As well as supporting families and communities to plan for the future, this long-term climatic data means our partners can push the government to take the measures necessary to help the country's agriculture adapt and become resilient to drought.

Strategic change objective: Equality for all

Inequality denies people power; it traps them in poverty.

It's an issue that is ever more prominent on the global political agenda. At Davos this year, business leaders declared increasing income inequality to be a top 'global risk', and post-Millennium Development Goals negotiators declared that 'no one must be left behind'.

In 2013/14 Christian Aid worked for a fairer and more equal world. We challenged increasing wealth inequality within countries and globally. We tackled deep-rooted gender inequality and the scandal of gender-based violence. We pushed for an end to the discrimination and social exclusion of minorities through law, policy and practice.

Equal rights for women

Discrimination against women is one of the most significant causes of global poverty – so tackling it remains a top corporate priority.

Towards the end of 2013/14 we set out our new Corporate Gender Strategy, which commits us to tackling the social and cultural drivers of gender inequality.

We helped eight programmes around the world integrate gender equality into their work. In a further 13 international programmes, we reviewed our performance on gender equality and drew up plans to make sure gender is considered at the design, implementation, monitoring and review stages of programmes.

We've encouraged our partners around the world to put the fight against gender inequality at the core of their work:

- In Brazil our partner the Anglican Service on Diaconia and Development launched an innovative educational campaign in churches to prevent violence against women. It persuaded prominent faith leaders and other sections of civil society to push for the approval of a specific law that guarantees girls' and women's rights in situations of violence. As a result, Brazil's President, Dilma Rousseff, sanctioned the new law, which provides an improved response for victims of sexual violence.
- In Zimbabwe, our partner ZWRCN participated in the review of the National Gender Policy in 2013, and made recommendations that were incorporated into the government's final gender policy.

Ethnic inequality

Our work on ethnic equality this year saw significant progress. For example, in Brazil, our partner the Pro-Indigenous Commission of São-Paulo is helping the Afro-Brazilian quilombola community in the Amazon fight the threat to their land from mining companies, and win legal land titles. In December 2013, after years of lobbying, the local authorities of the Oriximiná region donated land to the quilombola. It was a huge step towards helping them secure the right to live on lands that are rightfully theirs.

Migrants and statelessness

In Israel and the occupied Palestinian territory (IOPT) we found innovative ways to help Palestinian citizens of Israel, including the Bedouin community, challenge policies and practices that discriminate against them.

After consistent opposition, our partners were able to freeze the implementation of the Praver Plan, which sought to remove Bedouins within Israel from their homes and land – a major success. In a rare instance of Israeli courts allowing Palestinian citizens to challenge discriminatory planning, a district court accepted our partner ACRI's petition and ordered that Palestinian communities' planning needs should be taken into consideration.

We helped our partner Adalah produce a film called *From al Araqib to Susiya*, which asked if there is an Israeli policy to remove Palestinians from their land, irrespective of legal protection afforded under international law.

Our work had some influence on the Israeli authorities. After media coverage of a video by our partner B'Tselem, the military reversed its policy in Hebron city and allowed Palestinians to pass freely on a paved road initially meant only for Jewish Israeli citizens.

Last year also saw a spike in the number of Israeli citizens exposed to the issue of Palestinian refugee rights, after our partner Zochrot hosted an international conference on the issue: 'From Truth to Redress – Realising the Right of Return of Palestinian Refugees'.

Tax justice

Tax dodging fuels inequality, so this year we:

- stepped up our campaign on tax justice with global leaders at the G8 and beyond
- published *Africa Rising*, a timely report on tax and inequality, in partnership with the Tax Justice Network Africa. The report was subsequently presented at the Pan-African Conference on Inequalities in Ghana in April 2014 – putting inequality back on the policy agenda
- helped civil society organisations and our partners – particularly in Africa – to advocate at national, regional and global levels for taxation systems that are socially just, democratic and accountable, and that reduce structural inequality
- in Sierra Leone, we worked with partners to influence the 2014 national budget speech. Our report, *Losing out, Sierra Leone: Massive Revenue Losses from Tax Incentives* highlighted that the government is spending far less than it needs to on the country's urgent development priorities, such as health, education and agriculture. In it, we urged the government to use the budget to commit to broadening the tax base, combat tax evasion, and make revenue collection more transparent and accountable. We'll continue to press the government to make sure these and other important changes are implemented.

What have we learned this year?

Our work on statelessness in the occupied Palestinian territory (OPT) and tax justice in places like Ghana demonstrated that success comes from having solid evidence and partners skilled in advocacy. We have produced well-researched reports that highlight the gaps in national or international laws on injustice and inequality. And our work on HIV/AIDS prevention and experience with sexual diversity rights in Brazil showed what a key role faith leaders play in tackling inequality – and the need to develop networks of faith groups advocating for equality for all.

Our community health work in Kenya, Burundi and Malawi, and the success of our gender model family approach in Sierra Leone, showed we need to involve men to achieve sustainable change in women's lives and a structural shift in male-female power relations.

Strategic change objective: Tackling violence, building peace

Building peace is not simply a matter of ending physical violence. It is a complex, holistic and continuous process involving a whole range of solutions, from promoting the fairer allocation of resources to helping people participate in decisions that affect their lives.

In 2013/14, across the world, we reached hundreds of thousands of people caught up in conflict and worked to build more peaceful societies.

We stepped up our emergency response to the terrible humanitarian crisis in Syria. We helped communities in Colombia reclaim the rights to their land and bring perpetrators of violence to justice. We pushed for national debates on peace building in Angola. We tackled violence against women in the Democratic Republic of Congo (DRC). And we trained police in El Salvador to protect people's human rights.

Syria crisis

Syria's brutal civil war has raged for more than three years, killing more than 150,000 people and forcing 2.8 million to flee to neighbouring countries. Another 6.5 million people have been displaced inside Syria itself.

In 2013/14, our Syria Crisis Appeal raised close to £2.5m, allowing us to respond to the growing refugee crisis through our partners in Lebanon and Iraq. We worked with ACT Alliance sister agency International Orthodox Christian Charities to provide vital relief to people in desperate need inside Syria.

In all, we reached 50,000 people affected by the conflict, through six partners. We delivered life-saving food and healthcare. We provided cash payments to vulnerable families. We gave children and young people the psychological support they need to deal with their traumatic experiences. We provided essential referrals for people with disabilities. And we worked to prevent violence against women.

With no end in sight to the crisis, and the prospects of a return to Syria as distant as ever for millions of refugees, our partners have also been helping people to find work and earn a living.

The DRC

In conflict-hit eastern DRC, communities requested more security patrols from the UN, they reported rape cases and testified in trials against military personnel, and they persuaded government ministers to support their calls for greater security – thanks to the training in advocacy skills they'd received from our partners.

South Sudan

When violence erupted in Juba in December 2013, we scaled up our work in South Sudan to meet the urgent needs of people displaced by the fighting.

Our partners are providing 100,000 people with essentials such as food, water, cooking equipment, healthcare and sanitation. We've helped those who've lost their livelihoods find sustainable ways to earn a living. And we're giving psychological support to people who have witnessed or experienced violence.

We work as part of ACT Alliance in South Sudan. Together we've made sure church leaders are represented at the peace talks. They've reminded their politicians of their moral obligation to find a peaceful solution to the conflict, and strongly called for the voices of South Sudanese people to be heard in an inclusive process.

Conflict in Colombia

In Colombia, riven by conflict for 50 years, our partners challenged the violence that affects the country's poorest people most of all.

We helped six communities secure deeds and reclaim land that had been seized from them. One of these communities, Cacarica, won its case against the government at the Inter-American Human Rights Court, and the state is now obliged to ensure the community gets its land back.

In a conflict in which perpetrators often act with impunity, our partner CCALCP has worked to bring them to account and deliver justice for their victims. These efforts are a crucial part of the construction of a peaceful and equitable society.

So too is tackling the deprivation that fuels conflict, and giving people an alternative to violence. That's why our partners Corambiente and PDPMM have been working with communities returning to their land to give them the means to make a living and grow the food they need.

Zimbabwe elections

In Zimbabwe, the tense political environment meant that human rights defenders and other members of civil society were harassed and even arrested during the elections in July 2013. Our partner the Zimbabwe Council of Churches (ZCC) helped provide them with protection through their 'shelter city initiative'.

ZCC also led the development of the *Ecumenical Peace Observer* manual, which provided guidelines for election observers. They were allowed to conduct voter education and to register independent election observers.

Empowering communities

During 2013/14 most of our partners in Kenya and the OPT were using our 'Participatory Vulnerability and Capacity Assessment' tool. It was a key part of their work to challenge the lack of state and international accountability and to make the authorities more responsive to the needs and rights of poor people.

The tool has shown how the occupation in the OPT crushes people's livelihoods and restricts their opportunities. It revealed the strong links between conflict and scarcity of resources in Kenya. It has also increased people's influence by helping them act not only as individuals but as communities. They now have a more productive dialogue with local authorities and relevant government ministries, and have a greater range of choices about their own futures despite the risks they face.

Plans for the future

International programmes

Christian Aid will continue to run vital programmes across Africa, Asia, the Middle East, Latin America and the Caribbean. We will keep campaigning and lobbying to change unjust systems around the world, focusing on tax reform, climate change and gender justice. We will respond to disasters and crises, reaching those in the most urgent need.

In our international programmes, priorities for our work in the coming year include:

- our mother-and-child health programme in Kenya and Malawi, which will be part-funded by our 2014 Christmas appeal
- combating gender-based inequalities in Ethiopia, which is a focus of Christian Aid Week 2015
- our innovative markets and social enterprise work in Bolivia and Nicaragua
- scaling-up our work in Myanmar to tackle social and economic injustice in the country's rapidly changing political context
- providing ongoing emergency relief in South Sudan, the Philippines, Syria, Iraq and the OPT.

Our collaboration with other members of ACT Alliance will deepen as we seek practical ways to work more effectively and efficiently together.

