



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

- 2 Message from our Chief Executive
- 3 Message from our Board Chair

Strategic report

- 6 Who we are
- 7 Our strategy
- 10 Our impact
- 20 Inspiring giving
- 24 Inspiring action and prayer
- 26 Our plans for the year ahead
- 28 Five-year finances
- 29 Finances at a glance
- 30 Financial review
- 35 Corporate structure, governance and management
- 41 Our engagement with the UN Global Compact
- 43 Environmental stewardship
- 45 Statement of Trustees' responsibilities

Financial statements

- 48 Statement of financial activities
- 49 Balance sheet
- 50 Statement of cash flows
- 51 Notes to the accounts

- 68 Independent auditor's report
- 70 Trustees, principal officers and advisers
- 71 Thank you
- 72 Join us



COVER IMAGE: Rosa in Bolivia demonstrates proper handwashing technique. Her community has more handwashing stations now, helping to fight the spread of COVID-19. This includes at the local church, where the pastor rolled up his sleeves to help install new facilities himself, for his congregation and for the many children who go there for extra school support during the week. ©2021 Dara Chhim/World Vision

OPPOSITE: 10-year-old Lida (right, with bow in her hair) walks home with her friend. Lida and her friends are developing a love of books, as they take part in reading camps in their home villages, in Cambodia. "Beside learning and reading books, here I play with my friends. I want to be a teacher because I want to educate people in the community in the future", Lida tells us. ©2021 Dara Chhim/World Vision

Message from our Chief Executive

It's a tough time to be a child.

The triple threats of COVID-19, conflict and climate change threaten to rob children – particularly those living in some of the world's toughest places – of their childhoods. But their communities are determined not to let that happen. And, with our supporters and partners beside us, we stand with them.

It is a joy therefore to be able to report that we have helped to change the lives of more than 2 million children over the past year. In total, we directly supported over 4 million people, compared to 3.6 million the year before. More than a third of those we reached live in some of the most fragile and dangerous places on Earth.

This was achieved in extremely challenging circumstances. Brutal cuts to the aid budget and changes following the establishment of the new Foreign, Commonwealth & Development Office (FCDO) led to a big drop in institutional income. This was a major factor in our overall income dropping from £69.6m to £52.8m.

We are thankful that, in this difficult climate, our voluntary income has remained steady. Our wonderfully generous supporters are giving more on average, and we have seen growing interest in, and income from, legacies and philanthropic pledges.

Returning our supporter base to growth remains our long-term ambition. Once again, our efforts to reach new supporters have been hampered this year with COVID-19 restrictions limiting opportunities for face-to-face fundraising and events. Nevertheless, we have seen encouraging signs – including a growing number of people supporting our Childhood Rescue programmes focussed on the world's most difficult places, more supporters joining us through digital channels and the development of new strategic partnerships.

We have continued to use our influence to advocate for children and give them a platform to speak out. We are particularly proud of our input into the G7 Girls' Education Declaration, our continued role on the steering group for the FCDO Prevention of Sexual Violence Initiative and the events we hosted at the COP26 climate summit.

In a rapidly changing world, we have been investing in our ability to adapt. This year, we have continued to step up our efforts to become a more agile, innovative and effective organisation by strengthening our in-house capacity, capability and processes, notably around strategic partnerships.

A safeguarding culture of doing no harm to others remains at the core of our organisation. We continue to implement and improve our policy and processes, educating all people who work for us, and with us, on how to prevent, respond to and report any concerns.

I particularly recognise the dedication and commitment of our staff throughout 2021. Many have juggled the multiple demands of home-schooling, family members sick with COVID-19 and working at home isolated from colleagues. They have readily adapted to new ways of working, being both flexible and innovative.

I am confident that we are well placed to weather the current storms and emerge stronger – ready to bring the hope of a better future to even more children. I am truly grateful to all of you who have supported us this year, and to our Heavenly Father who continues to provide for us.



Mark Sheard
Chief Executive



Message from our Board Chair

Jesus said, "Let the little children come to me, and do not hinder them, for the kingdom of heaven belongs to such as these." Matthew 19: 14

As I read this Bible verse I am reminded that our purpose, our reason for being, is to serve the world's most vulnerable children. It is of course the children who become the victims of natural disasters, economic inequality, climate change, regime change, conflict and war.

As I write we are in the process of managing a major appeal for the children of Afghanistan, millions of whom face hunger, disease and death this winter. World Vision has faithfully continued to serve the children of Afghanistan, throughout this period of regime change and huge uncertainty.

As part of a global partnership, which continues to grow its income and impact, we are able to respond in many different contexts because of the 'feet on the ground' we have in the countries that we serve. While our projects are funded by a global fundraising effort, they are led by our national office staff – more than 99% of whom are serving in their home countries.

In the UK it has been a very tough year income wise, primarily as a result of the changes in government policy regarding the budget for overseas development. These changes have not only stopped most new development projects from starting they have also meant current projects being pared back or discontinued, mid-project, causing a devastating impact on the communities that we are serving. We call on our government to honour its pledge to return to the commitment of 0.7% of GNI for development work, after no more than the two-year exception announced to help pay for the COVID-19 pandemic.

One way in which we have responded to the changing nature of giving to relief and development is to increase our capability and capacity to develop strategic partnerships, including appointing our first Director of Strategic Partnerships. We are excited by the potential to increase our private funding to the work of World Vision UK.

As a Board we have been delighted to welcome three new Trustees this year: Andrew Darfoor, Kimberley Lewis and Jude Addo. All three have strong links with both the countries that we serve and the global institutions with whom we seek to partner. Additionally, we have achieved greater diversity in our Trustees, as we continue to strive to become a more inclusive charity.

My ten-year term as a trustee and more recently as Chair comes to an end in March. As I look back over the last decade I feel humbled and privileged to have been involved with this amazing organisation and to work with such a wonderful group of people. I have great confidence in the whole Strategic Leadership Team and indeed the wider World Vision UK team and I am delighted to hand on the running of the Board to Douglas Millican (Chair) and Fola Komolafe (Vice Chair).



Richard Izard
Board Chair





Strategic report

A detailed look at our objectives and what we achieved for the financial year ended 30 September 2021, and our objectives for the coming year.

OPPOSITE: Tazmi and Arthi play together in the slums of Dhaka, Bangladesh. More than 500 families here can now use running water, toilets and washing facilities.
©2021 Lipy Mary Rodrigues/World Vision

Who we are

Our focus is on helping the world's most vulnerable children overcome poverty and experience fullness of life. We work alongside children – of all faiths and none – inspired by our Christian faith.

World Vision UK is part of the World Vision Partnership, which has over 70 years of experience working with communities and partners to create opportunities for better futures for children, even in the toughest circumstances.

We partner with local leaders and organisations, working alongside communities as they're empowered to highlight their needs and set their own goals, and equipping them to sustain and continue progress, long after we've left.

When disaster strikes, we're there, quickly providing immediate support – and we stay, helping to rebuild lives for children, families and communities.

Within the UK, we raise awareness of the issues facing children, and give them a platform to speak out on the issues they care about. We offer the public unique opportunities to engage with global issues at a local level, and to help create change through giving, campaigning and praying. And we connect with government to influence changes that will improve life for the children we serve.

BELOW: A two-year project has improved access to water for 40,000 refugee and local community members in Uganda. With closer, accessible water points, 12-year-old Beatrice now joins her friends to collect water. "With this wheelchair I received from World Vision, I am able to do lots of things, including fetching water for my family. Life is beautiful" Beatrice says. ©2021 Derrick Kyatuka/World Vision



Our strategy

Our calling is to stand with the world's most vulnerable children, shining God's light into the world's darkest places. By inspiring people in the UK to join us – in giving, in prayer and in campaigning for change – we seek to enable children to experience life in all its fullness, now and in the future.

Our mission has never seemed so urgent. While the COVID-19 pandemic remains a global health emergency, it is also having a devastating impact on children's futures. We are blessed to be part of the World Vision Partnership's global response to this challenge, which has reached more than 72 million people, including 31 million children, in over 70 countries. But this isn't the only factor contributing to the vulnerabilities children face.

Today, COVID-19, climate change and conflict are the biggest causes of child vulnerability. COVID-19 has disrupted children's lives all around the world in multiple ways, while climate change is perhaps the biggest risk, with nearly half of the world's children living in countries that are at an 'extremely high-risk' from its impact. Conflict and climate change are both key drivers of children being displaced from their homes and all that they know. Sadly, today, half of the world's refugees are now children.

Combined, these three factors are leading to children facing increased hunger and malnutrition, more displacement, declining safety, increasing use of harmful coping mechanisms – such as child marriage and child labour – and falling levels of health and education. Additionally, parents and carers of children are less able to earn a living to provide for their children.

PRIORITIES

Last year, we identified four strategic priorities to help us to continue activities tackling these very real issues:

- Returning our supporter numbers to a path of growth, so that by 2024 our base of committed long-term supporters is growing again. By growing our supporter numbers, we strengthen our ability to generate funds and support for vital programmes to tackle COVID-19, climate change and conflict.
- Building and growing sustainable and diversified institutional funding, deepening our relationships with public sector institutions while exploring new income streams, such as commercial contracts. We can't rely solely on income from our existing institutional donors and we need to make sure we're finding new partners that can fund vital work.
- Innovating and partnering for greater impact and income, including by establishing a new Strategic Partnerships directorate. We want more children to live life in all its fullness and we therefore want to grow our partnerships with others who can make change and fund activities to help transform their lives.
- Improving our agility and effectiveness as an organisation so we can adapt, innovate and succeed in a volatile external environment. We have to continuously improve if we're to live out our calling to stand with the world's most vulnerable children.

The following pages describe how we have increased the impact we have had for the world's most vulnerable children through putting these priorities into action over the past year.



Our **impact** in numbers

We supported

4 million

people including

2 million children



181 projects across 34 countries



47% of children supported were in the most fragile contexts



Responded to emergencies in 18 countries, reaching over 1.7 million people



Raised £52.8 million



ABOVE: In Bidibidi refugee settlement, Uganda, a mum celebrates the rice she's received from World Vision, in partnership with the World Food Programme. Her one-year-old daughter, Esther, will eat well now.
©2021 Brian Jakisa Mungu/World Vision

Our impact

Reaching the most vulnerable children

The vast majority of our work took place in some of the world's toughest countries as we follow our calling to serve the world's most vulnerable children. This year, 47% of the children we directly supported were in the most fragile contexts – including Syria, Afghanistan and the Democratic Republic of the Congo (DRC). This is the largest proportion ever, partly due to the scale of our COVID-19 response in DRC. A further 28% of the children we supported were in countries with very low levels of development, such as Zimbabwe, Ethiopia and Mozambique.

Emergency response

In 2021, the World Vision Partnership's COVID-19 response reached 16.6 million people, of whom 39% were children.

In addition, the World Vision Partnership delivered humanitarian assistance to over 30.1 million people, including 15.8 million children, in response to 72 disasters across 52 countries.

We are proud to have contributed to this international effort by responding to emergencies in 18 countries, reaching over 1.7 million people. Our work ranged from providing immediate aid following disasters such as storms, cyclones and earthquakes, to supporting refugees in Jordan and Bangladesh, to dealing with complex humanitarian crises in Afghanistan, DRC and Sudan.

In World Vision UK's emergency responses last year we provided:

- over 18,000 tonnes of food
- meals in 86 schools, reaching 76,126 children
- targeted supplementary feeding programmes reaching 15,602 pregnant women, mothers and children

- 196 drinking water sources including new and renovated boreholes, water tanks and over a million litres of trucked water
- over 19,000 hygiene kits and 7,000 period kits
- and psychosocial support for children who have experienced trauma, including setting up and running child-friendly spaces.

While responding to the pandemic figured prominently across all our work this year, we also ran specific emergency COVID-19 programmes in Afghanistan, Central African Republic, DRC, India, Uganda, Somalia, Syria and Venezuela. This included:

- training in COVID-19 prevention for more than 2,000 health workers
- providing PPE to 870 health workers
- distributing more than 200,000 face masks
- and working with 790 faith leaders in DRC to spread COVID-19 prevention messages and counter disinformation about the virus – in tandem with a TV and radio campaign, the message reached an estimated 6.5 million people.

OPPOSITE: Children in rural Afghanistan collect clean, purified water ©2021 World Vision; 7-year-old Faizullah visits the World Vision Mobile Health Team with his grandmother. They are among many families internally displaced by drought and the recent upheavals in Afghanistan. ©2021 World Vision



COVID-19, climate and conflict: Spotlight on BORESHA

COVID-19, conflict and climate change have combined to make the world an increasingly difficult place for many children – including in the Mendera Triangle, which cuts across Somalia, Ethiopia and Kenya. Around 80% of people here face the effects of climate change such as frequent flooding and drought, which destroy crops and increase food prices. Competition for land and water resources inflames existing conflict between different groups in the area. On top of the effects of climate change and conflict, COVID-19 has brought further economic stress and increased violence against women and children.

Our Building Opportunities for Resilience in the Horn of Africa (BORESHA) project is seeking to address this triple challenge. One key aim of the project is to increase communities' resilience to the effects of climate change. This includes reducing deforestation – which contributes to drought, flooding and soil erosion. We've been supporting households to switch from using charcoal produced from native forests to more efficient briquettes made from fast-growing, non-native species. We've also trained 500 people in natural resource management, such as soil and water conservation techniques. Nearly 4,000 people have earned income from regenerating land, rehabilitating 133 sites by reseeding grasses and planting indigenous trees.

Thanks to support from the project, the proportion of farmers producing fodder to feed livestock in the dry season has risen from 47% to 81% over three years, and

44% of those surveyed have been able to increase the size of their herds. Training and equipment have also enabled beekeepers to increase honey production while reducing their environmental impact.

In a region with unemployment levels as high as 69%, increasing livelihood opportunities is vital – particularly for young people at risk of being recruited into armed groups. Working with local partners, we've set up village savings and loans groups, provided technical and vocational training, and supported people to set up businesses, with impressive results. Average household savings have increased dramatically, from US\$6.6 to \$15.6 per month; 87% of households surveyed have taken up a new livelihood activity, 78% of those taking part in training have seen their incomes increase, and almost half (47%) went on to start their own business.

Since the start of the pandemic, World Vision, along with our partners, have worked hard to raise awareness of how to stop the spread of COVID-19 through community radio and supporting schools to develop safety protocols. We've also provided hand-washing facilities as well as protective materials such as gloves and face masks.

While the region remains in the grip of COVID-19, conflict and climate crises, BORESHA is planting the seeds of hope for a better future for the children of the Mendera Triangle.

BELOW: Joyce is leading her community in environmental conversation. Their local forest is under threat from charcoal production, but her nursery of fruit and indigenous trees are replenishing the lost plants. "I am doing this so as to save our community from the effects of climate change such as frequent droughts that have been affecting us," she says.
©2021 Sarah Ooko/World Vision



Child friendly spaces research: strong evidence of improved mental health

"All I wanted was revenge," says 13-year-old Grace, as she recalls witnessing her brothers' brutal murders in Sudan and seeing her home burnt to the ground.

But attending a World Vision-run child-friendly space helped Grace process her suffering. Child-friendly spaces are short-term programmes run by most humanitarian agencies, including World Vision, that support children displaced by conflict and other crises. Together with other complementary services they offer activities to help children recover and build resilience through games, lessons and psycho-social support.

"I was able to let go of the negative thoughts of revenge," says Grace. "Slowly I became positive."

This kind of psychological change that Grace experienced was one of the factors studied by a collaborative research project spearheaded by World Vision back in 2012. At the time, there was little evidence on protective impact of child-friendly spaces, causing leading child protection practitioners to call for research.

Working with Columbia University, several leading humanitarian agencies, and with funding from Elrha, the World Vision-led research team set out to measure the effectiveness of these programmes for supporting children in emergency settings.

The initial research found that child-friendly spaces had a positive, though modest impact in improving child wellbeing, but with inconsistent standards, short-lived impact and few outcomes for adolescents.

In response, together with the International Federation of the Red Cross, World Vision developed a toolkit, now widely used across the sector, with improved activities, evaluation tools and training resources for practitioners. Industry-wide standards have been revised and humanitarian agencies, including World Vision, have adapted their programme design to reflect the research findings. The last, most recent phase of research ended this year. Examining several community-based child-friendly spaces run by World Vision Uganda, it found strong evidence of a positive impact on children's mental health when used as a complementary approach to other supportive services, such as counselling.

After almost 10 years of research, this evidence-based research has helped to radically re-frame the humanitarian sector's approach to child protection in emergency settings. And with better tools, standards and practices now in place across the humanitarian sector, we have evidence of positive impact on the lives of thousands of displaced children and their families.

ABOVE: Months after the devastating explosion in Beirut's port, children still vividly remember the moment it happened. Rawan, 10, (back right) was at home, just five minutes from the port: "our door flew from one room to the other."
©2021 Maria Bou Chaaya/World Vision

*name has been changed to protect identity



STANDING WITH SYRIA: 10 YEARS OF WAR

Fatimah was just eight when the Syrian war started. Her family fled their home in Aleppo, joining hundreds of thousands of other refugees in neighbouring Jordan.

When her father died a few years later, Fatimah's mother felt she had no choice but to marry her daughter off to a cousin so the family could be taken care of. Fatimah was just 14.

She was forced to leave school, and soon had her first child. Having lost her childhood, she was on the verge of losing all hope. Then a friend told her about a World Vision support centre, offering psychological support and education sessions for women and girls.

"I visited the centre to see what services were provided and registered in the young mothers' club," Fatimah says. "I learnt many things that strengthened my self-confidence. I felt that I exist, that I am a female that exists in this world. And I learnt new communication skills that improved the relationships in my family a lot."

Fatimah went back to school to continue her interrupted education. Even though it could put her in danger, she speaks out against child marriage and promotes girls' education.

Fatimah is just one of the millions of children robbed of their childhoods by the war in Syria. Life expectancy for children has fallen by 13 years. Some 5.9 million Syrian children are living as refugees abroad, while 4.8 million have grown up knowing nothing but war.

For 10 years, World Vision has been there for children and families whose lives have been turned upside down by the war – both within Syria and among refugee communities in neighbouring countries. We've delivered vital humanitarian assistance like food, medicine, water and sanitation, and supported children and families to rebuild their futures through education, training and psychosocial support.

The World Vision Partnership has managed a US\$319 million programme, supported by 35 donors and private sponsors, that has reached more than 7 million people across Syria, Jordan and Turkey – including more than 4 million children. We've also continued to provide assistance to Syrian refugees in Lebanon and Iraq.

Our UK contribution to the Syria response in 2021 has included support to 25,000 people with awareness raising, hygiene supplies, handwashing stations and support to hospitals. We have also strengthened the resilience of over 1000 young Syrian refugees in Azraq camp through youth groups, sports, life skills and psychosocial support through a project in Jordan supported by Hillsong.



Transitioning into adulthood in Zimbabwe

Many girls in rural Zimbabwe live in extreme poverty and face deep negative cultural and religious norms. Rural schools are poorly resourced, and many girls drop out of education because their parents can't pay school fees or because of pregnancy or early marriage.

Our FCDO-funded project Improving Gender Attitudes, Transition, and Education (IGATE-T) supported 123,333 marginalised children (66,084 girls and 57,249 boys) in rural Zimbabwe between 2017 and 2021, equipping them with literacy, numeracy, financial literacy and life skills. We helped train 1,717 teachers and headteachers across 319 schools, along with 753 adult mentors and 1,160 girl peer leaders. We set up 758 community learning centres, gave 9,247 bicycles to students so they could get to and from school safely, and established 298 child protection committees to make community members more aware of barriers girls face and to create a process for reporting abuse.

This community infrastructure was vital in enabling children – and girls in particular – to continue accessing education and keep them safe during COVID-19 lockdowns. And an evaluation of the project shows impressive results:

- Learners experienced significant improvements in literacy and numeracy.
- Teacher absenteeism was reduced by 8%.
- Peer leaders became role models, for example by starting discussions around issues like peer pressure, bullying and early marriage.
- Half the girls who completed community-based education are pursuing self-employment, and over a quarter are pursuing further education.
- 89% of teenage mothers who finished vocational training started an income-generating activity, with many using their profits to invest in their homes and pay their children's or their siblings' school fees.

ABOVE (clockwise): Gina, lives with her mother, her child and her husband. She dropped out of school after she fell pregnant while she was in Form 3 and could not go back to school to finish her studies. Gina now has her own business, making and selling buns to the local community; With these new bicycles, schoolgirls can get to and from school safely and on time; Pupils use the new interactive resources in class, including literacy and numeracy activities and games; Functional Literacy and Numeracy (FLAN) resources given to teachers help to improve the quality of their lessons. ©2021 World Vision

OPPOSITE: Fatimah, now 18, encourages other Syrian girls to protect themselves and their rights. ©2021 World Vision





Long-term impact in Ethiopia

As well as changing the lives of individual children, our child sponsorship programmes create a lasting transformation in communities. This year, we celebrated the completion of three area development programmes in Banja, Libo Kem Kem and Yilmana Densa in the Amhara region of Ethiopia. In the face of flooding, crop failure, disease and conflict during their 15-year lifetime, these communities have worked with the programme to build the prospect of a better future for vulnerable children, families and communities.

Some of the achievements we give thanks for:

- Food supply and increased resilience to climate change, with families trained in backyard gardening and agricultural technologies, and over 1,000 hectares of degraded land rehabilitated through farmer-managed natural tree regeneration.
- Financial security, with 400 savings groups formed to provide access to credit, enabling members to buy essentials like medicine and clothes during difficult times.
- Child nutrition, with a big fall in the proportion of children suffering chronic malnutrition (stunting) – in Yilmana Densa, this fell from 63% in 2005 to 36% in 2020.
- Water and sanitation, with access to safe drinking water increasing dramatically – from 28.6% to 89% of the total population in Yilmana Densa programme area.

- Education, with more than 200 new or renovated classrooms, and many more children starting and staying in school – in Libo Kem Kem, school attendance rose from 65% in 2013 to 97% in 2020.
- Children’s wellbeing, with Community Care Coalitions – now given legal status by the government – helping to protect and support vulnerable children and combat issues such as child labour and early marriage.

OPPOSITE: 27-year-old Bogalech brings her child to the vaccination clinic at her local health post. Before this centre existed, families had to travel to another town. ©2021 World Vision

OPPOSITE: Before the construction of an additional classroom block by World Vision Ethiopia Libo Kem Kem area programme, children were attending their school in very old, dirty and exposed classrooms. The new block with four classrooms has created an improved school environment for over 300 children and their teachers. Children are now able to enjoy learning in attractive classrooms, and their school performance has increased. ©2021 World Vision

BELOW: Yalemwork, 12. Like many girls in her community, Yalemwork was responsible to fetch water for her family. Before the construction of the well by Libo Kem Kem Area programme, Yalemwork was travelling one hour for both trips. She was always late arriving at school. Now Yalemwork is able to fetch safe drinking water within easy access of her home. ©2021 World Vision

Evidence of impacting the most vulnerable

For further information on our impact in 2021 please download our impact summary and case studies at worldvision.org.uk/ourimpact



Our commitment to safeguarding

Safeguarding those we serve goes to the heart of World Vision UK's culture and values. It is embraced by our board, staff, supporters, consultants, partners and volunteers.



The World Vision Partnership has zero tolerance to incidents of violence or abuse against children and other people in the communities we serve, either committed by our staff or others connected to our work. Continuous improvement of safeguarding efforts, which emphasises prevention of sexual exploitation and abuse and other forms of violence or harm, is at the top of the World Vision Partnership agenda.

Throughout 2021, we have continued to strengthen our commitment to the safety and wellbeing of all people we work with and their communities. We have developed new processes for strengthening safeguarding in all of our programmes to inform, train and monitor staff, partners and volunteers, while remaining steadfastly committed to safeguarding children.

The Board of Trustees have been kept informed of concerns and incidents that have arisen during the year, making decisions on serious incidents to report to the Charity Commission and tracking investigations and lessons learnt. The Board delegates safeguarding to two sub-committees, one ensuring that all of our staff understand that safeguarding is at the core of what we do, the second overseeing risk and reporting. The sub-committees review and monitor the effective implementation of policy and processes and review the log of reported incidents. The Board approves the safeguarding policy and receives an annual report on safeguarding. A safeguarding Trustee supports the Board to embrace a strong safeguarding culture in all its activities.

Driven by our culture of continuous improvement, the Board annually reviews and updates our safeguarding policy. This year, we have included in the policy more information on the Board governance and oversight of safeguarding and how we inform and screen any new supplier. During the global pandemic we have engaged more with children and their sponsors online and to ensure everyone's safety we have developed new processes for these virtual meetings and communications.

We have developed a user-friendly 'How do I safeguard?' resource for internal use. Staff compliance with our policy is reported monthly to heads of departments and to the Board's Organisational Effectiveness Committee.

World Vision UK is committed to preventing abuse and sexual exploitation, and we specifically ask anyone who works for us or with us to agree to uphold the behaviour protocols listed in the safeguarding policy. We annually ask staff and Trustees to read the new policy and sign an acknowledgement that they will adhere to the protocols. We have refreshed our training on safeguarding, which all staff and Trustees undertake every two years to ensure everyone understands their responsibility and how to report any concerns. Training is delivered 'live', either face to face or virtually, to enable questioning and working on real scenarios which embed a greater understanding. The Organisational Leadership Team took part in a safeguarding workshop on accountability for developing and modelling a positive safeguarding culture. As staff have returned to our offices, we ran a poster campaign to highlight sexual harassment in the workplace. We always evaluate and document lessons learnt from training, concerns reported and investigations to inform best practices for the future.

During this year:

Number of concerns	UK	Overseas	Open	Closed
84	7	77	13	71

Number of concerns – reports raised to World Vision UK through safeguarding reporting mechanisms such as hotlines, focal point people and whistleblowing facilities

UK – concerns raised in the UK

Overseas – concerns raised overseas

Open – concerns being investigated

Closed – concerns that have been investigated



During the year, the Board reported five serious incidents to the Charity Commission which relate to safeguarding. The incidents occurred overseas in communities where WWUK programmes are being implemented. World Vision's absolute priority is protecting children, vulnerable communities and our own staff. Our commitment is firstly to do no harm to children or adult beneficiaries, to respect the rights of all beneficiaries and to uphold the best interests of children as a primary consideration in all actions and decisions. All allegations that were reported to us were subject to rigorous and detailed investigation. We provided Survivor-centred support to the children and adults connected with allegations. Of the five incidents reported to the Charity Commission, two of the incidents were unsubstantiated and three allegations were substantiated. World Vision ensured that appropriate psychosocial and medical support was provided to Survivors. World Vision also implemented preventative actions, including disciplinary action undertaken and providing advocacy and awareness training on our code of conduct.

We undertook an annual internal safeguarding audit which confirmed we were fully compliant with our policy and processes and, in May 2021, our World Vision Partnership membership of the Core Humanitarian Standard Alliance was externally audited and renewed. We have developed a strong network of safeguarding focal points in teams and departments throughout our organisation to ensure safeguarding is at the core of all we do. Safeguarding risk assessments are undertaken for all projects, and safer recruitment checks and interviews are carried out diligently for new members of staff. Everyone knows they have a duty of care to report any known or suspected concerns and can use our whistleblowing line to do so anonymously. Collectively we are embracing best practices, incorporating lessons learnt, and are committed to safeguarding ourselves and all those we serve.

ABOVE: Robinah, 11, plays with World Vision Uganda caseworker, Alice. Robinah's family recently fostered a boy orphaned by conflict in South Sudan. Alice checks how the new family are getting on, and watches as Robinah and her younger sister play with their new big brother. ©2021 Brian Jakisa/World Vision

Inspiring giving

We can only deliver our promise to the world's most vulnerable children through the generous support of people and institutions in the UK. Inspiring more people to join us is a key part of our mission.

Individual giving

Our supporters are the foundation on which World Vision is built. Through their generosity, our voluntary income stood up strongly this year at £30.1m – some £2.5m more than we had budgeted – thanks largely to increased loyalty and giving from our existing supporters. We give thanks for this continued commitment in a year when many faced challenging circumstances.

We were humbled by the generosity of our supporters in giving more than last year in response to emergency appeals. And by improving our own efficiency in fundraising, we made sure that more of our supporters' money was available to go directly to supporting the children we serve. We also saw a significant increase in the number of supporters who decided to leave a gift in their will to World Vision. Their kindness and generosity will live on in brightening the lives of children for years to come.

Growing our base of supporters – which is one of our key priorities – was challenging this year because of the pandemic. Lockdown and ongoing restrictions prevented many of our planned face-to-face fundraising activities and events, including festivals, Christian artist tours and church services.

Strong online fundraising partly made up for this lack of face-to-face contact. In May 2021, we launched our innovative Chosen child sponsorship campaign on our website and other digital channels. Chosen asserts children's autonomy by enabling them to choose their

sponsor, and appears to be a promising way of engaging supporters, though we still have more work to do to convert potential supporters' interest into long-term commitments.

We also successfully launched a new experience to engage the public in shopping centres. Our Syria story shows the experience of a child refugee from Homs, and how – thanks to the support of our donors – he and his family are beginning to get back on their feet. This, alongside a broadening of our fundraising, has meant that more supporters are joining as Childhood Rescue donors, which gives us a greater opportunity to fund more work in fragile contexts.

Through child sponsorship, many of our supporters form a profound connection with a child in one of the communities we support. We have invested in strengthening this bond and deepening our supporters' experience. With international travel restricted this year, we successfully launched our first virtual sponsor visits, enabling supporters to speak directly with their sponsored child and family via video link – an inspiring experience which we will offer to many more supporters in future. Sponsors reported that the virtual visits "brought the project to life" and "brought home that we are making a positive difference to people's lives".