While our tried and tested approach of supporting partner projects through grant-making will still dominate, we will continue to develop other ways of working. These include supporting partners through repayable loans and bringing social investors together to back social enterprises.

A new chapter begins in India with Christian Aid operating in collaboration with two locally registered entities, one a subsidiary, the other an independent trust.

Climate change campaigning in 2014/15

In 2015, there will be a new global climate deal and a new set of sustainable development goals to replace the Millennium Development Goals. We are pushing for them to give poor communities a better chance to deal with climate change and to move the world towards a low-carbon future.

Throughout 2014, we'll scale up our public campaigning on climate change to increase the pressure on our leaders to take the ambitious action so urgently needed. We launched our 'One Million Ways' campaign in June 2014, encouraging our supporters to take a range of individual and collective actions in their churches, local communities and daily lives.

We are working with the Climate Coalition in England and Stop Climate Chaos in Wales and Scotland, helping them to engage new audiences and organise major events at key moments ahead of the UN negotiations.

Globally, we are working with partners and ACT Alliance to deliver international change. We're calling on each nation to play its part in delivering the new global deal in early 2015. We will be lobbying strongly at the UN Climate Leaders' summit in September, and the Faith Leaders' summit that precedes it. We are also preparing to attend the climate negotiations in Lima with our Latin American partners.

Tax campaign for 2014/15 and beyond

We'll look to build on the success and momentum of our tax campaign in the coming year.

We'll support a series of studies with partners to understand and address the economic impact of tax breaks offered to companies by developing country governments.

We will work to ensure that the introduction of a registry of beneficial ownership in the UK – which we so successfully campaigned for last year – does not become watered down as it moves through the legislative process.

We are working with other agencies to campaign across the political parties for a tax dodging bill. This bill will combine proposals to tackle tax avoidance and evasion – and their impact on people in poverty, both in the UK and globally.

Our work with the Organisation for Economic Co-operation and Development (OECD) and G20 on Base Erosion and Profit Shifting will highlight how better processes need to be designed to allow developing countries to participate and shape tax legislation.

We will lobby the UN Financing for Development discussions for strong proposals to ensure developing countries are able to raise money through effective taxation, as we seek to ensure sufficient, equitable and accountable financing for sustainable development post-2015.

We'll bring tax justice and women's rights organisations together at regional events to give our work on tax a gender perspective. In October 2014 we will launch a new publication, *Tax and the Common Good*, using

our unique position to present a theological and moral foundation for the campaign to promote tax justice.

The post-2015 agenda

In 2014/15, we will keep working to influence the post-2015 development agenda, focusing on equality and environmental sustainability. This involves:

- leading a delegation of ACT members and our Latin American partners to New York
- building relationships and sharing analysis with UN ambassadors
- publishing a joint report with the Centre for Economic and Social Rights (CESR) on a post-2015 'fiscal revolution'
- organising meetings and roundtables with the UK Government, through Beyond 2015 UK.

Negotiations between governments on the post-2015 development agenda will start in January 2015, and will be accompanied by talks on financing for development.

We expect heads of state to agree new global goals in September 2015, drawing on key work such as the report of the High-Level Panel, co-chaired by the UK Prime Minister and published in 2013, and the Open Working Group on Sustainable Development Goals (SDGs).

Our work in 2014/15 will therefore ensure:

- that ACT Alliance members and our partners – including those involved in the post-2015 gender advocacy project and faith leaders – are supported to participate in debates and bear influence at a national level
- that the UK plays a constructive role in developing the EU Common Position
- that we build on our position paper (due in September 2014) to develop strong policy analysis and contributions in the areas of implementation, accountability and financing.

The principle of partnership continues to define our work and we remain co-chair of the Beyond 2015 UK coalition, playing an active role within the ACT Alliance post-2015 group and with sector-specific networks such as Climate Action Network International (CAN-I).

Our humanitarian work next year

Unforeseen emergencies will strike in the countries where we work. We'll help local organisations on the spot reduce the risk of disaster and respond quickly to crises when they happen.

We anticipate that we will continue to have to respond to the unfolding humanitarian crises across the Middle East. Our programmes will address the immediate humanitarian needs of people forced from their homes and the families who give them refuge.

We will monitor areas of likely food shortages, especially in conflict-affected countries like South Sudan, where major food shortages are predicted to worsen over the coming months.

We will continue to respond to the low-profile crises – often fuelled by climate change – that don't hit the headlines. And we will be ready to respond to new emergencies, especially in those countries most susceptible to disasters.

Our work on making poor communities more resilient to disaster will increasingly focus on people living in conflict-prone areas.

We will review the performance of all our humanitarian responses against an agreed set of criteria, helping us improve the quality of our work in subsequent emergencies.

We will encourage more governments to provide funding to the Start Network and specifically the Start Fund. It's a mechanism currently supported by DFID and Irish Aid, which aims to provide international NGOs – and, in the long run, national NGOs – with more predictable access to rapid emergency response funding. It began to affect disbursements in April 2014.

Centralised and risk-averse donor reporting requirements were inhibiting the ability of the humanitarian system to support the work of local organisations. Throughout the past year we argued for a reform to the way humanitarian work is funded. We will continue to challenge this over the coming year.

We will work with the Start Network to bring these concerns to the World Humanitarian Summit in early 2016, where we will advocate for reform to the global humanitarian system. This will include arguing for a shift in the centre of gravity towards the global South; for giving affected populations a greater voice in humanitarian decision-making; and for greater investment in emergency preparedness and disaster risk reduction to reduce the impact of crises and therefore the need for response.

We will also focus on the implementation of the new core humanitarian standards, which we hope will be approved in December 2014. These will be central to our humanitarian work and form the basis of our accountability mechanisms.

We will be more accountable to the people we aim to support, ensuring that they are included in decisions about how we deliver our emergency programmes.

Principal risks and uncertainties

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. During 2013 we separated out the finance and audit committee to establish a new audit and risk sub-committee and a new finance, fundraising and investment sub-committee of the board. The audit and risk committee is made up of five trustees and an independent adviser. Its meetings are regularly attended by members of the directorate so they can participate in cross-organisational risk management discussions.

The board has considered and approved the risk management policy and its appetite for risk. 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, departmental and major-project level. Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them in line with the board's risk appetite. The directorate reviews and updates the corporate risk register three times a year and it is shared with the audit and risk committee. The board formally reviews and approves it annually.

There are a number of working groups that manage risks in high-risk areas as defined in the risk register. In 2013/14, 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 for the implementation and evaluation of our corporate strategy *Partnership for Change*.

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. Their progress is tracked and regularly reviewed by senior management, the directorate, and the audit and risk committee. Every year, 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. It requires 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. During 2013 we extended the remit of the self-assessments to cover our national and regional offices in Britain and Ireland.

The self-assessment responses are tested as part of the standard internal audit programme for countries and offices that are visited as part of the internal audit plan. Internal audit also provides training and support to country and nations teams in the development and regular review of risks and mitigation strategies relevant to their operations. Online risk training has been rolled out as 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 hamper our ability to work effectively and safely in those locations. 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, conflict 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. It also enables us to access up-to-date information regularly to ensure our programmes remain relevant. Our partners are supported locally through country offices, which provide 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. 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 our partners could also draw Christian Aid into litigious or conflict-related situations, particularly where they publish materials or engage in actions with our financial support. If we, or our partners, act in a way that is contrary to our public policy positions, this could seriously damage our reputation. In addition, poverty is a complex, multi-dimensional issue, and 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 a peer review process and external advisers, as necessary, prior to issue. Staff involved in advocacy and lobbying activities have a clear understanding about the context of the role, and the responsibilities and limitations of campaigning organisations, as laid out in Charity Commission guidance. Clear guidance is given to country programmes about the issues they need to consider when supporting partner publications.

Being clear about our core values ensures alignment of our own actions with our public policy. For example, our work on gender has included as its starting point a reflective view of our own organisational behaviours.

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 a risk that some of the projects we support may lack impact, misuse funds or be unaccountable to beneficiaries. This could damage our reputation with donors and reduce our ability to fundraise.

Our engagement with DFID to deliver 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 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 also work with suppliers, consultants and financial services providers as part of our day-to-day operations.

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. In addition, a failure to invest in key relationships could result in a loss of support for our cause or the failure to maximise our partnership potential.

Mitigation

We always thoroughly research our implementing partners before providing funding by carrying out capacity assessments that consider the organisation's past performance and its governance and control processes. 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 that we fund to the value of £50,000 or more 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 and ensuring that lessons are learned. 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 us evaluate 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. Our standard terms and conditions include a code of conduct for suppliers, which covers ethical and environmental considerations.

Economy, sector competition and financial strategy

Risk

Changes in the economy at home and overseas can have a significant impact on both the propensity to give and the causes that supporters and donors are willing to support. Perceptions of the wealth of middle-income countries might provide a distorted view of the reality for the majority of people living in those countries. This, along with increased competition for funds, may reduce the amount of income, particularly income without restrictions, 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 we are unable to respond to the changing environment or fundraise in a way that engages current and new supporters and 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 them. 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. The operational management group, chaired by the Finance and Operations Director, monitors performance against our operational plans, and related risks and opportunities.

Our programme management information system helps fundraisers to understand where our programmes are most closely aligned with donor interests. The 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. During 2013, we reviewed our operational model for working in India with a view to accessing fundraising opportunities locally. This is a new model of working for Christian Aid which, if successful, may be replicated elsewhere.

We have a loyal supporter base that shares our core values and beliefs. We continue to engage with our supporters, encouraging them to give, act and pray in solidarity with the poor and marginalised communities we support. We ask for and respond to feedback on our marketing, communications and fundraising activities. We provide case studies demonstrating the need for, and impact of, the work that we and our partners do.

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 and identity, and our 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. Negative 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 governments. And we could also fail to make the most of our opportunities to engage the Church in the fight against poverty. The growth in religious extremism could have a detrimental impact on our ability to work in some locations or on the effectiveness of our programmes.

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

Christianity underpins our core values and we have a role to support understanding and tolerance of others, using our faith as a force for change and contributing to interfaith cooperation for the benefit of those in poverty.

Regulatory compliance**Risk**

We operate in many 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 advisers and trustees as appropriate.

Human resources

Risk

Our work is predicated on the continued support and effectiveness of our staff. If we do not provide effective leadership and management and if we do not look after the wellbeing of our staff or provide equal opportunities, the implementation of our strategy could be significantly compromised and our reputation damaged. Failure to ensure the integrity of staff working for Christian Aid could also damage both our work and our reputation.

Mitigation

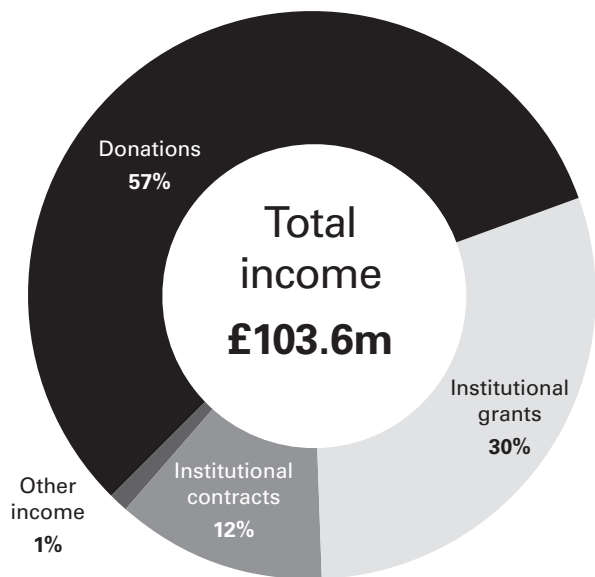
During 2013 we delivered a leadership development programme for our 40 most senior leaders. A similar programme is now being rolled out to a wider cohort of managers. We have also implemented a new performance management system.

We have rigorous recruitment processes designed to help us select candidates who can best help us meet our core aims, and ensure equal opportunities. Posts are advertised internally as a matter of course, and we use gender-balanced panels to interview job applicants. New staff sign Christian Aid's code of conduct and are inducted in a range of policies that underpin our work.

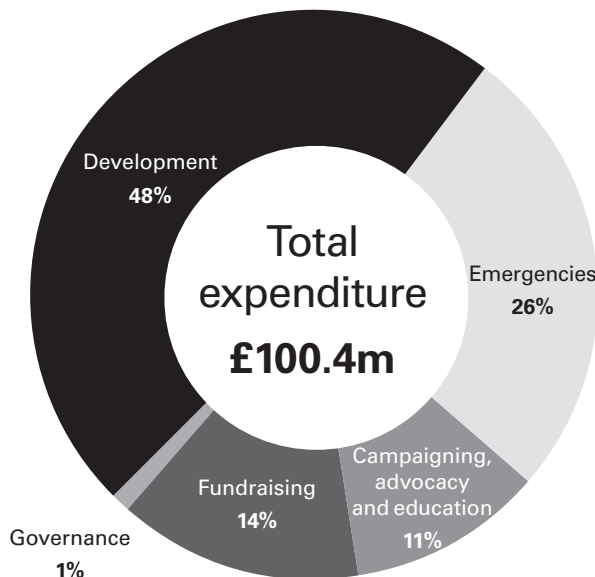
We regularly obtain feedback from staff through surveys and we respond, by department, to the issues raised. We have HR policies designed to promote employee wellbeing and have recently piloted workshops with staff to help reinforce these.

Financial review

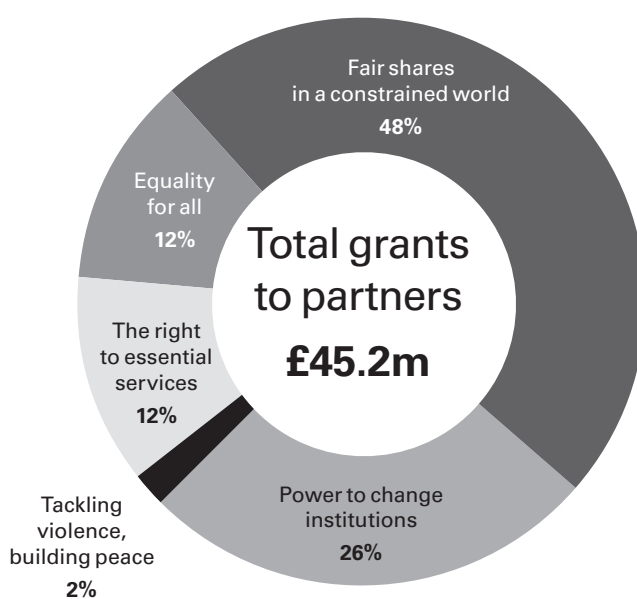
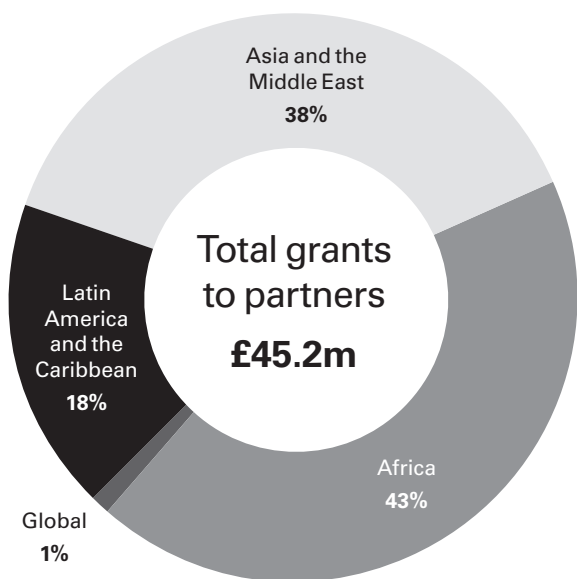
This year we raised £103.6m from...



And we spent £100.4m on...



We distributed £45.2m worth of grants to partner organisations who are supporting our strategic objectives in the following regions.



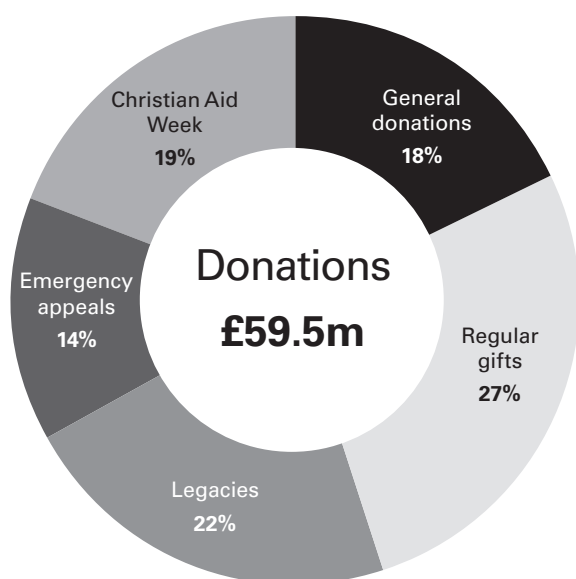
Income

Total income for 2013/14 was £103.6m, up £8.2m or 9% on the previous year, and our highest level of income since 2009/10.

Both donations and institutional grants have driven the growth, as highlighted in the table below:

Total income by type	2009/10	2010/11	2011/12	2012/13	2013/14	2013/14 change
Donations	£67.4m	£62.2m	£57.7m	£55.6m	£59.5m	7%
Institutional grants	£32.0m	£27.0m	£31.1m	£27.4m	£31.5m	15%
Institutional contracts	£3.9m	£4.6m	£5.7m	£11.6m	£12.0m	3%
Other income	£1.3m	£1.2m	£1.0m	£0.8m	£0.6m	(25%)
Total income	£104.6m	£95.0m	£95.5m	£95.4m	£103.6m	9%

Donations



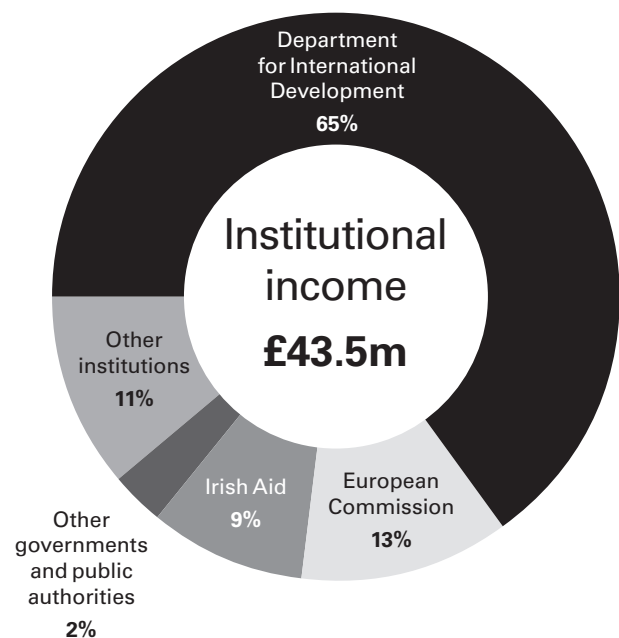
Voluntary donations increased by 7% from £55.6m in 2012/13 to £59.5m in 2013/14.

- During the year we launched new appeals following floods in India and Typhoon Haiyan in the Philippines. We also continued to receive donations for the humanitarian crisis in Syria. As a result, our emergency income was £4.4m higher than in the previous year.
- We had our highest ever income from legacies of £12.9m, £2m more than in the previous year.
- Regular gifts raised £16m, which was in line with the previous year. During the second half of the year we tested a range of activities to recruit regular givers as part of a new fundraising strategy.
- Our income from Christian Aid Week in 2013 fell by £0.9m to £11.7m.

Institutional income (grants and contracts)

Institutional income increased by 11% from £39m in 2012/13 to £43.5m in 2013/14 – thanks to both the continuation of programmes funded by grants secured in previous years and new grants awarded in this financial year.