Because of the individual bond between sponsors and children, the completion of a particular sponsorship programme is often a time when supporters choose to leave us. So, we rejoice that we saw fewer cancellations than in previous years, even though twice as many sponsorship programmes came to their planned end this year – a tribute to how our amazing supporters value their experience with World Vision.



Strategic Partnerships

In 2020, World Vision UK decided to invest in setting up a Strategic Partnerships directorate. Throughout the past year, the new directorate has focused on recruitment, strategy development and deepening our existing strategic relationships with philanthropists, trusts and foundations, churches and Christian networks, and corporates. Our income from philanthropy grew this year and we are grateful to the growing number of supporters who are partnering with us to build a better future for children.

We are now seeking to grow our strategic relationships further, establish and nurture new income streams and funding opportunities, focusing on the best return on investment and having the greatest impact for vulnerable children. Corporate partnerships during the year included Lightsource Foundation, Unilever and Arup. In the year ahead we will be launching new opportunities to engage philanthropists and working with private sector and strategic church partners.

We are thankful that Hillsong UK launched its partnership with World Vision in 2021. So far, the incredible generosity of its church members has supported adolescent Syrian refugees living in Jordan, as well as contributed towards our Afghanistan global emergency appeal.

We believe partnerships are key to transformational impact, and value every single one of our partners. Together we can be a beacon of hope and light for children facing the hardest circumstances.

ABOVE: Primary school pupils took part in the Global 6K by completing laps of the school field and a cake sale – raising £5,480. Student Angelina said: "It was really tiring but I knew it would help other children get clean water, so that kept me going." ©2021 High Ash CE School

Institutional income

This year has been an extremely challenging one for institutional funding, with our income from grants down to £18.6m, compared to £33.2m in 2020. The Government's decision to reduce aid spending from 0.7% to 0.5% of gross national income (GNI), coupled with a decline in GNI because of COVID-19, resulted in severe cuts to existing budgets and fewer new funding opportunities. Strategic and institutional changes within the new FCDO also created delays in funding opportunities, including from the multi-donor funds that FCDO contributes to, though we have been working to strengthen our engagement with the new department. Brexit also means UK organisations are no longer eligible to apply for funding from certain European budget lines.

Despite these challenges, grant-funded programmes remain a vital part of our work – although some projects have faced delays or needed to be redesigned because of the pandemic. One important milestone this year was the start of a new phase of our partnership with the Global Fund in Somalia. The new £23m grant will enable us to keep serving vulnerable children and adults in the country by providing free TB diagnosis to more than 400,000 people, and free treatment to more than 70,000 over the next three years.

Last year, we identified the need for more diversity in our institutional funding as a key strategic priority, and we have made clear progress in this area. We are exploring opportunities with a greater number of institutional donors than ever before, and we have also strengthened our capacity to apply for and manage different types of grants and contracts.

Nilany's story of hope

Growing up, Nilany was aware of the difficulties faced by children who are forced to walk for the water they need for survival every day. Her own mother had grown up with a daily walk for water as a small child.

This year, Nilany Vasantharasan and colleagues from Metro Bank joined hundreds of other World Vision supporters in raising money to bring clean water to vulnerable communities, as part of the Global 6K for Water.

Six kilometres is the average distance that children – usually girls – in many of the countries we work, walk each day to fetch water for their families. Growing up in Sri Lanka, Nilany's mother had endured the same daily chore.

"My mum and her sisters would each take two containers for water. They would leave at the crack of dawn to the river where they would bathe then collect the water for the house for the day. If it ran out, they'd have to make that journey again. It took them over 30 minutes to walk there and 30 minutes to walk back. They'd done it since they were three or four years old."

When Nilany was seven, civil war forced her family to flee their home. Now settled in the UK, Nilany sees taking part in the Global 6K as a way of giving back to those who helped her family along the way.

"There are so many people in the world that need clean water and people don't understand that. I think it's really important to raise awareness and actually do something about it."

Nilany walked 6km every day throughout World Water Week in August. She and other World Vision supporters in the UK raised enough money to bring clean water to over 1,800 families.

BELOW: Nilany and her colleagues celebrate their Global 6K, helping other families access clean, safe water. ©2021 World Vision



Fundraising with care

We are tremendously thankful for all of our supporters. Their generosity is humbling, both in terms of financial support and their engagement with the children and the communities we serve. We are determined to respond to their kindness by treating them with respect and courtesy, especially around how we fundraise with them and how we manage the data we have about them.



Our overall approach to fundraising

We aim to inspire supporters to join us in transforming the lives of the world's most vulnerable children, and to enhance their experience and deepen their engagement by offering a number of ways for them to get involved. If they have given us their permission, we may ask them to give financially. If so, we will always explain why we need donations, in clear language, and always respect their preferences about the ways in which we communicate with them. We reach new supporters through our website and other online marketing; through churches, Christian festivals and public events; and by inviting support from the public in person at various locations, such as carefully selected shopping centres. As was the case last year, our face-to-face fundraising activities have again been vastly reduced due to COVID-19.

Our fundraising standards

We are proud to be members of the Fundraising Regulator and we abide by their Fundraising Code of Practice, which covers various aspects of fundraising. Staff training has been rolled out to cover the Code of Practice including for all new starters. We have also worked hard to ensure that all staff are aware of, and sensitive to, data protection issues in their day-to-day work, embedding this into our culture. We monitor our fundraising carefully, as well as the overall service we give to our supporters. All supporter phone calls, emails and letters – positive and negative – are logged with summaries and key issues communicated back to the management team on a regular basis.

Our rigorous policies and standards mean we are particularly vigilant in monitoring and responding to complaints, no matter how large or small. Last year we received a total of 1229 Category B (low-level) complaints compared to 903 in 2020. The increase was due to returning to normal levels of campaign activity with existing supporters in 2021. Last year we received six category A complaints compared to 16 in

2020. (Category A complaints are deemed to be more serious in their nature and need further investigation.) This fall may be attributed to a reduction in our face-to-face recruitment activities. We also conduct an annual 'Pulse Check' survey with a large representative sample of supporters and ask for their feedback. While we have been encouraged by the findings, we will continue to monitor responses to ensure our high standards are maintained and in line with our supporters' expectations.

Being sensitive with our fundraising

We're very aware of the potential for fundraising to become persistent and intrusive, as well as making us appear ungrateful to our supporters for the generosity they have already shown us. We have therefore established internal standards to guide how often we contact supporters. And when we do contact them, we provide clear and simple ways for them to opt out in the future.

Treating supporters fairly

We do not want to exploit or put undue pressure on anyone, especially people who may appear to be vulnerable or in vulnerable circumstances. We have a policy and practices to help us identify potentially vulnerable people when speaking to potential supporters face-to-face. During the year we developed a new policy to help with our direct communications once someone has become a supporter. Where we reasonably believe that a person may be in a vulnerable position and may not be able to make an informed decision, we will politely end the interaction and/or no longer ask for donations.



Inspiring Action and Prayer

Standing with the world's most vulnerable children means taking action that can transform their lives – and inspiring others to do the same, through prayer and advocacy to change the hearts and minds of people in power.

Through our advocacy work, we sought to bring children's voices into the corridors of power, including bringing young activists with lived experience to major events like the G7, the Global Partnership on Education Summit and the COP26 conference.

As part of the Global Education Summit, we co-hosted a virtual youth panel discussion with FCDO and Girls Not Brides, the global partnership to end child marriage. We supported young people to participate at COP26, where we organised events on "Children in a changing climate" and "Cities for children." We linked young activists from Bangladesh and DRC into the National Parliamentary Prayer Breakfast to discuss the triple emergency of COVID-19, climate change and conflict, and the impact on the lives of children already living with difficulties and disadvantages. We also organised a virtual discussion on barriers to education with Ben Everitt MP, Andrew Morley, President of World Vision International, members of the Milton Keynes Youth Cabinet, and young activists from Ghana and Kenya.

World Vision's input proved important in ensuring that the G7 Girls' Education Declaration recognised the barriers to girls accessing education – like the violence they face. In February 2021 we asked our supporters to write to their local MPs to sign an Early Day Motion calling on

the Government to prioritise removing the barriers to education at the G7. A total of 500 supporters wrote to their local MP and 64 MPs signed it to show their support. We also brought the needs and concerns of children to the UK Government through our input into its international development strategy, and our continued role on the steering group for the FCDO Prevention of Sexual Violence Initiative. We have engaged closely with the new FCDO, where we are advocating strongly for the need for a dedicated child rights unit. We also met with politicians from across the political spectrum – from a Christians on the Left prayer breakfast, and a panel event on climate with Labour's environment campaign SERA, to a meal at the Conservative party conference which led to a written question in Parliament on child rights.

We believe in the power of prayer, and more than 8,000 supporters join us in praying for vulnerable children around the world through our bi-monthly prayer email, Together Amen. Together, we have prayed to protect children from COVID-19, conflict and climate change, and for those forced to leave their homes, experiencing hunger and poverty, or facing child marriage and other abuses. In turn, it has been a blessing to hear our supporters' prayers, and to pray for them too.

OPPOSITE: World Vision joins other faith-based organisations as part of the Day of Action march at COP26 in Glasgow; World Vision staff at COP26: Silvia Holten (World Vision Germany) with Abby Jones and Reace Novello (World Vision UK) ©2021 Jason Garrett/World Vision



Our plans for the year ahead

Our calling is to transform the lives of the world's most vulnerable children. As the need continues to grow, we are determined to deliver greater transformation by increasing the impact we make, the income we raise and the influence we have.

Like many of our colleagues in the international development sector, we are facing considerable challenges to our income, which inevitably affects the level of activity we can fund. In response, we have embarked on an ambitious multi-year change programme to increase both the overall level of income and the proportion of our income we directly spend on transforming children's lives. This will require significant changes to our business model, our structure, our capability and our culture. In the coming years, we will reorientate, culturally and structurally, to ensure our focus is on delivering more for those we are called to serve.

We have developed a five-year plan to increase our income, despite the challenges of government cuts, economic uncertainty and increased competition for funding from a wide range of organisations within our sector. This will see us radically reshape our mass-market fundraising strategy to stabilise our existing support and grow new income. Beyond child sponsorship we are investing in growing our income from other private sources, and looking to re-energise our institutional income strategy for renewed growth, making the most of the technical capacity we have within the organisation to maximise our impact.

To increase the proportion of income we remit to overseas projects, we need to continue with our efforts to reduce our costs as a proportion of income through new ways of working. We will increase efficiency by standardising, improving, digitally automating and, where it makes sense to do so, decentralising operational services. We will accelerate our digital transformation, which promises to drive innovation and cost-effectiveness, and break down barriers to engaging supporters. At the same time, we are seeking to

empower our people and see them thrive through these changes: they are central to shaping the future of World Vision UK and to providing the innovation and skills we need to deliver this transformation. With them, we aim to become leaders within the World Vision Partnership, developing services that we can share with our partners to maximise our collective impact.

This is an ambitious undertaking, but we are not daunted by it, believing that as we follow God's calling, He can do more than we can ever ask or imagine.

Delivering Income Growth	Reducing Proportional Cost
Radically re-shape our mass market fundraising strategy to stabilise existing income and grow new income.	Standardise, improve, digitally automate & decentralise operational services – to enable more agile working at reduced cost.
Maximise the utility of our committed giving.	Driving digital transformation - to deliver the projects that we need.
Prioritise investment for private non-sponsorship income growth.	Empower our people to thrive through changes and to shape World Vision UK's future.
Re-energise our institutional income strategy for renewed growth.	Lead the way and share operational services with others in the World Vision Partnership to remove duplication.
Transform audience perceptions of World Vision UK.	
Leverage technical capacity with a particular focus on creating a cross-organisational impact hub.	



ABOVE: Metadel, 13, studies in Ethiopia: "I want to continue my education and study business at university. I want to become a successful businesswoman like my mum." ©2021 World Vision

Five-year finances

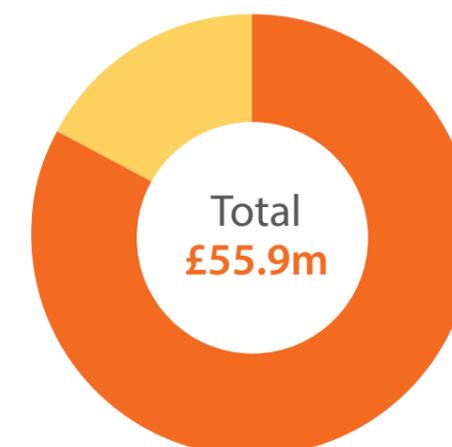
	2017 £'000	2018 £'000	2019 £'000	2020 £'000	2021 £'000	
Committed giving and other donations	34,438	33,209	31,568	30,240	29,604	
Donations for emergencies	2,824	2,662	2,872	2,256	1,789	
Institutional grants	38,784	23,373	24,569	33,272	18,576	
Donated goods and services	16,603	4,982	3,030	3,692	2,715	
Charitable activities - government service contracts	274	242	-	-	36	
Investment and other income	270	117	189	120	95	
Total income	93,193	64,585	62,228	69,580	52,815	
Cost of raising funds	9,507	12,072	11,822	11,286	10,728	
Charitable activities	80,545	55,413	53,131	55,963	45,170	
Total expenditure	90,052	67,485	64,953	67,249	55,898	
Investment gains	121	149	133	89	267	
Net movement in funds	3,262	(2,751)	(2,592)	2,420	(2,816)	
The funds of the charity						
Restricted and designated funds	16,027	11,983	8,603	9,412	5,294	
General fund	5,683	6,976	7,764	9,375	10,677	
Total funds	21,710	18,959	16,367	18,787	15,971	
Ratios						
Percentage of total expenditure:						
	5 Year Average					
Cost of raising funds	16.6%	10.6%	17.9%	18.2%	16.8%	19.2%
Charitable activities	83.4%	89.4%	82.1%	81.8%	83.2%	80.8%
Free reserves						
Number of days' expenditure	28	40	46	54	73	

Finances at a glance



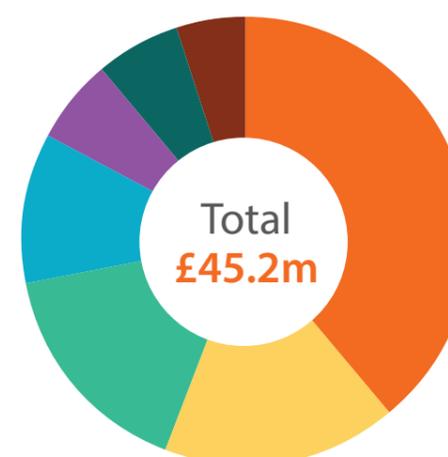
Our income

- Institutional grants, **£18.6m, 35%**
- Committed giving and other donations, **£29.6m, 56%**
- Donated goods and services, **£2.7m, 5%**
- Donations for emergencies, **£1.8m, 3%**
- Other, **£0.1m, 1%**



Our expenditure

- Charitable activities, **£45.2m, 81%**
- Raising funds, **£10.7m, 19%**



Our charitable activities

- Health and WASH, **£17.6m, 39%**
- Community engagement, **£7.7m, 17%**
- Education, **£7.2m, 16%**
- Food security and nutrition, **£5.0m, 11%**
- Child protection, **£2.7m, 6%**
- Livelihoods/economic development, **£2.7m, 6%**
- Disaster mitigation and shelter, **£2.3m, 5%**

Financial review

2021 has undoubtedly been a challenging year for World Vision UK and our sector. The combined impact of disruption to fundraising and operations due to COVID-19 restrictions, coupled with reduction in funding for international development from the UK Government, has resulted in lower income performance than recent years. As a consequence, our funding of charitable activities was also lower. However, we end the year with strong reserves, plans to achieve greater positive change for children living in the world's hardest places, and many reasons for hope – in our God and in a future for all children.