The UK Government’s Department for International Development (DFID) continues to be our main institutional donor, representing 65% of institutional income.



The lifetime value of grants and contracts awarded during the year was £28.7m. This was significantly higher – £12.6m or 78% – than in 2012/13. Here are some of the award highlights from the year:

- a £2m DFID grant for the ‘Voice to the People, Making Governance Work for Poor and Marginalised People’ programme in Nigeria
- £2.7m worth of DFID humanitarian grants towards our response to Typhoon Haiyan in the Philippines and Cyclone Phailin in India
- €6.9m (£5.7m) worth of grants from the European Commission. These included five new grants through EuropeAid for long-term development programmes, such as an innovative food security programme in north-west Haiti and a programme in Ghana to improve maternal health service delivery. The European Community Humanitarian Office (ECHO) supported five humanitarian response grants in the DRC, Bangladesh, Burkina Faso and India
- Christian Aid Ireland secured €1.5m (£1.2m) from Irish Aid towards humanitarian programmes in the DRC, Mali, India and the Philippines
- the continuing delivery of three high-profile consultancy programmes for DFID through the Poorest Areas Civil Society programme in India (PACS2), The Fund for Civil Society (CSF) in the DRC, and the Enhancing Interaction and the Interface between Civil Society and the State (ENCISS) programme in Sierra Leone.

	2010/11	2011/12	2012/13	2013/14	2013/14 change
Number of grants and contracts submitted	148	119	136	173	27%
Number of grants and contracts awarded	79	71	74	83	12%
Value of grants and contracts awarded	£34.8m	£48.5m*	£16.1m	£28.7m	78%
Income receivable in the year	£31.5m	£36.7m	£38.0m	£43.5m	14%

Restricted and unrestricted income

The mix between restricted and unrestricted income has changed. While restricted income has increased by £9.7m following an increase in emergency and institutional income, unrestricted income has decreased by £1.5m. Since expenditure from unrestricted income is committed up to three years ahead, the impact of any unplanned decrease in unrestricted income will be met from the operational reserves. During 2013/14, the board approved a new voluntary fundraising plan to generate higher levels of unrestricted income over the next five years to meet planned commitments to programmes.

* In 2011/12, we were awarded two strategic multi-annual grants: the Programme Partnership Arrangement from DFID (£21.7m over three years) and another from Irish Aid (£12.2m over four years).

Expenditure

Our total expenditure increased by 4% in 2013/14, from £96.6m in 2012/13 to £100.4m in 2013/14.

Direct charitable expenditure represents 85% of our total spending. It reached an all-time high of £85.6m in 2013/14, mainly because of increased humanitarian activity.

Spending on our **humanitarian work** has increased from £21.3m last year to £26m, as we responded to the crisis in Syria, provided relief following Typhoon Haiyan in the Philippines, and continued to help communities recover from the Haiti earthquake and droughts in East Africa. We also supported low-profile emergencies in Myanmar, Zimbabwe, Colombia and many other countries.

This year we spent £48.8m on long-term **development**. This was £3m less than last year, because our country programmes in disaster-affected areas prioritised responding to humanitarian crises and supporting disaster-affected communities.

Our expenditure on **campaigning, advocacy and education** increased by £0.8m to £10.8m this year. Building on the Enough Food For Everyone IF campaign, which culminated in mass rallies in London and Belfast

ahead of the G8 summit in June 2013, we stepped up our tax campaign and increased the public pressure for a global deal that addresses the threat of climate change. We also continued supporting and equipping the churches and our supporters through a re-invigorated regional structure in England.

Fundraising costs as a percentage of total expenditure increased from 13% to 14% as we invested in our new fundraising strategy. We ran a clergy-calling campaign aimed at recruiting new churches to support our work, and we invested in our fundraising with major donors, trusts and foundations.

Expenditure on **salaries** increased by £2.5m during 2013/14. We awarded a 2% cost-of-living increase to staff on contracts drawn up in Britain and Ireland, and increases ranging from 1% to 18% for national staff based on inflation indices in the countries where we work. We also continued to award contractual increments (or step increases) for roles recruited before 1 April 2013. Staff costs include redundancy payments and other end-of-service benefits linked to the closure of five country programmes and a number of institutional donor-funded programmes.

Total expenditure	2009/10	2010/11	2011/12	2012/13	2013/14	2013/14 change
Direct charitable activity	£79.7m	£74.3m	£80.9m	£83.1m	£85.6m	3%
Fundraising	£15.4m	£14.6m	£12.6m	£12.2m	£13.6m	11%
Governance	£0.8m	£1.2m	£1.3m	£1.3m	£1.2m	(8)%
Total expenditure	£95.9m	£90.1m	£94.8m	£96.6m	£100.4m	4%
Fundraising costs as percentage of total expenditure	16%	16%	13%	13%	14%	

Reserves

The charity's operational reserve decreased from £18m to £15.3m as a result of lower unrestricted income than anticipated in the 2013/14 budget. Based on our reserves policy, our target reserve for 2013/14 was £19.5m. Meanwhile, the pension deficit (under the FRS17 valuation) decreased significantly from £8m to £2.1m thanks to improved market conditions and an increase in the recovery payment to £3.1m per annum.

Based on forecast income, the trustees anticipate the operational reserve will increase slightly in 2014/15 and 2015/16.

For more details about our reserves policy, please see page 32 of this report.

	2010/11	2011/12	2012/13	2013/14	2013/14 change
Operational reserve	£20.0m	£16.5m	£18.0m	£15.3m	(15%)
Other unrestricted reserves	£5.8m	£5.3m	£4.1m	£3.4m	(17%)
FRS17 calculated pension deficit	(£10.8m)	(£10.1m)	(£8.0m)	(£2.1m)	73%
Unrestricted reserves, net of pension deficit	£15.0m	£11.7m	£14.1m	£16.6m	18%
Restricted reserves	£13.8m	£16.2m	£12.1m	£15.3m	26%
Total reserves, net of pension deficit	£28.8m	£27.8m	£26.2m	£31.9m	22%

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. 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 Christian Aid's 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 our statutory responsibilities.

The board delegates certain functions to committees of trustees, including a nominations and procedures committee; an audit and risk committee; a finance, fundraising and investment 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 audit and risk committee reviews reports from external and internal auditors, commissions special investigations and advises the board on risk management.

The finance, fundraising and investment committee reviews the annual plans and budget, investment in and performance of fundraising, key financial policies, pension funding and the performance of Christian Aid's investment managers.

The human resources governance and strategy committee provides advice on human resource 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 Christian Aid employees. It also makes recommendations to the board on the broad policy framework and overall costs of the remuneration of the Chief Executive and Directors. Details of the pay and benefits package are determined in line with the policy framework.

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 page 31.

During 2014 the board will undertake a review of its own progress in establishing good governance best practice since the last governance review in 2011, using *Hallmarks of an Effective Charity*, published by the Charity Commission.

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 in recognition of our fundraising activities in Scotland.

InspirAction (Spain) is a charitable foundation established in Spain. The charity undertakes a range of awareness-raising and advocacy activities aimed at Spanish-speaking stakeholders, initially in Spain but now more broadly around the Spanish-speaking world. The board of InspirAction operates under this name under licence from Christian Aid.

During 2013/14, Christian Aid established a legal entity in India (registered as The Change Alliance) to promote fundraising opportunities and new business models.

In addition, Christian Aid has 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 since programme management continues to operate within the delegated authority framework of Christian Aid.

The British and Irish Churches Trust acts as custodian trustee to Christian Aid and 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 the formal governance arrangements – including Christian Aid's legal structures and obligations, charitable priorities and work. Trustees are invited to meet regularly with individual staff members to gain a more detailed 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
Alexis Chapman (appointed Oct 2013) ²	3	3	1	1
Jennifer Cormack (appointed Oct 2013) ²	3	3	1	1
John Davies	7	7		
Robert Fyffe ³	7	6	1	1
Bala Gnanapragasam (appointed Oct 2013) ¹	3	3	2	1
Carolyn Gray ^{4, 5}	7	6	6	6
Victoria Hardman ¹	7	7	4	4
Tom Hinton ²	7	4	3	3
Kumar Jacob ^{3, 4, 5} (retired Oct 2013)	4	4	6	3
Gillian Kingston (retired Oct 2013)	4	1		
Mervyn McCullagh	7	7		
Alan McDonald	7	6		
Morag Mylne	7	6		
Wilton Powell	7	3		
Alastair Redfern	7	4		
Brian Ridsdale ^{1, 2, 5}	7	7	9	8
Charlotte Seymour-Smith ^{1, 2, 3} from Jan 2014, 5	7	7	9	8
Paul Spray	7	6		
Carla Stent (appointed Oct 2013) ^{1, 2}	3	3	4	4
Rowan Williams ^{1, 2, 3, 4}	6	6		
Trevor Williams	7	5		

1. Audit and risk committee
2. Finance, fundraising and investment committee (FFIC)
3. Nominations and procedures committee
4. HR governance and strategy committee
5. Remuneration committee

Public benefit

The trustees confirm that they have referred to the information 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 objectives of Christian Aid are:

- the furtherance of charitable purposes that relieve and combat poverty, malnutrition, hunger, disease, sickness or distress throughout the world
- the furtherance of charitable purposes that 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 objectives through working towards our 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 that Christian Aid carries out to further our charitable purposes for the public benefit are concentrated on providing grants to 726 partner organisations (with 160 of those implementing service contracts) in 40 countries for long-term development and responding to emergencies, as well as campaigning, advocacy and education work to achieve long-term benefits to those communities and beyond.

Policies

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 expended. 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. This means part of the appeal money being expended 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. The status of all projects financed through restricted funds is reviewed corporately every quarter. The trustees are content with the overall level of the deficits in these funds at 31 March 2014.

At 31 March 2014, restricted funds totalled £15.3m.

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 money for a specific purpose or to cover possible risks. At 31 March 2014 the principal funds were as follows:

- The operational reserve is 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 reserve currently stands at £15.3m, a deterioration of £2.7m on the previous year and £4.2m below the target set by the trustees. The trustees anticipate the reserve will rise slightly in 2014/15.

- General funds represent other unrestricted reserves held separately from the operational reserve. At 31 March 2014, the Irish and Spanish charities held £0.6m.
- The fixed asset designated reserve comprises the funds invested in fixed assets to allow the organisation to carry out our work effectively. At 31 March 2014, the level of this reserve was £2.8m 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 £2.1m represents the deficit on the final salary pension scheme as valued under FRS17 as at 31 March 2014. See note 22 of 'Notes to the financial statements' for more information.

At 31 March 2014, unrestricted funds, net of the estimated pension deficit, totalled £16.6m, an improvement of £2.5m over the year.

Investment and foreign exchange policy

Christian Aid manages our investments – within our ethical guidelines – 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 on overnight and term deposits with a range of approved banks. Longer-term cash is held in an Epworth Affirmative Deposit account. This 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 government and corporate bonds, which is consistent with Christian Aid's ethical investment standards.

The investment policy set by Christian Aid requires CCLA to observe restrictions with the aim of controlling financial risk as well as meeting our ethical criteria. While the majority of the portfolio is invested in bonds with a remaining maturity of less than two years, a steepening in the yield curve during the year has presented an opportunity for an increase in returns within appropriate risk levels. This was reflected towards the year end when selected bonds with between two and five years' life remaining were introduced to the portfolio.

Christian Aid's main operating currency is sterling. However, Christian Aid overseas offices and partners operate with a range of currencies and so face foreign currency exchange rate fluctuations. When a significant protected exchange risk is identified, Christian Aid may enter into forward cover contracts to purchase currencies for planned grants. Responsibility for identifying when to hedge specific currency risks rests with the Director of Finance and Operations. At the end of March 2014, Christian Aid had two foreign exchange forward contracts covering risks against US and Indian rupee exchange rate variations. Further details are disclosed in note 18 to the financial statements.

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.

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 the performance of these grantees are subject to contract-specific performance measures.

Christian Aid pension schemes

The trustees closed the final salary pension scheme to new members and to future accrual in 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 closed final salary scheme as at September 2011. The calculated deficit in the scheme was £18m, 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 calculated using different assumptions and may result in a different funding position. The 31 March 2014 valuation under this method showed a deficit of £2.1m compared with a deficit of £8m in the previous year. This reflects a significant improvement in the quantity and value of scheme assets over the year. Details are shown in full in note 22 of 'Notes to the financial statements'. Christian Aid continues to set the level of our 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. All posts are evaluated based on agreed, organisation-wide criteria that determine the grade and salary for the post.

The board has adopted the Hutton Fair Pay Review recommendation on executive pay; the salary of the highest paid employee is no more than four times the median salary of the organisation.

There was a 2% pay rise based on the rate of inflation in April 2013. However, given uncertainty over future fundraising performance and in light of the difficult economic environment, the board did not award a pay rise from April 2014.

Communicating with staff and volunteers

Christian Aid is committed to open and accountable management of our employees. They can expect to be properly line-managed and can also 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. The intranet is a key tool for consultation, with blogs being used to gather staff feedback on proposed changes.

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 overseas staff are represented by elected coordinators. Unite and the National Union of Journalists are the recognised unions within Christian Aid. They help staff and coordinators during key consultations and with employee-relations issues.

In working with volunteers Christian Aid seeks to apply standards of good practice consistent with the charity's Investing in Volunteers status. All volunteers have a supervisor and there is a clear process for raising concerns. Volunteers receive a quarterly e-zine and those based in Christian Aid offices have access to the same news and information as paid staff.

Christian Aid's volunteering strategy contains a commitment to working in closer partnership with volunteers, and they are becoming increasingly involved in regional planning meetings and consultations.

Health, safety and security of our staff

This has been another year of significant violence against aid workers. According to the Aid Worker Security Database, 272 have been killed, kidnapped or wounded; a slight reduction on the 308 of the previous year. The majority of these incidents took place in a small number of highly insecure countries – Afghanistan, Somalia, Pakistan, Sudan and South Sudan – all places where we have working programmes and staff. The trustees are therefore pleased to report that there have been no major incidents that have affected Christian Aid's staff, offices or reputation.

We proactively ensure that our staff are adequately trained in security and first aid, and understand how to manage risk so that they can confidently work in tough environments. During the year, 275 staff were trained in first aid and security, along with further gender-specific training for female staff.

This year Christian Aid had 51 reported incidents, of which 14 were security related.

We have a secure and robust system on the intranet for reporting both security and health and safety incidents – all are investigated and lessons learned.

Protecting vulnerable beneficiaries is at the heart of Christian Aid's work. By signing our Code of Conduct when they join the organisation, all employees commit to protecting vulnerable beneficiaries and reporting any abuse. Christian Aid has a range of policies, which cover everything from whistleblowing to child protection. We're also accredited to the Humanitarian Accountability Partnership, which has accountability to beneficiaries at its heart.

Staff matters

Our staff are our most important resource, and in 2013/14 we took steps to show the value we place in them.

This year we've been developing a new performance management system at Christian Aid, based on the results of a biannual staff survey in June 2013. We've introduced new training in managing people, risk, resources and change.

Our staff are under pressure every day, so we've looked for ways to reduce their workload and increase their wellbeing. To that end, we've run two pilot workshops for managers and staff, with very positive feedback to date.

Early in 2014 we started a review of all our HR policies and procedures to make sure that they adequately reflect best practice in the sector. In the coming year, we will re-launch the first of eight key policies to underpin the management development programme. We then plan to complete the rest of the policies, and ensure that they remain relevant, innovative and of the highest quality in the sector.

To reflect the ever-changing economic environment, we'll develop integrated apprenticeship, internship and volunteering initiatives in the coming year to help provide more opportunities for staff and improve career prospects.

Diversity and disability

It is Christian Aid's policy to respect the diversity of all employees and volunteers, and 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, applications from disabled people are encouraged, their skills are developed and every reasonable measure is taken to adapt our premises and working conditions to enable disabled people to work or volunteer at Christian Aid.

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
- 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.

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; and
- 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.

The annual report and accounts, including the strategic report, is approved by the Board of Trustees on 16 September 2014 and signed on its behalf by the Chair of the Board:



Dr Rowan Williams

Chair of the Christian Aid Board of Trustees
25 September 2014

Auditors' report

We have audited the financial statements of Christian Aid for the year ended 31 March 2014, 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

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

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.

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

Scope of the audit of the financial statements

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

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2014 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 Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the trustees' annual report, including the strategic 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
26 September 2014

Financial statements

Consolidated statement of financial activities (incorporating an income and expenditure account) for the year ended 31 March 2014

	Notes	2014 Unrestricted funds £'000	2014 Restricted funds £'000	2014 Total funds £'000	2013 Total funds £'000
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Donations	2	45,334	14,182	59,516	55,626
Institutional grants	3, 19-21	453	31,006	31,459	27,439
Activities for generating funds		251	-	251	258
Investment income		280	32	312	521
Incoming resources from charitable activities	4	12,022	-	12,022	11,566
Other incoming resources		44	-	44	35
Total incoming resources		58,384	45,220	103,604	95,445
Resources expended					
Cost of generating funds					
Costs of generating voluntary income	5	13,069	372	13,441	12,101
Fundraising trading: cost of goods sold and other costs	5	84	-	84	92
Investment management costs	5	46	-	46	38
Charitable activities					
Development	5	28,302	20,456	48,758	51,833
Emergencies	5	5,209	20,771	25,980	21,275
Campaigning, advocacy and education	5	10,471	376	10,847	9,990
Governance costs	5	1,214	33	1,247	1,292
Total resources expended		58,395	42,008	100,403	96,621
Net income/(expenditure) for the year		(11)	3,212	3,201	(1,176)
Other recognised gains/(losses)					
Losses on investment assets	9	(92)	-	(92)	(56)
Actuarial gains/(losses) on defined benefit pension scheme	22	2,650	-	2,650	(329)
Exchange translation difference arising on consolidation		(68)	12	(56)	(16)
Net movement in funds		2,479	3,224	5,703	(1,577)
Reconciliation of funds					
Total funds brought forward at 1 April		14,127	12,120	26,247	27,824
Total funds carried forward at 31 March	14,15	16,606	15,344	31,950	26,247

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

Balance sheets

as at 31 March 2014

	Notes	Consolidated group		Parent charity	
		2014 £'000	2013 £'000	2014 £'000	2013 £'000
Fixed assets					
Tangible fixed assets	8	2,823	3,223	2,803	3,192
Investments	9	16,953	17,605	16,988	17,630
		19,776	20,828	19,791	20,822
Current assets					
Stocks		2	4	-	-
Debtors	10	12,002	9,876	9,727	7,987
Short-term cash deposits		1,954	1,832	1,954	1,832
Cash at bank and in hand		6,408	7,287	4,643	5,465
		20,366	18,999	16,324	15,284
Liabilities					
Creditors: amounts falling due within one year	11	(6,075)	(5,610)	(5,964)	(5,507)
Net current assets		14,291	13,389	10,360	9,777
Net assets excluding pension liability					
Defined benefit pension scheme liability	22	(2,117)	(7,970)	(2,117)	(7,970)
Net assets including pension liability		31,950	26,247	28,034	22,629
Restricted funds					
Appeals and other donations – funds in surplus	15	10,422	7,110	9,618	6,846
Institutional grants – funds in surplus	15	6,557	6,217	4,075	3,551
Institutional grants – funds in deficit	15	(1,635)	(1,207)	(1,614)	(1,187)
Total restricted funds		15,344	12,120	12,079	9,210
Unrestricted funds					
Unrestricted funds excluding pension reserve		18,723	22,097	18,072	21,389
Pension reserve	22	(2,117)	(7,970)	(2,117)	(7,970)
Total unrestricted funds	14	16,606	14,127	15,955	13,419
Total funds		31,950	26,247	28,034	22,629