Income

In 2021, total income fell, year on year, to £52.8m (2020: £69.6m), our lowest in over a decade. This reduction was principally a consequence of lower institutional grant income, a source of income we expect to show some volatility from year to year, however the decline in 2021 was exacerbated by the reduction in the UK Government's spending on official development assistance (ODA). In total, institutional grant income reduced from £33.3m in 2020 to £18.6m in 2021, and of the decline of £14.7m, £8.5m was attributable to a decline in FCDO funding and £6.2m was attributable to reductions across all other institutional funders.

Our committed giving income streams, which are predominantly based upon our child sponsorship scheme, have been in a slow decline for the last decade. This long-term trend continued in 2021, falling to £29.6m (2020: £30.2m). While government measures to limit the spread of COVID-19 were lifted in July 2021, meaning we could resume face-to-face fundraising – our main way of reaching and inspiring new sponsors – we still lost more than 6 months of activity and the stop-start nature of the year made establishing any sort of momentum impossible. The combination of the planned closure of some area sponsorship programmes and the uncertainty and downturn in economic conditions resulted in the number of child sponsorships falling to 63,000 at the end of the year (2020: 67,000). Corresponding sponsorship income fell in line with this, to £17.6m (2020: £18.6m).

However, despite a shrinking base of long-term child sponsors, non-sponsorship voluntary income has held up well, showing modest growth from 2020, but more notable growth considering the non-recurring £1.1m gift which was received in 2020. This performance demonstrates both the loyalty and commitment of our existing supporters and the fruit of the hard work that has gone into improving the quality of our interactions with them.

More than merely obstructing our fundraising activities, the pandemic continued to disproportionately affect vulnerable communities, threatening lives and livelihoods amongst those we seek to serve. The Disasters Emergency Committee continued its Coronavirus Appeal throughout the year and World Vision UK was allocated £1.2m (2020: £1.3m) for its work in places such as India and South Sudan.

Finally, donated goods and services income, which represents gifts-in-kind of food and vouchers from the World Food Programme and tends to fluctuate from year to year, fell to £2.7m (2020: £3.7m).

Looking ahead, the UK Government has forecast that as gross national income (GNI) recovers, its spending on ODA will grow over the coming years and that its 0.7% of GNI target will be reinstated in due course (but not before 2024). As a trusted partner of the FCDO we would hope and expect to see an increase in grant opportunities in coming years over the level of the past year. However, in the medium term, we also recognise the need to diversify our income in terms of source and nature. A key component of our plans in this area comprise investment in developing new strategic partnerships with corporates, philanthropists, churches and foundations. This work commenced during 2021 with the appointment our new Strategic Partnerships Director.

Expenditure

Funding our charitable activities is key to achieving the change we seek for the most vulnerable children and their communities. As with our income, total expenditure fell to £55.9m (2020: £67.3m).

Spending on fundraising was £0.6m lower than 2020 at £10.7m (2020: £11.3m). As mentioned previously, COVID-19 restrictions and public sentiment resulted in a shortage of reliable and good value fundraising opportunities. Rather than using the precious funds we have inefficiently, we were able to conserve funds to be available as a buffer against further adverse events and position us to make investments to prepare the organisation to take advantage of more favourable fundraising opportunities as they arise.

The majority of the reduction in our expenditure was in spending on our charitable activities which reduced by £10.8m to £45.2m (2020: £56.0m). In addition, our ratio of charitable expenditure to total expenditure fell to 81% (2020: 83%), the lowest in more than 10 years. While this is partly due to the even more competitive fundraising environment that has been developing for many years, and particularly exacerbated by COVID-19 related factors, in 2021 it has been due mainly to the £14.7m fall in our

institutional income. Our primary strategic objective is to increase our remittances to the field and the principal means through which we will do that will be through growth in existing and new income streams.

During 2021 we have taken the opportunity to begin some key strategic investments, which will continue into 2022, to achieve our plans to increase our income. We have started building our Strategic Partnerships directorate, recruiting heavily into the team, and are already seeing positive results from our major donor and philanthropy relationships with new and existing partners. We have continued to invest in our digital capabilities, investing £0.6m in developments such as our website functionality so that supporters can engage with our work better, and new software to make the management of information and key processes involved in the acquisition of institutional income and the management of our overseas programmes more efficient and effective. We also spent £0.3m scoping a project to replace our old supporter management software with a new Microsoft Dynamics 365 solution, which will improve our supporters' experiences and better serve their and our needs.

Reserves

Our Trustees agree to set aside reserves to ensure our long-term financial viability. Our reserves policy is reviewed annually and considers financial and operating risks, strategic objectives and required levels of unrestricted funds. The basis for determining the target range for reserves is through estimating the requirement for each of the following four components:

1. To ensure compliance with the charity's mortgage covenants and obligations.
2. To ensure maintenance of essential services for beneficiaries.
3. To provide working capital so that grants and commercial contracts can be undertaken.
4. To insulate the charity against unmitigated financial risks.

The target level of free reserves was reviewed during the year and was set at between £4.9m and £5.7m for 2021.

Funds

The charity holds three categories of reserves:

- Unrestricted Funds, divided into:
 - General Fund
 - Designated Funds
- Restricted Funds

At the end of 2021, total funds stood at £16.0m (2020: £18.8m).

General Fund

The General Fund, also known as Free Reserves, is that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. Mainly due to restrictions on in-person or other viable fundraising activities during 2021, we were able to conserve reserves, such that our General Fund increased in the year to £10.7m (2020: £9.4m). Although we have ended the year at almost double the top end of our free reserves target range, we intend to make strategic investments over the next two to three years, such as in the new supporter relationship management system and Strategic Partnerships directorate, both to improve the effectiveness of our fundraising expenditure and to significantly increase the amount of funds raised.

Designated funds

Designated funds of £2.6m (2020: £2.7m) relate to the Fixed Asset Fund that represents the value of fixed assets less related financing. This fund adjusts as the values of these assets are amortised over their useful economic lives and as new assets are acquired.

Restricted funds

Restricted funds, those subject to conditions imposed by donors or implied by the nature of the appeal, amounted to £2.7m (2020: £6.8m). These reduced during the year due to timing differences between receipt of restricted income in the prior year and remittance during 2021.

Going concern

The Trustees have assessed the charity's ability to continue operating on a going concern basis, taking into account its current financial position, expected future plans, target reserves range and availability of cash.

The target level of free reserves for 2021 was £4.9m to £5.7m and the closing free reserves stood well above that range at £10.7m, a substantial proportion of which is represented by liquid assets. World Vision UK's activities are planned annually with a three-year horizon which incorporates planned compliance with the reserves policy to ensure cover for short-term expenditure, working capital requirements and financial risks that crystallise. Unrestricted income in the first four months of 2022 is performing well against budget and the latest three-year forecasts built off this baseline show reserves as being above the current reserves policy minimum level beyond the next 12 months.

There is predictability to World Vision UK's cash flows from the regular committed voluntary income streams, restricted contractual income sources, recurring operational expenditure and scheduled field remittances. Should our regular cash management and monitoring

foresee a fall in unrestricted income, we can react by reducing promotional activities or operational expenditure or rescheduling, and if necessary reducing, funds remitted to the field.

In assessing the current financial performance of the charity, its expected future plans, and the adequacy of the free reserves and available cash resources, nothing has come to the Trustees' attention which would cast doubt on the charity's ability to continue operating. Accordingly, the Trustees have adopted the basis of going concern in preparing these annual financial statements.

Internal controls

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

- financial controls are in place to safeguard assets
- transactions are properly authorised and recorded
- material errors or irregularities are either prevented or would be detected in a timely period.

The World Vision Partnership has a global internal audit function that is responsible for making sure appropriate arrangements are in place to provide audit and assurance on its overseas operations, including those to which World Vision UK makes its remittances. The primary accountability of the internal auditors is to the audit committee of World Vision International, the legal entity providing international coordination and leadership of the World Vision Partnership. Internal audit findings for all countries World Vision UK funds are available for review. These findings are reviewed as part of our decisions to fund, as well as monitoring of our funding. Governmental and institutional donors may also require audits of their funding.

Investments

Under our articles of association, the Trustees have the authority to invest World Vision UK's funds. Our investment policy sets out the general parameters within which investments are to be made, so that investment risks are managed, whilst ensuring that our activities are not jeopardised, and contribution to our mission is maximised.

World Vision UK does not have significant non-cash investments, investing only in the COIF Charities Investment Fund managed by CCLA Investment Management Limited in accordance with our investment

and ethical policies. This fund maintains the majority of assets in equities with the objective of long-term growth and returns. At the end of the current year, our investments amounted to £1,828,000 (2020: £1,561,000), with a net gain of £267,000 during the year (2020: £89,000).

Grant making policy

Through its World Vision partner offices in the field, World Vision UK carries out programmes to transform the lives of the most vulnerable children and their communities. World Vision UK's funds are granted to World Vision International to be sent on to World Vision field offices and local partners in accordance with agreed country strategies and grant agreement documents.

Occasionally, where it is the most effective way to reach vulnerable children, we work with and make grants to other charities. These charities are selected according to their experience, governance and effectiveness to deliver positive outcomes in our work with children globally.

World Vision UK and World Vision International closely monitor performance to ensure all grants are spent appropriately, in line with our charitable objectives and mission. World Vision staff monitor and evaluate progress throughout the period of the grant, with monitoring activities dependent on the size and complexity of the grant and the perceived level of risk.

Risk management

World Vision UK has a comprehensive and effective risk management framework to identify and manage our strategic, operational, regulatory and financial risks.

Our Trustees have ultimate responsibility for risk management. Trustees determine the level of risk they are prepared to take which is summarised in our risk appetite statement and approved annually. We maintain a corporate risk register which is updated regularly and reviewed by the Strategic Leadership Team and the Operational Leadership Team (as risk owners). The Board of Trustees delegates regular scrutiny of risk management to the Finance, Audit and Risk Committee (FARCom), which meets three times a year with the Chairs of the other Board committees for this purpose. The FARCom Chair then reports on risk to the subsequent full Board of Trustees meeting.

During the year, we have strengthened our risk management practices by introducing new processes for assessing and mitigating risks. The Strategic Leadership Team retains close oversight of risks by regularly reviewing strategic and operational risks and ensures that appropriate and effective internal controls are in place to mitigate them.

Throughout 2021, the global pandemic has continued to have a significant impact on our operations, both in the UK and overseas, and has required us to adapt the way in which we respond. A summary of our principal risks and mitigations is presented below:

World Vision UK staff: Throughout the year, significant risk in our UK operating environment has been the impact on staff health and wellbeing from the changing nature of work caused by the pandemic. Our staff have responded with commitment and dedication to the changing demands placed upon them. We acknowledge the enormous impact this has had on staff wellbeing, work-life balance and upon their families and we express our gratitude to them for enabling World Vision UK to continue to operate in such challenging circumstances. We have closely monitored the evolving risks from disruption to working patterns, staff attrition and retention, absence arising from illness, capacity issues and work-life balance challenges caused by the demands of remote working.

In the UK we delivered our operations in accordance with Government guidelines for lockdown and have since increased the level of activities in the office while maintaining COVID-19 safe practices. We continuously monitor and actively support the mental health and wellbeing of our staff. Throughout this year, we have provided a tailored range of support and communications to our staff and have responded to individual circumstances as required. We continue to offer flexibility to staff to enable them to work effectively when working from home and provide support for purchase of equipment to support comfortable and safe homeworking. We have also continued to develop our talent management and learning opportunities provided for staff switching to virtual formats as appropriate.

Since the 2021 financial year end, we have been addressing an escalating risk in relation to staff capacity for our ambitious change programme, staff vacancies as a result of the wider 'great resignation' trend, and our salary competitiveness in the recruitment market. We are addressing these risks as our top priority and will report on the effectiveness of our response in the 2022 Annual Report.

Overseas operating environments: Our mission calls for us to support the most vulnerable children and their communities and the overseas contexts in which we work bring with them a range of complex risks, including safety and security, instability and the risk of corruption and fraud. In addition, the global pandemic has increased risk to our programme delivery and how we retain effective oversight of field activities.

World Vision International delivers much of our overseas work and takes responsibility for managing many of the risks around programme delivery. Our UK-based staff evaluate the risks during the grant assessment and area

programme selection stage, ensure risk mitigation plans are in place, and then monitor the risks on an ongoing basis when we have committed funds. We work with our national offices to adjust programme delivery when our risk assessment deems this necessary. During the pandemic, some of the programming has been adjusted to provide support focused on helping communities stay COVID-19 safe. Staff delivering overseas programmes receive ongoing support, training and guidance and our monitoring and risk assessment practices have been adapted for virtual oversight due to COVID-19-restrictions on international travel. Our UK-based staff communicate regularly with our colleagues who work with communities to monitor programme controls and retain oversight to ensure we are meeting our programme delivery objectives.

Public engagement with international humanitarian aid: The principal risk we face is around growing and retaining our supporter base, and thus increasing associated income. This includes the challenge to some of our acquisition channels (mainly our in-person activities such as face-to-face, events and church fundraising) arising from the impact of the pandemic, and a long-term decline in support from the public and donors towards international humanitarian finance.

We continue to mitigate this risk by seeking out new opportunities to engage with our existing audiences and to reach new audiences to retain and grow our sponsorship base and income streams. This includes presenting new sponsorship opportunities to supporters affected by planned programme closures. We have refocused our digital strategy and redeveloped our website during the year to create an engaging and effective platform which communicates the impact of our work, making it easier for supporters to connect with us and understand the tremendous difference their support makes to the children and communities we serve. We have restructured our digital communications staff into one team, so they can work more closely together to communicate more effectively with our audiences. We are also investing in a new supporter engagement system, which will revolutionise our communication with existing supporters, bringing them closer to our work and, we hope, inspiring even more support.

Digital maturity and organisational change: The principal risk we have faced is a lack of digital industry standard technology and practice, coupled with ineffective operating practices and skills gaps, limiting our ability to increase our efficiency, reduce our costs and increase our income streams.

We are mitigating this risk by embarking on an ambitious programme of organisational change and enhancement of our digital capabilities. We're seeking to improve the effectiveness of our operations, improve our productivity and increase our income streams, while also enhancing

the quality and impact of communications with our supporters, donors and partners.