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
25 September 2014

Consolidated cash flow statement

for the year ended 31 March 2014

	Notes	2014 £'000	2013 £'000
Reconciliation of net incoming resources to net cash inflow from operating activities			
Net incoming resources		3,201	(1,176)
Investment income		(312)	(521)
Depreciation charge	8	853	833
Profit on sale of tangible fixed assets		(44)	(35)
FRS17 difference between pension contributions and current service costs	22	(3,203)	(2,448)
Exchange translation difference arising on consolidation		(56)	(16)
Decrease in stocks		2	6
(Increase)/decrease in debtors	10	(2,126)	636
Increase in current liabilities		465	1,620
Net cash inflow from operating activities		(1,220)	(1,101)
Consolidated cash flow statement			
Net cash inflow from operating activities		(1,220)	(1,101)
Return on investments and servicing of finance			
Interest received		312	521
Capital expenditure			
Payments to acquire tangible fixed assets	8	(460)	(186)
Proceeds from sales of tangible fixed assets		51	38
Payments to acquire investments	9	(9,128)	(27,081)
Proceeds of sale of investments	9	9,688	26,170
		151	(1,059)
Cash (outflow)/inflow before use of liquid resources		(757)	(1,639)
Management of liquid resources			
Decrease/(increase) in short-term deposits		(122)	340
Decrease in cash during the year		(879)	(1,299)
Analysis of net funds as shown in the balance sheet and changes during the year			
	As at 1 April 2013 £'000	Change in year £'000	As at 31 March 2014 £'000
Cash at bank and in hand	7,287	(879)	6,408
Short-term cash deposits	1,832	122	1,954
Net funds	9,119	(757)	8,362

Notes to the financial statements

for the year ended 31 March 2014

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 our 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 £98.6m (2013: £91.6m) and our gross expenditure was £95.6m (2013: £92.5m).

The group accounts include a 100% 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), Christian Aid International (a charitable foundation registered in Spain) and Change Alliance (a company limited by share capital, incorporated in India). The group accounts also include a 71.25% proportional consolidation of The British and Irish Churches Trust Limited, since Christian Aid's interest relates directly to our share of the underlying assets, liabilities and cash flows. Further details of the subsidiaries are given in note 17.

b. Fund accounting

Reserve policies are given on page 32 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 comprise 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, as well as the staff costs in these areas and an appropriate allocation of central office costs.

Costs of charitable activities include 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 our income and gains to the extent that they fall within the charity exemptions in the Corporation Taxes 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 £1m for the year (2013: £0.8m).

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

	2014 Unrestricted £'000	2014 Restricted £'000	2014 Total £'000	2013 Unrestricted £'000	2013 Restricted £'000	2013 Total £'000
Christian Aid Week	11,722	-	11,722	12,589	-	12,589
In Their Lifetime	-	1,194	1,194	-	1,479	1,479
Denominational appeals	91	1,253	1,344	210	1,461	1,671
Christian Aid humanitarian appeals	-	6,465	6,465	-	1,675	1,675
Disasters Emergency Committee appeals	-	1,974	1,974	-	2,356	2,356
Legacies	11,202	1,719	12,921	10,766	10	10,776
Regular gifts	15,883	13	15,896	16,059	46	16,105
Other donations	6,436	1,564	8,000	7,080	1,895	8,975
Total donations	45,334	14,182	59,516	46,704	8,922	55,626

Total donations of £59.5m (2013: £55.6m) includes £5m of tax recovered through tax-efficient giving (2013: £4.9m).

Legacies of which we have been notified, but not recognised as income, are valued at £8.5m (2013: £8.7m).

Total donations include gifts in kind valued at £646,588 (2013: £749,000).

Donations received from the public in the Isle of Man (excluding Government grants) during 2013/14, included above, were £45,820 (2013: £45,620).

3. Institutional grants

	Note	2014 Unrestricted £'000	2014 Restricted £'000	2014 Total £'000	2013 Unrestricted £'000	2013 Restricted £'000	2013 Total £'000
UK Government – Department for International Development	19	74	16,160	16,234	84	13,533	13,617
European Commission		121	5,373	5,494	516	5,105	5,621
Irish Aid			3,762	3,762	-	3,416	3,416
Jersey Overseas Aid Commission		-	360	360	-	360	360
Isle of Man Overseas Aid Committee		-	237	237	-	187	187
United States Agency for International Development (USAID)		7	52	59	-	-	-
Guernsey Overseas Aid Commission		-	20	20	-	80	80
Other governments and public authorities		8	498	506	16	571	587
Comic Relief	20	2	185	187	-	528	528
ICCO*	21	2	383	385	-	-	-
Other institutions		239	3,976	4,215	287	2,756	3,043
Total institutional grants		453	31,006	31,459	903	26,536	27,439

Total institutional grants of £31.5m (2013: £27.4m) includes gifts in kind valued at £724,061 (2013: £40,000).

In 2013/14 ACT member Finn Church Aid contributed funding of £5,920 (€7,000) towards the ACT security coordinator (2013: funding received from ACT members £61,388 (of which: NCA – Norwegian Church Aid – £10,736 (100,000 NOK), ICCO KIA – Kerk in Actie – £14,388 (US\$10,688/€10,000).

Expenditure amounted to £48,917 (2013: £65,512)

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

4. Incoming resources from charitable activities

	2014 Unrestricted £'000	2014 Restricted £'000	2014 Total £'000	2013 Unrestricted £'000	2013 Restricted £'000	2013 Total £'000
UK Government – Department for International Development						
PACS2 civil society programme in India	6,090	-	6,090	4,618	-	4,618
CSF civil society programme in DRC	3,769	-	3,769	2,465	-	2,465
ENCISS civil society programme in Sierra Leone	2,047	-	2,047	4,432	-	4,432
Population Services International						
USAID Aidstar AIDS support and assistance programme in Haiti	-	-	-	27	-	27
Other organisations	116	-	116	24	-	24
Total incoming resources from charitable activities	12,022	-	12,022	11,566	-	11,566

5. Total resources expended

	Notes	Grants to partner organisations £'000	Other direct costs		Allocation of support costs		2014 Total £'000	2013 Total £'000
			Staff costs £'000	Non staff costs £'000	Staff costs £'000	Non staff costs £'000		
		5.1			5.2	5.2		
Costs of generating voluntary income		-	5,820	6,199	792	630	13,441	12,101
Fundraising trading: cost of goods sold and other costs		-	-	84	-	-	84	92
Investment management costs		-	20	26	-	-	46	38
Total costs of generating funds		-	5,840	6,309	792	630	13,571	12,231
Development		23,289	11,892	9,720	2,310	1,547	48,758	51,833
Emergencies		21,450	2,235	1,264	217	814	25,980	21,275
Campaigning, advocacy and education		490	5,552	3,416	762	627	10,847	9,990
Total charitable activities		45,229	19,679	14,400	3,289	2,988	85,585	83,098
Governance	5.3	-	777	329	80	61	1,247	1,292
Total resources expended		45,229	26,296	21,038	4,161	3,679	100,403	96,621

Costs of generating funds comprise 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 include expenditure incurred through grants to partners and through operational activities and an appropriate allocation of support costs.

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

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.

5.1 Grant expenditure analysed by region

	2014 £'000	2013 £'000	2014 %	2013 %
Africa	19,305	22,522	43%	47%
Asia and the Middle East	17,236	16,130	38%	34%
Latin America and the Caribbean	8,055	8,282	18%	17%
Global	633	664	1%	2%
Total grants to partner organisations	45,229	47,598	100%	100%

5.2 Allocation of support costs

	Basis of allocation	2014 £'000	2014 £'000	2014 £'000	2013 £'000
		Staff cost	Other costs	Total	Total
Facilities management	Headcount	161	1,761	1,922	1,907
Finance teams	Headcount	1,204	256	1,460	1,375
Human resources	Headcount	1,577	460	2,037	2,038
Information systems	Headcount	980	1,118	2,098	2,047
Pension scheme and financial management	Headcount	239	84	323	289
		4,161	3,679	7,840	7,656

5.3 Governance costs

	2014 £'000	2013 £'000
Internal audit	268	254
External audit	95	93
Trustees' expenses	14	15
Strategic management	870	930
	1,247	1,292

6. Staff and trustee costs

	2014 £'000	2013 £'000
Staff costs of Britain-, Ireland- and Spain-contracted staff		
Salaries	18,675	17,262
Pension contributions	1,211	1,166
National Insurance contributions	1,915	1,775
Benefits in kind	191	257
Total staff costs (Britain, Ireland and Spain contracts)	21,992	20,460
Staff cost of overseas-contracted staff	8,471	7,508
Total staff costs	30,463	27,968

Staff numbers by location	2014 FTE	2013 FTE
Britain-, Ireland- and Spain-based staff	483	458
Overseas-based staff	389	396
Total staff FTE	872	854

FTE = full-time equivalent

Overseas staff includes 16 employees (2013: 17 employees) on Britain, Ireland and Spain contracts based in the charity's overseas offices.

Benefits in kind include £6,000 of company car benefits, the corresponding costs (depreciation charges mostly) are reported in non-staff costs in note 5.

Staff numbers by activity	2014 FTE	2013 FTE
Generating funds	172	157
Charitable activities	684	681
Governance	16	16
Total staff FTE	872	854

The emoluments of the Chief Executive, the highest paid employee, were £121,223 (2013: £126,206). The CEO took a short period of unpaid leave during 2013, which explains the decrease compared to last year. Her full-year equivalent salary remained unchanged. The CEO's expenses were £8,114 (2013: £6,103) mainly in respect of overseas travel as a representative of Christian Aid and visiting partners.

Staff and trustee costs (continued)

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

	2014	2013
£120,000 to £129,999	1	1
£110,000 to £119,999	-	-
£100,000 to £109,999	-	-
£90,000 to £99,999	1	-
£80,000 to £89,999	4	4
£70,000 to £79,999	1	-
£60,000 to £69,999	8	8

Contributions in the year for the provision of defined contribution pension schemes to higher paid staff were £102,907 (2013: £96,932).