Income from grants, donors and institutional funding sources: The principal risk is an ongoing significant reduction in income from donors and institutional funders, arising in particular from the UK Government's decision to reduce the percentage of GNI dedicated to international humanitarian and social development finance.

We are mitigating this risk by seeking out and engaging with new institutional donors and new forms of funding and contracting for our work with the children and communities we serve. We have also established a new Strategic Partnerships Directorate focused on developing new corporate and Christian partnerships.

Equality, diversity and inclusion: Our people are our greatest asset. The risk we face is a failure to ensure we have a diverse, fair and equitable culture, where everyone can thrive, feel safe and be included. This could lead to damage to our reputation as an employer, disaffection among our staff and adverse public scrutiny.

To mitigate the risk, our policies and practices are designed to enable us to attract and retain staff with the right skills, calibre and capabilities. We provide a range of talent management and learning and development opportunities to enable staff to grow and develop their talents and skills. Recruiting guidance is provided to managers to ensure equity and fairness in staff selection. We have a range of robust monitoring tools in place to support our equality, diversity and inclusion principles which are regularly scrutinised by our Trustees. Our internal staff-led BELONG group advocates for an inclusive organisational culture, raises awareness of equality, diversity and inclusion issues and has contributed to the development and implementation of our diversity and inclusion action plan.

Safeguarding: The risk is that we do not have robust systems and procedures in place to protect children and communities from harm that may be caused by the behaviours of people connected with the delivery of our work, resulting in failure to uphold the rights of vulnerable children and damage to our reputation with supporters, donors and partners.

Mitigating safeguarding risks is at the forefront of our work. We continuously seek to enhance our safeguarding practices. Our safeguarding policy is reviewed annually and aligned with World Vision International's safeguarding policy. All staff, Trustees and third parties connected with the delivery of our work are provided with a copy of the policy and are required to confirm in writing that they will adhere to our behaviour protocols. In our overseas programmes, safeguarding is placed at the centre of our work. Children and communities are provided with training, materials and guidance on implementing robust

safeguarding practices. We have reporting mechanisms in place in communities, programmes and projects so that anyone may raise a concern about safeguarding. We have robust processes in place to fulfil our obligations to investigate and report any serious incident to the Charity Commission and we provide survivor-centred support to those who may be affected by a safeguarding incident.

Cyber-attack: The principal risk we have faced in the year is the increased threat of unauthorised or inappropriate access to our network or loss of connectivity, leading to loss of key IT systems, loss of data, breach of confidentiality and inability to access and process information and data. The level of risk has increased over the past 12 months, combined with the risk that our technical and training provision may not keep pace with the threat.

We have mitigated the risk by remaining vigilant about the need to protect our organisation from the potential and ever-changing threat of information security breaches. We invest in cyber defence for our networks, which are protected with appropriate security technology. We carry out close monitoring of our security provision and regularly test the robustness of our security systems. We ensure that staff are provided annually with training and support on how to identify and report potential network security infringements.

Environmental impact: The principal risk is that a global failure to address climate change and environmental fragility by taking timely and appropriate action to reduce negative impacts on the Earth's resources will result in children and communities in numerous countries becoming increasingly vulnerable.

In mitigation and to ensure our credibility as we speak out for and promote programming to address the impact of climate change on the world's most vulnerable children and communities, World Vision UK is developing ambitious plans to achieve net-zero carbon emissions. We are implementing a climate change action plan, supported by appropriate communications and strategies for staff engagement. We have a dedicated internal Green Team which advocates for and supports our environmental stewardship initiatives.

Corporate structure, governance and management

The unique structure of the World Vision Partnership means that we can work alongside children, families and communities in almost 100 countries to create opportunities for better futures for all children, even in the toughest places.

World Vision UK is part of the World Vision Partnership, a network of national organisations constituting a federal partnership. Many World Vision offices are governed by local Boards of Trustees while others are branches of World Vision International and may have local advisory councils. This means overall control of World Vision is not held by a central body but shared with our global partners. World Vision UK is a committed member of the World Vision Partnership. Through the Covenant of Partnership, we agree to follow common policies, standards and core documents such as statements of mission, vision and values that bind the Partnership together.

The Covenant holds us together, under God, by voluntary commitment rather than legal contract.

The Board of Directors of World Vision International oversees the World Vision Partnership's global strategy and coordination, including approving global budgets and determining international policy. The World Vision International Board appoints and evaluates the International President, who is the Chief Executive Officer and a World Vision International Board member. The World Vision International Board has 24 Board members from 19 countries, drawn from all the continents in which the Partnership operates. This system empowers World Vision offices in developing countries and ensures regional opinion is expressed.

Corporate governance

The Board of Directors of World Vision UK (our Trustees) and World Vision International recognise good governance is vital to the effectiveness of our mission and an important safeguard for accountability to the people we serve, supporters, partners and the public, and effective stewardship. World Vision invests significant effort in seeking to continually improve governance both in the UK and internationally. World Vision International has a Governance Department that assists local Boards and advisory councils with governance by publishing guidance and providing training and support. It also enables mutual accountability by facilitating peer reviews that evaluate alignment with the World Vision Partnership's core documents and policies and compliance with good governance practice, supporting local Boards and advisory councils in providing the highest standards of governance oversight and allowing the World Vision International

Board to better govern risk across the Partnership. The World Vision Partnership conducted a peer review of World Vision UK's governance structures and processes in June 2019 and concluded that World Vision UK's performance "consistently meets the majority of requirements or greater". World Vision UK will be due to undergo its next Partnership peer review in June 2024.

World Vision UK

World Vision UK is a company limited by guarantee, incorporated in England and Wales on 3 November 1982 (no. 1675552), and a registered charity in England and Wales (no. 285908). As a charitable company, World Vision UK's governing document, its Articles of Association (revised 3 October 2018), provides that the Trustees (the Directors of World Vision UK for the purposes of company law) are the only members of the charity and limits member liability to £1. The Articles set out World Vision UK's charitable objects, the Trustees' powers to achieve these objects and matters relating to the running of the charity's internal affairs. Under charity law, our Trustees have the legal duties and responsibilities of charity trustees and under company law, the legal duties and responsibilities of company directors.

World Vision Trading Limited is a private company, limited by shares, which is incorporated in England and Wales (no. 11460148). The company is a wholly owned subsidiary of World Vision UK. The company has no employees or premises of its own and has three statutory directors, two members of the World Vision UK Strategic Leadership Team and one Trustee of World Vision UK. All transactions between World Vision UK and World Vision Trading Limited are conducted on an arm's length basis and profits retained by World Vision Trading Limited are periodically donated to its parent, World Vision UK.

Charitable objects and public benefit

Trustees have a duty to develop strategic plans which further their organisation's charitable objects (or purposes) and provide public benefit. The Trustees review World Vision UK's aims, objectives and activities each year to ensure our activities remain focused on carrying out our charitable purposes for the public benefit. This report sets out how the Trustees have carried out World Vision UK's charitable purposes for the public benefit for the year ended 30 September 2021, outlining World Vision UK's objectives, the strategies adopted and the activities undertaken to achieve those objectives and what has been achieved. The Trustees have had due regard to the Charity Commission's guidance on public benefit when reviewing

the charity's aims, objectives and activities, planning future activities, and considering how these activities will achieve World Vision UK's charitable purposes, which are:

1. To relieve or prevent poverty anywhere in the world, particularly (but not exclusively) among children, by means including (but not limited to):

- emergency relief that assists people affected by conflict or disaster
- sustainable development that improves the conditions of life in socially and economically disadvantaged communities
- advocacy by educating, engaging with, and mobilising people in the UK and other countries concerning the nature, causes and effects of such emergencies and poverty.

2. To promote and uphold the principles of the Christian religion, including (but not limited to) working with and strengthening the work of Christian churches in any part of the world in providing services to communities, including, but not limited to, those affected by conflict, disasters and poverty, regardless of race, nationality, religion, gender or political affiliation.

Board and management roles

Our Trustees are responsible for the governance and management of the charity and are committed to World Vision's mission, vision and values and to ensuring the charity delivers its charitable purposes for the public benefit. To ensure our Trustees understand their responsibilities, they are required to review the Charity Commission's guidance The Essential Trustee (CC3) and the charity's governing document before joining the Board (and then on an annual basis) and undertake an external charity governance training course as part of a comprehensive induction programme.

The Board of Trustees' principal roles are:

- to approve World Vision UK's mission, strategy, high level policies and annual business plan
- to appoint and oversee the performance of the Chief Executive
- to monitor performance and risk management
- to report performance with integrity and transparency
- to ensure compliance with UK law and regulation
- to manage its own governance processes, including annual evaluation of Board, Committee, Chair and individual Trustee performance
- to advise and support the Chief Executive and Strategic Leadership Team
- to represent the interests of World Vision UK's beneficiaries and stakeholders.

The Board delegates day-to-day responsibility for operational management to the Chief Executive, who leads the Strategic Leadership Team, together comprising the 'Principal Officers' (see page 70). The Principal Officers develop organisational strategies and plans, policies, and processes, and are responsible for their implementation, following Board review, advice and approval.

Board composition

The Board is comprised of independent, unremunerated, non-executive Trustees. To reflect the federal model of the World Vision Partnership, the World Vision International President is represented on the Board by a nominee (appointed by the World Vision International President). The remaining Trustees are appointed by the Board of Trustees.

The Trustees delegate responsibility for oversight of World Vision UK's governance to its Board Development Committee (BDC). The BDC is responsible for promoting Board effectiveness and implementing governance best practice. As part of this role, the BDC is responsible for finding and recommending candidates for Board membership and providing an ongoing programme of Trustee training and development.

An effective Board must work as a team and bring together a balance of skills, experience, backgrounds and knowledge that provide different perspectives to inform and enhance Board decision-making. Accordingly, Trustee recruitment, induction, training and development are Board priorities, governed by Board policies which are regularly reviewed by the BDC.

The BDC oversees Board composition and manages Trustee recruitment. The committee reviews Board composition annually, considering the Board's skills, gender and diversity needs before making a recommendation to the Board for a targeted recruitment programme. The recruitment process is open and rigorous. The BDC usually retains the services of a recruitment consultant to ensure a diverse list of candidates but will also approach candidates directly who meet the Board's recruitment criteria. Trustees are appointed following a competitive interview and short-listing process in which candidates are assessed against Board-approved criteria.

Trustees are appointed for an initial term of three years and may be appointed for a second term of three years and a third term of one, two or three years, depending on the needs of the Board and performance. The maximum term of nine years may be extended if a Trustee is appointed to the World Vision International Board or for a Trustee serving as Board Chair. The Board Chair and Vice Chair are elected by the Trustees annually.

The BDC oversees an individual induction and mentoring programme for new Trustees, which includes an external one-day governance training course; a day spent meeting the Strategic Leadership Team and a visit to World Vision's work in the field (unfortunately COVID-19 restrictions meant planned trips in 2020 and 2021 have been deferred but new Trustees have been able to take part in "virtual" online visits).

Code of conduct

Our Trustees are committed to conduct as an organisation and by its Trustees, staff and volunteers that is ethical, legal and consistent with World Vision's values. The Trustees expect all World Vision personnel to conduct themselves in accordance with the highest ethical standards. Trustees are required to uphold and maintain World Vision's vision, mission and values and the effectiveness and reputation of the organisation. Trustees evaluate themselves annually against these standards and the Board's code of conduct and conflict of interest policy. They are required to disclose any conflicts of interest and where any conflict, or potential conflict is identified, may not participate in Board discussion or decision-making on related matters.

Board expenses

No fees or remuneration are paid for serving as a Trustee. World Vision UK reimburses reasonable expenses incurred while acting as a Trustee. This includes travel, accommodation and childcare expenses required to attend meetings, training and orientation events (which include a visit to World Vision's project work). Every effort is made to ensure costs are modest.

Board meetings and Board committees

The Trustees meet regularly throughout the year, with three primary full-day meetings in November, March and July, as well as a shorter meeting in February to approve the annual report and accounts. In addition, the Trustees spend a half-day session in October meeting with staff from across the organisation to hear their views, a day of spiritual retreat with the Strategic Leadership Team and join staff for the World Vision Day of Prayer, which marks the start of each new financial year, on 1 October.

Important governance work is carried out by committees. Each Trustee will usually be a member of one or two committees. Committees meet before each Board meeting to discharge oversight responsibilities established by Board-approved terms of reference, which are reviewed annually. Each committee includes Trustees with relevant skills and experience and committees are encouraged to seek additional expertise from 'special advisers' should the need arise. The Public Engagement Committee is currently benefiting from the expertise of a special adviser

appointed in 2019. The Board does not delegate major decisions to Board committees. Instead, committees are responsible for considering significant issues in depth and reporting to the Board, to inform Board discussion and bring recommendations to the Board for consideration. The Board regularly reviews a scheme of delegation which records matters that have been delegated to Board committees, Trustee working groups or management.

The roles of Board committees are:

- The Board Development Committee is responsible for good governance and effective Board working, overseeing Board education, training and development (including diversity and inclusion training), Trustee recruitment and induction and Board performance evaluation.
- The Finance, Audit and Risk Committee reviews the annual financial plan and budget, monitors risk and financial performance, and ensures compliance with financial and risk policies and UK legislation. In addition, it liaises with the external auditors, reviews assessments of internal controls, and reviews all serious incident reports and management decisions regarding the reporting of serious incidents to the Charity Commission. An "Extended" Finance, Audit and Risk Committee, joined by the Chairs of the other committees, considers risk from a cross-organisational perspective and is responsible for monitoring serious safeguarding incidents.
- The Organisational Effectiveness Committee approves remuneration and people performance policies and monitors feedback from employee surveys and initiatives to address areas needing improvement. It reviews organisational strategies including those for development of innovation, information and communications technology, and organisational culture and development. It oversees compliance with safeguarding policy and regulation in the UK and provides assurance to the Board that safeguarding policies and procedures are aligned with World Vision Partnership, UK regulatory and donor requirements.
- The Public Engagement Committee reviews and advises on marketing, communication and campaign strategies, monitors fundraising performance against the annual business plan and ensures compliance with fundraising regulation.
- The Policy and Programmes Committee reviews and advises on World Vision UK's development and relief programmes, its institutional grants and advocacy strategies, their implementation and the impact they have and is responsible for monitoring overseas safeguarding risk.
- Ad-hoc Board working groups are set up from time to time to consider specific topics, as and when required.

Charity Governance Code

In 2018, the Trustees adopted the Charity Governance Code as part of their governance and assurance processes and agreed to conduct a regular review of the Code principles and recommendations on a three-yearly basis to ensure the Board continues to meet high governance standards and identify areas for improvement. In November 2020 and March 2021 (following reissue of Code principles on Integrity and Equality, Diversity and Inclusion), the Trustees considered a detailed assessment of performance against Code recommendations and identified actions to improve Board performance. The BDC has been responsible for addressing these areas and has worked with management to develop a scheme of delegation; new or updated policies on complaints handling, conflicts of interest, and environmental stewardship; Board training on equality, diversity and inclusion and overseen the recruitment of three new Trustees who bring new skills, expertise and diversity to the Board. The Board reviewed the NCVO Charity Ethical Principles, referenced in the revised Code, and, noting the Principles are aligned with World Vision's Code of Conduct, agreed to adopt the Charity Ethical Principles alongside the existing Code of Conduct. In addition to the detailed three-yearly review, the Trustees review the Code annually and apply its principles when evaluating Trustee, committee, Board Chair and Board performance.

Significant governance actions and events included:

- Diversity and inclusion: In March 2021 the Trustees attended an externally facilitated session on equality, diversity and inclusion and agreed diversity objectives for 2021 Trustee recruitment to improve Board diversity (including gender and ethnic background).
- Trustee recruitment: In September 2021 the Board appointed three new Trustees with specialisms in partnership development and finance. The new Trustee appointments also significantly increased the ethnic diversity of the Board.
- Board appointments: In March 2021, the Board re-appointed Richard IZARD as Board Chair for a fourth 12-month term and Douglas Millican as Vice Chair for a third 12-month term. The Trustees agreed to extend Richard's nine-year term of service by one year to provide continuity of leadership as the charity implemented plans devised in 2019-2020 for income growth and the development of a new Strategic Partnerships directorate.
- Chief Executive recruitment: In March 2020, the Board appointed Mark Sheard, a former Trustee and Board Chair (2007–2016), as Interim Chief Executive. In October 2020, the Board appointed Mark on a permanent basis following a formal assessment of Mark's suitability for the role against objective recruitment criteria and consultation with the

World Vision International President, the Strategic Leadership Team, and recruitment and legal advisers.

- The Board reviewed and approved an updated modern slavery statement and various policies, including updated risk management policy, serious incident policy, complaints handling policy and policy framework and a new environmental stewardship and climate change policy.
- The Trustees obtained Charity Commission consent for making an ex-gratia payment to honour a donor's wishes which the donor was unable to reflect in his will due to COVID-19 restrictions in place at the time of his hospitalisation.

Trustees' duties in relation to Section 172 of the Companies Act 2006

The Trustees, as Directors of World Vision UK, must act in accordance with a set of general duties detailed in Section 172 of the Companies Act 2006. This includes a duty to promote the success of the company (which in World Vision UK's context will mean promoting its charitable purposes) and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others (which in our charitable context will include suppliers, customers, beneficiaries, funders and the wider community)
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct.

Throughout this report, we have summarised our governance framework, our values and behaviours, and how we have engaged with stakeholders during the year. The following paragraphs are not intended to be an exhaustive list but are illustrative of how the Trustees have fulfilled these duties during the year.

Decision-making

As part of their induction, all Trustees are briefed on their duties and responsibilities, which are fulfilled partly through the governance structure (Trustee meetings and committee structure) detailed on page 37. The Board receives a quarterly Chief Executive performance report and reviews this at each of its full-day Board meetings, to provide assurance and inform discussion, and to assist the Trustees in their decision-making. The Board also considers the views and needs of key stakeholders, and the long-term consequences of its decisions, in Board discussions and decision-making.

In addition, the Trustees have ultimate responsibility for risk management. For further details on the organisation's approach to risk management and the significant risks we face please refer to pages 32-34.

Engagement with staff

The Trustees understand the importance of engaging with staff and dedicate time each October to meet staff in small group sessions, without management present, to provide an opportunity for staff to hold the Board to account. In addition, the Board Chair reports to staff following each full-day Board meeting to share key messages and decisions with staff. The chairs of both the Staff Consultative Committee and BELONG (the staff equality, diversity and inclusion group) are introduced to the Chair of the Organisation Effectiveness Committee to provide a Board contact should these staff groups wish to engage the Board on any matter. As a result, representatives from BELONG met with the Board to discuss diversity and inclusion within the organisation. The Board also reviews the results of annual staff surveys and reviews and approves people and culture strategies, plans and policies.

Business relations with beneficiaries, supporters and suppliers

Throughout this report we have shown how we have engaged with our beneficiaries – the children, families and communities that we partner with around the world. Our programmes are run in accordance with World Vision International's Programme Accountability Framework, which outlines how we should use our position in communities responsibly and create mechanisms that empower these communities and their children to hold us to account. Our development programming model also equips staff at a local level to work effectively with partners toward the sustained wellbeing of children within families and communities – especially the most vulnerable.

Our people and culture

Remuneration

The Board's Organisational Effectiveness Committee approves and confirms the arrangements of World Vision UK's remuneration, reward and people management policies. Using a structured job evaluation and reward structure, salaries are benchmarked to national salary data. World Vision UK is measured against comparable sector organisations, taking into account charity income, location and sector market rate, and this information, together with any budget restrictions, is used to set rewards.

Staff engagement and communications

Staff engagement and communications play a key role in World Vision UK's success. Research has regularly shown that organisations with the most engaged workforces outperform their peers.

In 2021 our connectivity with staff was put to the test by months of enforced lockdown and remote working. In response, we adapted and intensified our communications and engagement activity, utilising technologies such as Microsoft Teams and Zoom to maintain relationships with our workforce. We have seen sustained high levels of staff enthusiasm for virtual lunchtime learning events, weekly devotions and all-staff meetings. More than ever before, technology helped us to overcome the barriers of geography, at a time when international travel was prohibited, by facilitating our relationships with offices overseas and ensuring continuity of support for our global programmes. Significantly, we began this year with our annual Day of Prayer which, although virtual for the first time ever, was nevertheless a powerful spiritual connector.

Communication has played a significant part in introducing World Vision UK's staff to, and engaging them with, substantial long-term change programmes. An engaged workforce needs to know that it is heard and taken seriously, and we have numerous and varied touch points through the year, both quantitative and qualitative, at which we seek feedback from staff. In addition to the World Vision global staff survey – known as Our Voice – we gather short and focused feedback through focus groups, quickfire surveys, open Q&A sessions and online feedback checkers. Leadership have regular healthy dialogue with staff groups through the formal Staff Consultation Committee, and informal groups focused on equality, diversity and inclusion and environmental issues.

Our thriving organisation

This year's Thriving People Plan focused on a number of key shifts we need to achieve to become a more agile and effective organisation.

We recognised that improving accountability through better performance management was a foundational area to tackle. The organisation completely revamped its approach, investing in a modern digital platform and delivering a comprehensive training programme through the year. Early indications after the first full-year cycle are very encouraging, with staff reacting positively to the new approach.

An effective organisation depends on its managers and 2021 saw the first cohort of managers complete our flagship development programme, MXJ (Management Excellence Journeys). This bespoke, year-long programme explores a range of topics in practical ways. Participants reported significant increases in confidence in leading their teams, influencing skills, managing performance and goal setting.

COMMITMENT TO EQUALITY, DIVERSITY AND INCLUSION

2021 has been a busy and productive year for World Vision UK's equality, diversity and inclusion work. The organisation partnered with BELONG, our staff voice group, to make progress on a number of important fronts. BELONG members filled their year with activity, debate and helpful challenge, bringing diversity issues to the foreground for their peers in a way not seen before. Organisational internal communications on equality, diversity and inclusion issues also significantly increased over the year, led by the CEO and Strategic Leadership Team, and with valued contributions from staff. Learning, understanding and discussion are key features of our approach.

We continue to try to better understand our workforce's views and experiences of inclusion and diversity. For the first time, we have been able to analyse our core workforce data through the lens of ethnicity and this has given insights on where progress is being made, and where we need to continue our efforts to live out our commitment to building a more inclusive organisation. This analysis was particularly useful when considering staff feedback in our annual global staff survey, Our Voice. Additional questions on diversity were included in both our internal staff surveys and Our Voice. BELONG also initiated several surveys to understand if experiences varied across different teams and directorates. Where surveys highlighted issues, we then looked deeper into understanding these to formulate appropriate actions.

A lack of diversity in leadership is an issue that World Vision UK shares with many other organisations and we are seeing some positive signs in our intentional efforts to address this using specialist recruitment support, while

continuing to invest in and grow our internal talent. On arrival in the organisation, our onboarding programme introduces new staff to our inclusive and welcoming approach, which we build upon throughout an individual's relationship with World Vision UK. We believe that the synergy of organisational leadership and strong individual ownership of the equality, diversity and inclusion agenda will take us further through this journey to becoming a deeply inclusive organisation. A focus on equality, diversity and inclusion by our Trustees included a dedicated training session, as well as increasing the ethnic diversity of our Board in new Trustee recruitment.



ABOVE: Isma, Uganda, enjoys the chance to play out with his friends in his new wheelchair. ©2021 Brian Jakisa/World Vision



Our engagement with the UN Global Compact

World Vision UK has signed-up to the United Nations Global Compact (UNGC), a voluntary initiative, committing to implement sustainable practices and support UN goals. This Communication on Engagement describes the actions we have taken to support and promote the UNGC and its principles over the last two years.

Human Rights Principles

Principle 1: World Vision UK supports and respects the protection of internationally proclaimed human rights

Principle 2: World Vision UK ensures we are not complicit in human rights abuses

World Vision runs programmes in contexts around the world where people are highly vulnerable due to poverty, conflict and displacement, with difficulties accessing their basic human rights. An important part of this commitment is our ongoing engagement with Civil Society, ensuring awareness and involvement in local networks, special initiatives, and opportunities to involve partners, stakeholders, and other organisations in Global Compact related issues.

Activities 2021

- We have detailed policies and behavioural protocols reflecting our zero tolerance of sexual exploitation and abuse, bullying and harassment.
- We have created a new division focusing on Strategic Partnerships for World Vision UK to enable us to deepen further our engagement with Civil Society and corporate organisations. This engagement will enable us to be closely networked locally and globally and participate in Global Compact events.
- Our Board of Trustees monitors World Vision UK's remuneration, reward, and people management policies.

Next Steps

- Through our new Strategic Partnerships Directorate we will deepen our engagement with Civil Society, local and global networks, and corporate organisations.

Labour Principles

Principle 3: World Vision UK upholds the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: World Vision UK upholds the elimination of all forms of forced and compulsory labour

Principle 5: World Vision UK upholds the effective abolition of child labour

Principle 6: World Vision UK upholds the elimination of discrimination in respect of employment and occupation

World Vision UK and the wider World Vision Partnership share a zero-tolerance stance on modern slavery and human trafficking. Together, we are pro-active in preventing such acts within our own supply chain and ensuring that we only partner with organisations that also observe appropriate ethical standards.

Activities 2021

- We publish, annually, a Modern Slavery Statement to confirm our stance on preventing modern slavery, including human trafficking and labour violations.
- We provide training on modern slavery for staff and partners, and we have a Whistleblowing Policy in place through which any misconduct, as well as illegal acts in general, can be reported.
- We follow a robust Ethical Policy supporting due diligence procedures which are carried out into the track record of significant donors, partners, or suppliers and on their sub-contractors.
- We operate a Code of Conduct Policy emphasising our commitment to conduct that is both ethical and legal and confirming that we oppose illegal acts in any of our activities.
- The World Vision Partnership Guide to Humanitarian Standards reminds programme staff of the risk of trafficking and directs them to use socially responsible businesses and local labour and ensure that procedures are in place to provide a safe working environment and appropriate remuneration.
- We have a Serious Incidents Policy in place, supported by rigorous procedures, to investigate any adverse practices or incidents reported to us in the UK and in relation to our partners and sub-contractors.

Next steps

- To provide 2022 training on modern slavery and anti-corruption for staff and partners.

Environment Principles

Principle 7: World Vision UK supports a precautionary approach to environmental challenges

Principle 8: World Vision UK undertakes initiatives to promote greater environmental responsibility

Principle 9: World Vision UK encourages the development and diffusion of environmentally friendly technologies

World Vision UK takes the environmental impact of our work extremely seriously; many of the communities we serve are directly affected by climate change and environmental degradation. We have issued an Environmental Policy Statement and have agreed a climate change action plan for the year ahead. This will include

the development of an Environmental Stewardship Policy and agreeing a baseline of emissions and carbon emission reduction targets towards the goal of reducing our environmental footprint and achieving net-zero emissions.

Activities 2021

- World Vision UK is a signatory to the Glasgow Action Plan, an initiative of the Bond Development & Environment Group.
- World Vision UK is a signatory to The Climate Coalition to influence international Climate Change Policy including at COP26 held in Glasgow in November 2021.
- We have intentionally encouraged the use and diffusion of environmentally friendly technology and models in our field work, such as climate-smart agriculture, fuel-efficient cookstoves, and carbon removal through reforestation using World Vision's farmer-managed natural regeneration approach.

Next Steps

- To raise further awareness with our employees on sustainability and environmental issues to create greater environmental responsibility within the organisation and our partners.

Anti-Corruption Principles

Principle 10: World Vision UK works against corruption in all its forms, including extortion and bribery

World Vision UK will not accept corruption or corrupt acts within any aspect of our work. We act in compliance with all anti bribery legislation and ensure that our partners, sub-contractors, and anyone acting on our behalf, or affiliated with us does too.

Activities 2021

- We have comprehensive policies and guidelines, including (but not limited to) an Anti-Fraud Policy, Anti-Bribery Statement, Conflict of Interest Policy and Anti-Money Laundering Policy.
- All staff are made aware of our Whistleblowing Policy, with access to a dedicated reporting hotline.
- As a global Partnership, all World Vision offices and entities align and comply with Partnership-wide Anti-Corruption Policies.
- We have robust systems guiding due diligence on all potential partners, with particular attention to their own internal anti-corruption and anti-bribery policies.
- We ensure written agreements with partners (including their agents, consultants, and sub-contractors), include requirements for compliance with anti-bribery procedures and policies.

Next Steps

- To provide 2022 training on anti-corruption for staff and partners.

PACE

The Partnership Against Child Exploitation (PACE) is a ground-breaking partnership of private sector, academic, media development and civil society organisations working together to combat the exploitation of children in the worst forms of child labour. World Vision UK leads the consortium; with over £8.5 million in funding over 4 years from the UK's Foreign, Commonwealth and Development Office (FCDO). UN Global Compact UK is one of our six partners in PACE which adopts a holistic multifaceted programme to identify the most effective strategies for combating the worst forms of child labour across four principal areas of work: 1) empowering children, 2) alternatives to child labour, 3) strengthening the justice sector and 4) collaborating with the private sector. It is this last area (collaborating with the private sector) that World Vision UK works most closely with UNGC UK.



Environmental stewardship

Communicating to our supporters

In 2021, we have increasingly shared with our supporters, stories and information about how climate change is impacting the lives of the most vulnerable children and the communities that we serve. Through our blogs, appeals, newsletters, impact report and case studies, we have highlighted how climate change acts as a threat multiplier, making hazards such as droughts, floods and storms more frequent and more intense. Our intention is to give our supporters a better understanding about how climate change increases poverty, hunger, conflict, migration and loss of life, and worsens the vulnerabilities of many children and their families in the communities where we work.

We are also continuing to show our supporters how World Vision helps families and communities restore degraded environments, improve soil quality, regenerate forests and biodiversity, and adopt better farming techniques that can cope with the changes in weather patterns and seasons.