Trustees' expenses and number of trustees who claimed expenses during the year	2014 Number of trustees	2014 £'000	2013 Number of trustees	2013 £'000
Trustees' expenses – parent	19	8	18	9
Trustees' expenses – other group charities	16	6	15	9

7. Statement of financial activities

Net movement in funds is stated after the following charges:

	Consolidated group		Parent charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Auditors' remuneration (exclusive of VAT)				
Fees payable to parent charity's auditors for the audit of the charity's annual accounts	56	56	56	56
Fees payable to parent charity's auditors for the audit of the charity's subsidiaries pursuant to legislation	5	-	-	-
Total audit fees	61	56	56	56
Other services	-	8	-	8
Total fees payable to parent charity's auditors	61	64	56	64
Rental costs in relation to operating leases – land and buildings	128	108	205	205
Investment manager's fee	26	18	26	18

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 2013	1,855	272	2,654	4,860	692	864	11,197
Additions	-	-	17	97	114	232	460
Disposals	-	-	-	(227)	(17)	(124)	(368)
At 31 March 2014	1,855	272	2,671	4,730	789	972	11,289
Depreciation							
At 1 April 2013	789	80	2,612	3,303	557	633	7,974
Charge in year	37	7	18	629	48	114	853
Disposals	-	-	-	(227)	(17)	(117)	(361)
At 31 March 2014	826	87	2,630	3,705	588	630	8,466
Net book value							
At 31 March 2014	1,029	185	41	1,025	201	342	2,823
At 1 April 2013	1,066	192	42	1,557	135	231	3,223
Held by parent charity	1,029	185	33	1,025	201	330	2,803
Held by subsidiaries	-	-	8	-	-	12	20

9. Investments

	Consolidated group		Parent charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
As at 31 March				
Gilts – UK	3,366	3,600	3,366	3,600
Fixed-interest securities	3,141	2,231	3,141	2,231
Floating-rates notes	3,624	4,169	3,624	4,169
Sterling deposits	6,526	7,319	6,526	7,319
Unlisted investments	151	157	151	157
Investments in subsidiary undertakings	-	-	35	25
Programme-related investments	145	129	145	129
Total investments	16,953	17,605	16,988	17,630

Movements during the year

At the beginning of the year	17,605	16,750	17,630	16,775
Cost of acquisitions	9,128	27,081	9,138	27,081
Disposals	(9,688)	(26,170)	(9,688)	(26,170)
Unrealised loss	(92)	(56)	(92)	(56)
Total investments	16,953	17,605	16,988	17,630

Programme-related investments consist of social investment loans to cooperatives in Nicaragua and Bolivia.

The trustees are satisfied that making these loans constitutes a programme investment that furthers the objectives of the charity.

Investments forming more than 5% of the investment portfolio (gilts, fixed-interest securities and floating-rates notes) were as follows:

	2014 £'000	2014 %	2013 £'000	2013 %
UK Treasury Government Bond 5% 2014	3,366	33.0	-	-
UK Treasury Government Bond 0% 2013	-	-	3,600	36.0
KFW FRN 09/03/2015	1,001	10.0	1,002	10.0
Republic of Finland FRN 25/03/2015	1,001	10.0	1,001	10.0
Network Rail 1% 2017	685	7.0	-	-
EIB FRN 30/01/2014	-	-	510	5.1

10. Debtors

	Consolidated group		Parent charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Payments in advance for Christian Aid Week	388	391	388	391
Other prepayments	629	650	617	594
Accrued income	5,595	5,795	3,110	3,196
Other debtors	5,390	3,019	5,128	2,829
Amounts due from subsidiary undertakings	-	-	164	114
Amounts due from connected charities	-	21	320	863
Total debtors	12,002	9,876	9,727	7,987

11. Creditors: amounts falling due within one year

	Consolidated group		Parent charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Interest-free loans from supporters	117	118	117	118
Trade creditors	2,221	1,581	2,212	1,572
Deferred income	1,505	1,369	1,505	1,369
Tax and social security	595	563	587	555
Other creditors	1,052	1,314	973	1,270
Accruals	585	665	541	623
Amounts due to connected charities	-	-	29	-
Total creditors	6,075	5,610	5,964	5,507

Movement on deferred income during the year:

	Consolidated group		Parent charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Balance brought forward	1,369	986	1,369	986
Released to income	(1,369)	(986)	(1,369)	(986)
Received in year	1,505	1,369	1,505	1,369
Balance carried forward	1,505	1,369	1,505	1,369

12. Future commitments

In addition to the amounts shown as creditors in these accounts, there are also commitments to projects that have been accepted in principle by Christian Aid's board and are expected to be recommended for funding in 2014/15.

	Consolidated group		Parent charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Commitments	1,389	2,627	1,348	2,627

13. Leasing commitments

As at 31 March 2014, the group had annual commitments under non-cancellable operating leases of:

	Consolidated group		Parent charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Operating leases that expire after more than five years				
Land and buildings	76	104	205	205
Other	5	4	-	-
	81	108	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	17,952	-	-	-	(2,683)	15,269
General funds	282	56,245	(55,541)	(92)	(859)	35
General funds – Christian Aid Ireland	520	1,745	(1,700)	(64)	-	501
General funds – InspirAction	120	230	(251)	(4)	-	95
Fixed asset fund	3,223	-	(853)	-	453	2,823
Pension reserve	(7,970)	164	(50)	2,650	3,089	(2,117)
Consolidated group total unrestricted funds	14,127	58,384	(58,395)	2,490	-	16,606
Parent charity						
Unrestricted funds excluding pension reserve	21,389	56,110	(56,246)	(92)	(3,089)	18,072
Pension reserve	(7,970)	164	(50)	2,650	3,089	(2,117)
Parent charity total unrestricted funds	13,419	56,274	(56,296)	2,558	-	15,955

15. Restricted funds

Consolidated group	Opening balance £'000	Incoming resources £'000	Resources expended £'000	Currency translation £'000	Closing balance £'000
In Their Lifetime	1,614	1,194	(658)	-	2,150
Denominational appeals	546	1,253	(1,349)	-	450
Christian Aid humanitarian appeals:					
East Africa food crisis	1,907	39	(1,405)	-	541
Haiti earthquake	1,780	6	(1,646)	-	140
Indian Cyclone Phailin	-	236	(158)	-	78
India floods 2013	-	247	(168)	-	79
Indonesia and Philippines natural disasters	1	-	(1)	-	-
Pakistan floods	325	4	(178)	-	151
Philippines typhoon	25	1	(25)	-	1
Philippines Typhoon Haiyan 2013	-	3,522	(822)	-	2,700
South Asia floods	1	-	(1)	-	-
West Africa food crisis 2012	98	11	(97)	-	12
Middle East (Gaza)	314	58	(187)	-	185
Syria	124	2,373	(531)	-	1,966
Disasters Emergency Committee appeals:					
East Africa food crisis	14	154	(168)	-	-
Haiti earthquake	5	-	(5)	-	-
Philippines Typhoon Haiyan 2013	-	1,309	(1,197)	-	112
Syria crisis	-	511	(472)	-	39
Legacies	-	1,416	-	-	1,416
Other donations	356	1,880	(1,833)	(1)	402
Appeals and other donations – total restricted funds	7,110	14,214	(10,901)	(1)	10,422
Institutional grants – funds in surplus	6,217	8,935	(8,608)	13	6,557
Institutional grants – funds in deficit	(1,207)	22,071	(22,499)	-	(1,635)
Total restricted funds	12,120	45,220	(42,008)	12	15,344
Parent charity	Opening balance £'000	Incoming resources £'000	Resources expended £'000	Currency translation £'000	Closing balance £'000
Appeals and other donations – funds in surplus	6,846	12,803	(10,031)	-	9,618
Institutional grants – funds in surplus	3,551	6,092	(5,568)	-	4,075
Institutional grants – funds in deficit	(1,187)	23,314	(23,741)	-	(1,614)
Total restricted funds	9,210	42,209	(39,340)	-	12,079

16. Analysis of net assets

Fund balances as at 31 March 2014 are represented by:

	Unrestricted funds		Restricted funds	Total
	Designated £'000	Other £'000	£'000	£'000
Consolidated group				
Fixed assets	2,823	-	-	2,823
Investments	-	16,953	-	16,953
Current assets	-	5,022	15,344	20,366
Current liabilities	-	(6,075)	-	(6,075)
Pension liability	(2,117)	-	-	(2,117)
Total net assets	706	15,900	15,344	31,950
Parent charity				
Fixed assets	2,803	-	-	2,803
Investments	-	16,988	-	16,988
Current assets	-	4,245	12,079	16,324
Current liabilities	-	(5,964)	-	(5,964)
Pension liability	(2,117)	-	-	(2,117)
Total net assets	686	15,269	12,079	28,034

17. Subsidiary undertakings

The Christian Aid group comprises the parent charity (Christian Aid) and six 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 2014.

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 develop further the work of Christian Aid in the 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 2014.

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 2014.

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 2013, the date of CTBI's year end. The figures below represent Christian Aid's 71.25% 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 2014.

Change Alliance (CH A)

A company limited by share capital, incorporated in India. Its shares are held by employees of Christian Aid as nominees. Change Alliance India is a for-profit organisation which, with partners, is currently undertaking Christian Aid's activities in India. The company was incorporated on 26 October 2013.