Collaborating with others and advocating for environmental stewardship that reduces impact on the most vulnerable

World Vision UK is a member of the Climate Action Network (CAN) UK. Through this network, we have been able to engage in advocacy with the UK Government, especially in the run up to COP26, to push for ambitious targets and commitments. This included ensuring that the issue of children, their particular vulnerability to the impacts of climate change and the need for children's voices to be heard were all included in the positions of CAN-UK. World Vision is also part of the 'nature' sub-group and has worked with others in this group to promote actions to restore degraded environments, including the use of reforestation approaches such as farmer-managed natural regeneration.

World Vision UK also worked with other networks and partnerships, including the Children in a Changing Climate Coalition and the Cities 4 Children Global Alliance, to present side events at COP26.

World Vision UK coordinated a webinar, 'COVID-19, Climate and Conflict: Faith in Action', at the high-profile National Parliamentary Prayer Breakfast, organised by Christians in Parliament. We explored how the most vulnerable children and their communities, who have already been disproportionately impacted by the pandemic, face increasing hardships due to ongoing conflict and the impacts of climate change.

Statement on Streamlined Energy and Carbon Reporting (SECR)

Under SECR legislation, we are required to report our UK-based carbon emissions from all our Scope 1 and Scope 2 emissions. Scope 3 emissions reporting (including flights and trains) are voluntary for World Vision UK, but they are a significant component of our overall emissions and so we are including them in our overall emissions report.

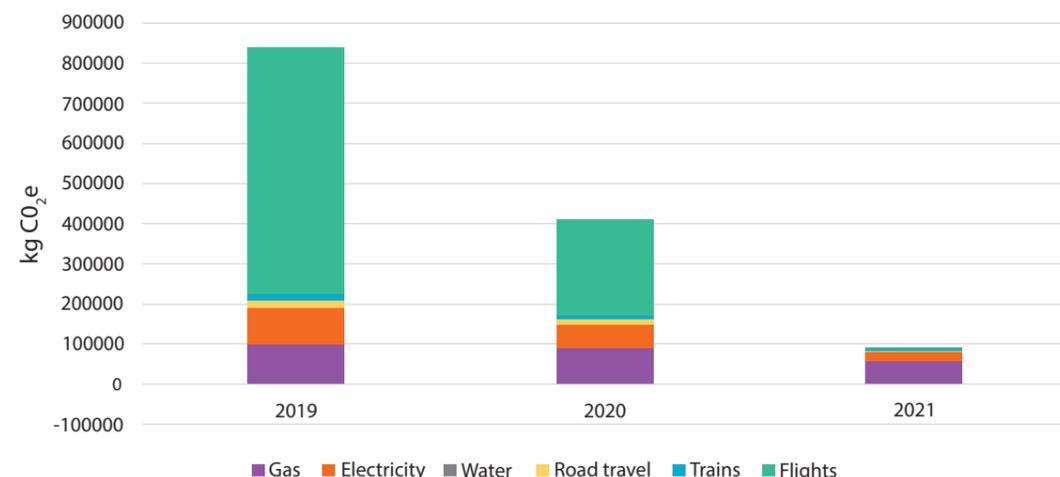
Recognising the strong link between child vulnerability and climate change, World Vision UK is committed to ongoing improvement in our environmental performance and reduction of our carbon emissions. In 2021 we approved our WVUK Environmental Stewardship Policy, which includes a commitment to becoming a net-zero organisation. We are working to develop a timeline and targets for 2025 and 2030 as key milestones towards achieving this goal.

World Vision International has developed a tool to measure the organisation's energy and carbon (electricity, gas and water), transport (rail, road and air), and paper usage. World Vision UK has chosen to align with this approach, and to add to it where possible for a more complete picture of our environmental impact.

We have managed to set up tracking of all the utilities and transport usage, with data gathered from 2019 for

		2021	2020	Decrease from
		(MK only)	(MK and LV)	2020 to 2021
Total Utilities	Electricity usage (kWh)	132,425	226,246	41%
	Gas usage (kWh)	266,050	388,076	31%
	Water usage (m ³)	155	821	81%
	CO ₂ e kg from electricity	24,157	59,220	59%
	CO ₂ e kg from gas/gas oil	56,487	87,144	35%
	CO ₂ e kg from water	80	864	91%
	Estimated total CO₂e kg from utilities	80,724	147,228	45%

World Vision UK total CO₂ emissions



transport, and as far back as 2007 for utilities. A system for tracking paper usage is being developed for use in 2022 and in future we aim to measure emissions from waste disposal, hotel stays, homeworking and cloud data storage.

Carbon emissions

In 2021 we have seen our total emissions decrease to 91,479kg CO₂e from 412,828kg CO₂e in 2020, and to 11% of our 2019 baseline data. This is primarily due to the decrease in international travel due to the COVID-19 pandemic (as the total emissions graph shows), although we have made significant decreases in our emissions from other sources as well.

World Vision UK now operates out of only one office, in Milton Keynes. Our total utilities usage and emissions for 2020 included our London Victoria office, but it was hibernated at the start of the pandemic and not re-opened in 2021 prior to the end of the lease, therefore our 2021 utilities data is for the Milton Keynes office only. We haven't included the carbon footprint associated with homeworking or our temporary London desk arrangements. Significant decreases were seen in electricity, gas and water use in 2021 compared to 2020 primarily due to the much lower occupancy of our offices as a result of following the Government's work from home regulations.

The carbon emissions from electricity have shown a higher percentage decrease (59%) than actual electricity usage (41%) because of the improvement in the mix of national UK energy supplies from 2020 to 2021 (to include a greater proportion of cleaner electricity) and therefore a change in the Defra conversion factor which applied to our electricity supply to the end of June 2021. From July 2021 we changed our electricity supplier to a net-zero supplier.

The contribution of water to our emissions was negligible compared to gas and electricity. Our water usage dropped by 81% and the associated CO₂e by 91%. (The water

usage and CO₂e comparative amounts for 2020 have been increased marginally (by 2%) following a reading adjustment by the supplier.)

The number of flights taken in 2021 decreased significantly compared to previous years as a result of travel being severely reduced due to COVID-19 restrictions. Hence, carbon emissions from flights in 2021 were 2.5% of their 2020 value, and 1.0% of pre-pandemic 2019 values.

Intensity metrics for World Vision UK have been calculated using the average number of employees. In 2021, for the emissions we measure, the CO₂e per employee was 382kg, compared to 1533kg and 3290kg in 2020 and 2019 respectively. The reduction in the number of flights taken in 2021 is the most significant factor driving this change which indicates a key area in which we can seek to reduce the intensity of emissions in future years. Measurement of paper usage and emissions from waste will also be added in 2022.

Carbon reduction

World Vision UK has been taking measures for 20 years to become more environmentally sustainable and intentionally reduce carbon emissions and the environmental impact of our offices. Although the reduction in a number of activities due to the pandemic has been the main driver behind our emission reductions over the last two years, we have continued taking intentional steps towards our commitment to becoming a net-zero organisation. During 2021 we completed installing LED lights in our Milton Keynes office and switched our electricity supply to Ecotricity, a 100% green supplier whose electricity is generated from renewable sun, wind and sea sources. In the coming year we will be focusing on our carbon emissions from international travel to limit their increase as pandemic restrictions ease and we will be setting targets for 2025 and 2030 towards our net-zero goal.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of World Vision UK for the purposes of company law) are responsible for preparing the financial statements and Annual Report, including the Strategic Report, in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- **select suitable accounting policies and then apply them consistently**
- **observe the methods and principles in the Charities Statement of Recommended Practice (SORP)**
- **make judgements and estimates that are reasonable and prudent**
- **state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements**
- **prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.**

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

In so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware. The Trustees have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

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

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

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

The Annual Report is approved by the Board on 25 February 2022 and signed on behalf of the Board by:

Richard Izard
Board Chair – World Vision UK

A young child, likely a boy, is the central focus of the image. He is smiling broadly, showing his teeth. He is wearing a light-colored, long-sleeved shirt with a buttoned placket and a matching head covering with small dots. He is holding a large ear of yellow corn with its husk partially removed. The background is a field of tall corn stalks with dry, yellowing leaves, suggesting a harvest season. The lighting is natural, and the overall tone is warm and positive.

Financial statements

A detailed look at our finances for the financial year ended 30 September 2021.

OPPOSITE: 5-year-old Denis never leaves his mother's side when it is harvesting time. He goes with her to the garden, together with his elder sister Mary. The children love harvest time, because they know they have more food at home and their mother is going to get more money to buy them "clothes and sweets". Denis's mother, Joyce, has benefited from a food security project supported by World Vision, WFP and Self-Help Africa and now grows enough maize for both home consumption and to sell it to local traders.

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Statement of financial activities

(including income and expenditure account) for the year ended 30 September 2021

	Notes	Restricted funds £'000	Unrestricted funds £'000	2021 £'000	Restricted funds £'000	Unrestricted funds £'000	2020 £'000
Income from:							
Donations and legacies	2a	42,657	10,027	52,684	59,749	9,711	69,460
Charitable activities	3	-	36	36	-	-	-
Investment	4	-	3	3	-	49	49
Other	5	-	92	92	10	61	71
Total income		42,657	10,158	52,815	59,759	9,821	69,580
Expenditure on:							
Raising funds	6	5,422	5,306	10,728	6,217	5,069	11,286
Charitable activities	7a	41,311	3,859	45,170	52,678	3,285	55,963
Total expenditure		46,733	9,165	55,898	58,895	8,354	67,249
Gains on investments	14	-	267	267	-	89	89
Net (expenditure)/income		(4,076)	1,260	(2,816)	862	1,558	2,420
Net movement in funds		(4,076)	1,260	(2,816)	862	1,558	2,420
Reconciliation of funds:							
Total funds brought forward	19	6,800	11,987	18,787	5,936	10,431	16,367
Total funds carried forward	19	2,724	13,247	15,971	6,800	11,987	18,787

Balance sheet

as at 30 September 2021

	Notes	2021 £'000	2020 £'000
Fixed assets			
Intangible fixed assets	12	115	242
Tangible fixed assets	13	4,900	5,095
Investments	14	1,828	1,561
Total fixed assets		6,843	6,898
Current assets			
Debtors	15	3,119	4,224
Cash at bank		12,864	14,683
Total current assets		15,983	18,907
Liabilities			
Creditors: Amounts falling due within one year	16	(4,705)	(4,252)
Net current assets		11,278	14,655
Total assets less current liabilities		18,121	21,553
Creditors: Amounts falling due after more than one year	17	(2,150)	(2,766)
Total net assets		15,971	18,787
The funds of the charity			
Restricted funds	19	2,724	6,800
Tangible fixed assets fund	19	2,570	2,612
General fund	19	10,677	9,375
Total unrestricted funds		13,247	11,987
Total funds	19	15,971	18,787

The financial statements of World Vision UK, registered number 1675552, were approved by the Board and authorised for issue on 25 February 2022.



Douglas Millican



Richard Izard (Board Chair)

Statement of cash flows

for the year ended 30 September 2021

	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Cash flows from operating activities:				
Net cash provided by operating activities a		(1,502)		2,408
Cash flows from investing activities:				
Deposit interest received	3		49	
Purchase of property, plant and equipment	(19)		(15)	
Net cash used in investing activities		(16)		34
Cash flows from financing activities:				
Repayment of borrowings	(281)		(266)	
Repayment of mortgage interest	(20)			
Cash flows from financing activities		(301)		(266)
Change in cash and cash equivalents in the year		(1,819)		2,176
Cash and cash equivalents at the beginning of the year		14,683		12,507
Cash and cash equivalents at the end of the year b		12,864		14,683
Notes				
a Reconciliation of net income to net cash flows from operating activities		2021 £'000		2020 £'000
Net income for the year (as per the statement of financial activities)		(2,816)		2,420
Adjustments for:				
Depreciation charge		174		209
Amortisation charge		127		127
Gains on investments		(267)		(89)
Bank interest received		(3)		(49)
Mortgage interest paid		20		
Loss on disposal of fixed assets		40		
Decrease in debtors		1,106		1,334
Increase in creditors		117		(1,544)
Net cash provided by operating activities		(1,502)		2,408
	At 1 October		Other non-	At 30
	2020	Cash flows	cash changes	September
	£'000	£'000	£'000	2021
Analysis of cash and cash equivalents				£'000
Cash and cash equivalents	14,683	(1,819)	-	12,864
Cash at bank	14,683	(1,819)	-	12,864
Borrowings				
Debt due within one year	280	(280)	295	295
Debt due after one year	2,445	-	(295)	2,150
	2,725	(280)	-	2,445
Total net funds	17,408	(2,099)	-	15,309

Notes to the accounts

for the year ended 30 September 2021

1. Accounting policies

World Vision UK is a registered charity no. 285908, a company limited by guarantee and registered in England no. 1675552. The members of the charity are the Trustees named on page 70. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charity's registered office is World Vision House, Opal Drive, Fox Milne, Milton Keynes MK15 0ZR.

a. Basis of preparation

These financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019) and the Companies Act 2006.

World Vision Trading Limited, a wholly-owned subsidiary of World Vision UK, has been excluded from consolidation on the grounds of materiality.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b. Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

c. Going concern

The Trustees have assessed the charity's ability to continue operating on a going concern basis as outlined in the section 'Going concern' in the 'Financial review' on page 31. Nothing has come to the Trustees' attention which would cast doubt on the charity's ability to continue operating, accordingly the Trustees have adopted the going concern basis in preparing the financial statements.

d. Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

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

e. Expenditure

Expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Where expenditure cannot be directly attributed to particular headings it is allocated on a basis consistent with the use of the relevant resources measured by reference to headcount.

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

Charitable activities comprise of the following:

Funding for overseas programmes are monies expended to overseas programmes or donated goods and services distributed to partner entities.

Programme support costs represent the costs incurred by UK-based staff in assisting programmes overseas, including their technical development, staffing, training, management and financial control.

Advocacy, education and research are the costs incurred in the UK to educate or influence governments, institutions and members of the public on poverty issues and includes campaigning and lobbying, public policy and research work, Christian engagement activities and educational and news publications.

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

f. Foreign exchange

Transactions denominated in foreign currency are translated into Sterling and recorded at the exchange rates ruling at the date of the transactions. Monetary assets and liabilities denominated in a foreign currency are translated into Sterling at the exchange rates at the balance sheet date. Translation differences are dealt with in the Statement of Financial Activities.

g. Tangible fixed assets and depreciation

Except for laptops and computer peripherals which are expensed on acquisition, tangible fixed assets costing more than £1,000 are capitalised.

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

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

h. Intangible fixed assets and amortisation

Intangible fixed assets are held on the balance sheet at cost less accumulated amortisation and impairment losses.

Computer software, including development costs, is capitalised as an intangible asset and amortised on a straight line basis over its expected useful life of 5 years.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

i. Investments

Investments are valued at mid-market value at the balance sheet date.

j. Funds

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

Designated funds are amounts which have been put aside at the discretion of the Trustees. The Tangible fixed assets fund represents the net book value of fixed assets less related borrowings, and therefore is not available for distribution.