	2014 CA NI	2014 CA ROI	2014 CA INT	2014 BICT	2014 CAT	2014 CH A	2013 CA NI	2013 CA ROI	2013 CA INT	2013 BICT	2013 CAT
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total incoming resources	2,783	4,848	238	514	237	-	2,905	3,919	312	514	213
Total resources expended	(2,453)	(4,803)	(259)	(514)	(88)	-	(3,192)	(3,959)	(295)	(514)	(97)
Net incoming resources	330	45	(21)	-	149	-	(287)	(40)	17	-	116
Revaluation on translation	(2)	(50)	(4)	-	-	-	-	(20)	2	-	-
Gift Aided to Christian Aid	-	-	-	-	(149)	-	-	-	-	-	(116)
Retained surplus/ (deficit) for the year	328	(5)	(25)	-	-	-	(287)	(60)	19	-	-
Total assets	1,061	3,068	159	53	248	10	865	3,480	164	51	191
Total liabilities	(169)	(178)	(37)	(38)	(222)	(10)	(303)	(583)	(17)	(37)	(166)
Total funds	892	2,890	122	15	26	-	562	2,897	147	14	25

18. Derivatives not included at fair value

Christian Aid uses derivative financial instruments to manage our 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 2014, Christian Aid had commitments to buy \$8m in foreign exchange forward contracts, with an unrealised loss of £91,000 (2013: commitments to buy \$8m in foreign exchange forward contracts, with an unrealised gain of £314,000 – fair value calculated as at 31 March 2013).

At 31 March 2014, Christian Aid had commitments to buy 74.8m Indian rupees in foreign exchange forward contracts with an unrealised loss of £44,300 (2013: commitments to buy 99.4m Indian rupees with an unrealised gain of £95,000 – fair value calculated as at 31 March 2013).

19. Department for International Development funding

In the year ended 31 March 2014, grants totalling £16.2m (2013: £13.6m) were received by Christian Aid from DFID, as follows:

	2014 Unrestricted £'000	2014 Restricted £'000	2014 Total £'000	2013 Total £'000
Programme Partnership Arrangement	-	7,256	7,256	7,256
UK Aid Match	-	1,724	1,724	1,700
Power to the People	-	99	99	1,418
For specific programmes in:				
Ethiopia	-	146	146	-
India	-	1,976	1,976	664
Malawi	-	2,237	2,237	1,570
Myanmar	27	247	274	739
Nigeria	47	737	784	-
Philippines	-	1,738	1,738	-
Zimbabwe	-	-	-	270
	74	16,160	16,234	13,617

Expenditure for the Governance and Transparency Fund (GTF301) 'Power to the People', in the year ended 31 March 2014, amounted to £0.1m (2013: £1.6m).

20. Comic Relief funding

In the year ended 31 March 2014, grants totalling £0.2m (2013: £0.5m) were received by Christian Aid from Comic Relief, as follows:

	2014 Unrestricted £'000	2014 Restricted £'000	2014 Total £'000	2013 Total £'000
People Living Positively	-	187	187	191
For specific programmes in:				
Angola	2	(2)	-	13
Kenya	-	-	-	51
Sudan	-	-	-	273
	2	185	187	528

21. ICCO* funding

Consolidated group	Opening balance	Incoming resources	Resources expended			Closing balance
			Salaries	Other costs	Grants to partners	
	£'000	£'000	£'000	£'000	£'000	£'000
Aloe value chain project	-	41	-	-	(41)	-
Civil society organisations (CSO) capacity strengthening	34	-	(4)	(8)	-	22
Strengthening of actions initiated for IDPs in the border Haiti/DR	-	171	-	-	(171)	-
Support to IDPs and host families by promoting development of rural areas in Chantal	-	173	-	-	(166)	7
Total ICCO funding	34	385	(4)	(8)	(378)	29

*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:

	2014 £'000	2013 £'000
Present value of funded obligations	(48,694)	(48,068)
Fair value of plan assets	46,577	40,098
Deficit	(2,117)	(7,970)
Amounts in the balance sheet:		
Liabilities	(2,117)	(7,970)
Assets	-	-
Net liability	(2,117)	(7,970)

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

	2014 £'000	2013 £'000
Opening defined benefit obligation	48,068	43,850
Current service cost	144	134
Interest on obligation	2,096	1,996
Actuarial losses/(gains)	(603)	3,154
Benefits paid	(1,011)	(1,066)
Defined benefit obligation at end of year	48,694	48,068

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

	2014	2013
	£'000	£'000
Opening fair value of scheme assets	40,098	33,761
Expected return	2,260	2,141
Actuarial gain/(loss)	2,047	2,825
Employer contributions	3,183	2,437
Benefits paid	(1,011)	(1,066)
Fair value of scheme assets at the year end	46,577	40,098

The employer expects to contribute £3,089,600 to the scheme for the year starting 1 April 2014. The current arrangements as regards contribution levels are described in the Schedule of Contributions dated 18 September 2012.

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

	2014	2013
	£'000	£'000
Current service cost	(144)	(134)
Past service cost	-	-
Expected return on scheme assets	2,260	2,141
Interest on obligation	(2,096)	(1,996)
Total amount charged within net incoming/(outgoing) resources	20	11
Actuarial gain/(loss)	2,650	(329)
Total amount charged to the statement of financial activities	2,670	(318)

	2014	2013
	£'000	£'000
Net cumulative actuarial losses since 1 April 2002	12,039	14,689

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

	Value at 31 March 2014 £'000	Proportion %	Value at 31 March 2013 £'000	Proportion %
Equities	23,997	51%	25,495	64%
Bonds	22,624	49%	14,129	35%
Cash	(44)	0%	474	1%
	46,577	100%	40,098	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.

	2014 £'000	2013 £'000
The actual return on the scheme assets in the year	4,307	4,966

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

	2014	2013
Discount rate	4.40%	4.40%
Rate of increase in salaries	4.30%	4.30%
Rate of increase of pensions: LPI 5%	2.40%	2.40%
Rate of revaluation of deferred pensions in excess of the Guaranteed Minimum Pension	3.30%	3.30%
Inflation assumption – Retail Price Index	3.30%	3.30%
Inflation assumption – Consumer Price Index	2.40%	2.40%
Expected return on scheme assets at as the beginning of each period presented	5.49%	6.22%
The mortality assumptions adopted at 31 March 2014 imply the following life expectancies:	2014 Years	2013 Years
Male retiring at age 65 in 2014	23.1	23.3
Female retiring at age 65 in 2014	25.1	25.3
Male retiring at age 65 in 2034	25.3	25.5
Female retiring at age 65 in 2034	27.0	27.2

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

	2014	2013	2012	2011	2010
	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation	(48,694)	(48,068)	(43,850)	(41,261)	(43,522)
Scheme assets	46,577	40,098	33,761	30,499	27,695
Surplus/(deficit)	(2,117)	(7,970)	(10,089)	(10,762)	(15,827)
Experience gain/(loss) on scheme liabilities	226	340	1,661	-	313
Actual return less expected return on scheme assets	2,047	2,825	(189)	(313)	4,945

b. Defined contribution pension scheme

The total cost of the defined contribution pension scheme to the charity was £1,097,410 (2013: £990,235). There were no outstanding or prepaid contributions at 31 March 2014.

c. The Pensions Trust Growth Plan

The Pensions Trust Growth Plan is a multi-employer pension plan that 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 2013, the updated estimated employer debt on withdrawal for Christian Aid as at 30 September 2013 was £673,000 (30 September 2012: £838,000).

Reference and administrative details

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Finance and Operations –
Martin Birch

Strategy and People
Management – Martin Kyndt

Supporter and Community
Partnerships – David Pain

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1. Audit and risk committee
2. Finance, fundraising and investment committee (FFIC)
3. Nominations and procedures committee
4. HR governance and strategy committee
5. Remuneration committee

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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

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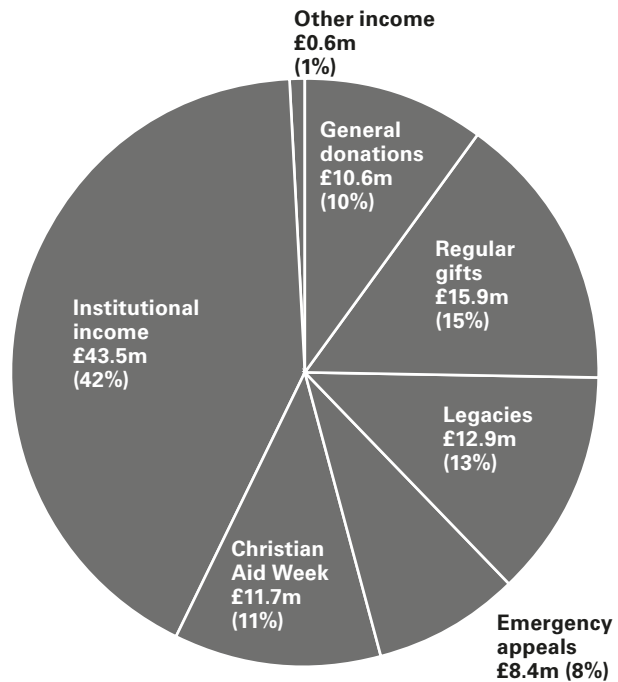
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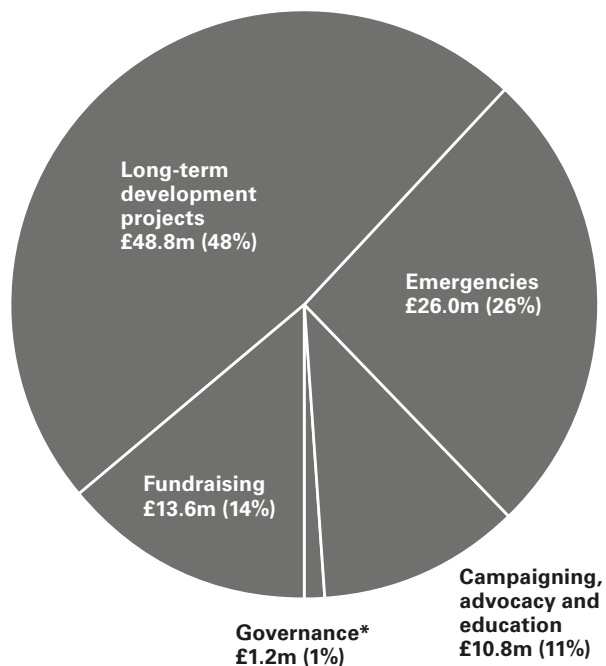
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Total income: £103.6 million



Total expenditure: £100.4 million



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