General fund comprises of accumulated surpluses less deficits after transfers to designated funds. It allows the charity to budget for anticipated commitments in the short and medium term and to provide adequate working capital.

k. Pensions

The charity operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

l. Leasing commitments

Rentals paid under operating leases are charged to Statement of Financial Activities as incurred.

m. Irrecoverable Value Added Taxation (VAT)

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

n. Debtors

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

o. Cash at bank

Cash at bank is held to meet short term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short term highly liquid investments. A cash equivalent will normally have a short maturity of three months or less from the date of acquisition.

p. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

q. Financial instruments

World Vision UK's financial instruments are all common basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r. Volunteers

No volunteers worked for the charity in 2021 (2020: seven).

s. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom exactly equal the related actual results. It is in the opinion of the Trustees that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The following key accounting judgements have been identified:

Income recognition

Due to the range and complexity of the charity's funding streams, revenue recognition is deemed to be an area that requires judgement to appropriately apply the income accounting policies explained in accounting policy 1d. Grant income is recognised once all conditions for recognition have been met.

Cost allocation

The cost allocation methodology requires judgement as to what are the most appropriate bases to use to apportion support costs; these are reviewed annually for reasonableness. Support costs are allocated between activities on an appropriate direct basis during the period.

2a Donations and legacies

At 30 September 2021, the number of children in the child sponsorship committed giving scheme was approximately 63,000 (2020: 67,000).

	Restricted £'000	Unrestricted £'000	2021 £'000	Restricted £'000	Unrestricted £'000	2020 £'000
Committed giving and other donations						
Child Sponsorship committed giving scheme	17,564	-	17,564	18,596	-	18,596
Legacies	3	768	771		272	272
Other donations	2,010	4,606	6,616	1,933	4,673	6,606
Tax recovered under Gift Aid	-	4,653	4,653	-	4,766	4,766
	19,577	10,027	29,604	20,529	9,711	30,240
Donations for emergencies						
Emergency appeals	548	-	548	954	-	954
Disasters Emergency Committee appeals	1,241	-	1,241	1,302	-	1,302
	1,789	-	1,789	2,256	-	2,256
Institutional grants (see Note 2b)	18,576	-	18,576	33,272	-	33,272
Donated goods and services (see Note 2c)	2,715	-	2,715	3,692	-	3,692
	42,657	10,027	52,684	59,749	9,711	69,460

2b Institutional grants

	2021 £'000	2020 £'000
Development grants	17,155	23,837
Relief grants	1,421	9,435
	18,576	33,272
<i>Grants receivable from:</i>		
UK Government - Foreign, Commonwealth & Development Office		
Girls' Education Challenge - Transition, DRC	1,896	1,942
Girls' Education Challenge - Transition, Zimbabwe	2,718	3,509
Food Insecurity Emergency Response - Zambia	(2)	5,598
Tackling Child Labour and Modern Slavery, UK Aid Connect	2,103	2,247
Transition to Development - Sudan Humanitarian Resilience Programme	717	1,087
Effectiveness of Cash Programming on Nutrition Outcomes	-	3
R2HC Uganda	123	-
Effective Approaches to End Worst Forms of Child Labour	248	157
Weather and Information Services for Africa - WISER	-	29
South Sudan - Research on Cash and Intimate Partner Violence in humanitarian settings	-	240
UNOPS Phase 2	-	28
UNOPS Phase 5	(7)	579
Ethiopia - Geddo and West Guji IDP Emergency	-	342
Norwegian Refugee Council led, Early Recovery and Durable Solution	348	15
DRC - Unilever COVID-19 Response (jointly funded by FCDO)	38	950
The Global Fund to Fight AIDS, Tuberculosis and Malaria	6,495	7,314
United Nations	330	517
European Community Humanitarian Office (ECHO)	56	438
Other European Union	2,365	5,758
Start Fund	1,148	2,518
Other	-	1
	18,576	33,272

2c Donated goods and services

	2021 £'000	2020 £'000
<i>Donated goods and services received from:</i>		
World Food Programme (WFP)	2,715	3,692
	2,715	3,692

3 Income from charitable activities

During the year, the charity earned income from contracts for the supply of services provided for the benefit of the charity's beneficiaries from the following parties:

	2021 £'000	2020 £'000
Oxford Policy Management Limited	3	-
Chemonics International Inc	33	-
	36	-

4 Investment income

	2021 £'000	2020 £'000
Bank interest	3	49
	3	49

5 Other income

	2021 £'000	2020 £'000
Use of premises	-	25
Other	5	-
UK Government - Coronavirus Job Retention Scheme	87	46
	92	71

Use of premises income relates to administration fees and income relating to the use of the charity's premises by other parties.

6 Expenditure

	2021 Costs of generating funds £'000	2021 Funding to overseas programmes £'000	2021 Programme support costs £'000	2021 Advocacy, education and research £'000	2021 Governance costs £'000	2021 Support costs £'000	2021 total £'000
Raising funds	7,854	-	-	-	410	2,464	10,728
Charitable activities (see Note 7)	-	40,269	1,869	1,496	187	1,349	45,170
Total expenditure	7,854	40,269	1,869	1,496	597	3,813	55,898

	2020 Costs of generating funds £'000	2020 Funding to overseas programmes £'000	2020 Programme support costs £'000	2020 Advocacy, education and research £'000	2020 Governance costs £'000	2020 Support costs £'000	2020 total £'000
Raising funds	8,236	-	-	-	424	2,626	11,286
Charitable activities (see Note 7)	-	50,245	1,962	1,939	215	1,602	55,963
Total expenditure	8,236	50,245	1,962	1,939	639	4,228	67,249

Costs incurred in the United Kingdom:	2021 Programme support costs £'000	2021 Advocacy, education and research £'000	2021 Cost of generating funds £'000	2021 Governance costs £'000	2021 Support costs £'000	2021 £'000	Basis of Allocation
Salaries	1,636	804	4,057	495	1,998	8,990	Direct
Employment benefits	4	5	7	19	263	298	Direct
Temporary staff	-	37	356	-	-	393	Direct
Training	-	-	2	-	42	44	Direct
Recruitment	7	2	1	11	68	89	Direct
Travel and subsistence	6	9	16	2	4	37	Direct
Advertising and awareness raising	-	42	347	-	-	389	Direct
Research and consultancy	171	70	147	37	7	432	Direct
Other marketing and communications	23	416	2,643	4	229	3,315	Direct
Equipment maintenance and rental	-	79	243	2	407	731	Direct
Depreciation and amortisation	-	-	-	(4)	304	300	Direct
Occupancy and supplies	20	30	20	12	384	466	Direct
Legal and professional	1	2	12	13	64	91	Direct
Bank charges and exchange differences	1	-	3	6	23	33	Direct
Mortgage interest	-	-	-	-	20	20	Direct
	1,869	1,496	7,854	597	3,813	15,629	
Allocation of support costs:							
Raising funds	-	-	2,393	71	(2,464)	-	
Charitable activities (see Note 7)	886	430	-	33	(1,349)	-	
Allocation of support costs	886	430	2,393	104	3,813	-	
	2,755	1,926	10,247	701	-	15,629	
Governance costs are made up as follows:							
Board (see Note 11)						-	
Statutory audit (see Note 8)						42	
Management						659	
						701	

Costs incurred in the United Kingdom:	2020 Programme support costs £'000	2020 Advocacy, education and research £'000	2020 Cost of generating funds £'000	2020 Governance costs £'000	2020 Support costs £'000	2020 £'000	Basis of Allocation
Salaries	1,696	1,138	4,106	525	2,316	9,781	Direct
Employment benefits	10	3	15	20	329	377	Direct
Temporary staff	9	85	635	11	-	740	Direct
Training	3	1	1	-	59	64	Direct
Recruitment	8	13	33	6	97	157	Direct
Travel and subsistence	68	50	168	13	17	316	Direct
Advertising and awareness raising	1	65	540	-	-	606	Direct
Research and consultancy	133	90	214	41	53	531	Direct
Other marketing and communications	12	391	2,221	(1)	268	2,891	Direct
Equipment maintenance and rental	-	70	218	1	389	678	Direct
Depreciation and amortisation	-	-	-	-	336	336	Direct
Occupancy and supplies	9	20	42	3	247	321	Direct
Legal and professional	12	12	37	18	58	137	Direct
Bank charges and exchange differences	1	1	6	2	22	32	Direct
Mortgage interest	-	-	-	-	37	37	Direct
	1,962	1,939	8,236	639	4,228	17,004	
Allocation of support costs:							
Raising funds	-	-	2,549	77	(2,626)	-	
Charitable activities (see Note 7)	956	607	-	39	(1,602)	-	
Allocation of support costs	956	607	2,549	116	4,228	-	
	2,918	2,546	10,785	755	-	17,004	
Governance costs are made up as follows:							
Board (see Note 11)						1	
Statutory audit (see Note 8)						43	
Management						711	
						755	

7a Charitable activities

	Restricted £'000	Unrestricted £'000	2021 £'000	Restricted £'000	Unrestricted £'000	2020 £'000
Support was given to the following regions (including donated goods and services)						
East Africa	15,368	489	15,857	17,896	405	18,301
Southern Africa	10,407	550	10,957	18,287	123	18,410
West Africa	3,200	99	3,299	4,562	46	4,608
Asia	6,811	206	7,017	5,758	50	5,808
Latin America	945	29	974	1,750	65	1,815
Middle East/Eastern Europe	2,102	63	2,165	1,275	28	1,303
Total cost of overseas programmes	38,833	1,436	40,269	49,528	717	50,245
Programme support costs	945	924	1,869	1,081	881	1,962
Allocation of advocacy, education and research	756	740	1,496	1,068	871	1,939
Allocation of governance	95	92	187	118	97	215
Allocation of support costs	682	667	1,349	883	719	1,602
	41,311	3,859	45,170	52,678	3,285	55,963

World Vision UK's share of the programme costs of World Vision International which are not country specific are included above in proportion to the charity's remittances to World Vision International for each region.

7b Partner organisations

Most of our expenditure to overseas programmes for development, relief and advocacy were made to the regions listed above through World Vision International to World Vision partner entities. We also made payments for overseas programmes through non World Vision partners.

	2021 £'000	2020 £'000
Partner Organisations		
WV Austria	447	-
WV Australia	425	427
World Vision International	33,999	44,538
Payments to World Vision Partnership entities	34,871	44,965
Stichting SNV Nederlandse Ontwikkelingsorganisatie	1,055	-
Care International	853	720
War Child UK	589	730
International Food Policy Research Institute	541	-
Action Contre la Faim (ACF)	-	473
Rural Initiative for Community Empowerment	485	-
Thompson Reuters	327	256
Action Against Hunger	269	-
50 Eight Ltd	231	321
Institute of Development Studies	164	-
World Renew	163	221
ADRA Somalia	147	600
Columbia University	144	561
Christian Aid	118	-
Johns Hopkins	-	115
Shaqdoon	-	101
Oxfam	-	93
Save the Children	-	93
Global Compact Network UK	81	180
Acted	80	422
Mercy Corps	57	-
Open University	43	329
Limestone Analytics	-	22
Stichting BRAC International	-	14
Africhild	14	25
Other	37	4
Payments to non World Vision Organisations	5,398	5,280
Total payments for overseas programmes	40,269	50,245

8 Net income/(expenditure)

	2021 £'000	2020 £'000
This is stated after charging:		
Depreciation / amortisation of owned assets	301	336
Loss on disposal of fixed assets	40	-
Operating lease rentals – plant and machinery	54	53
Operating lease rentals – buildings	35	151
Interest payable on mortgage loans	20	37
Auditor's remuneration – audit fees	42	43
– other	4	6

9 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the periods:

	Property		Equipment	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Less than one year	-	62	51	52
One to five years	-	-	25	75
	-	62	76	127

10 Employee costs

	2021 £'000	2020 £'000
Aggregate payroll costs were as follows:		
Wages and salaries	7,720	8,438
Social security costs	753	796
Other pension costs	517	547
	8,900	9,781

Redundancy costs are paid in cash and accounted for on an accruals basis, at the point a firm commitment is made and redundancy is confirmed in writing. Redundancy costs amounted to £31,000 during the year (2020: £53,000)

	Number	Number
The number of employees whose total employee benefits (excluding employer pension costs and Employer National Insurance Contributions) fell into the following bands:		
£60,001 - £70,000	3	1
£70,001 - £80,000	2	2
£80,001 - £90,000	2	2
£90,001 - £100,000	1	-
£100,001 - £110,000	-	-

During 2020, the post of CEO was initially held by Tim Pilkington who departed partway through the year and was succeeded by Mark Sheard. The aggregate of their remuneration and benefits in respect of this role, including pension contributions and Employer National Insurance Contributions, during 2020 was £119,000.

On his appointment Mark Sheard made a personal decision to waive a proportion of his remuneration and to forgo the benefits package such that his remuneration and benefits including pension contributions and Employer National Insurance Contributions during 2021 was £99,000.

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer, Chief Financial Officer, Director of Policy and Programmes, Director of Public Engagement, Director of Strategic Partnerships (a new role created in 2021), Chief People Officer and Director of Business Transformation (the latter two replacing the Director of People and Business Excellence role). The total remuneration and benefits including pension contributions and Employer National Insurance contributions of these roles was £603,000 (2020: £517,000).

The functional analysis of average monthly staff numbers is:

	Number	Number
Fundraising and supporter communication	118	133
Programme support	41	44
Advocacy, education and research	19	14
Support and governance	61	65
	239	256

While the Charity supports and controls its overseas programmes from the UK, implementation is performed through field-based partners, mostly members of the World Vision Partnership. This means that the Charity does not employ staff to implement programmes and a large proportion of the Charity's staff raise funds for those programmes and work with its supporters.

11 Trustees' remuneration

The Trustees received no remuneration for their services. No Trustees were reimbursed for directly incurred expenses during 2021 (2020: £761, which was claimed by 4 trustees). Indemnity insurance is provided for the Trustees and Principal Officers of the charity. Premiums paid totalled £25,046 (2020: £16,335).

12 Intangible fixed assets

	Software £'000	Total £'000
<i>Cost:</i>		
At 1 October 2020	4,477	4,477
Disposals	(2)	(2)
At 30 September 2021	4,475	4,475
<i>Amortisation:</i>		
At 1 October 2020	4,235	4,235
Charge for the year	127	127
Disposals	(2)	(2)
At 30 September 2021	4,360	4,360
<i>Net book value:</i>		
At 30 September 2021	115	115
At 1 October 2020	242	242

13 Tangible fixed assets

The cost of freehold land amounting to £670,000 (2017: £670,000) is not depreciated.

	Freehold land and building £'000	Computer and office equipment £'000	Fixtures and fittings £'000	Total £'000
<i>Cost:</i>				
At 1 October 2020	7,050	310	583	7,943
Transfer of Assets	-	-	-	-
Additions	-	-	19	19
Disposals	-	(75)	(91)	(166)
At 30 September 2021	7,050	235	511	7,797
<i>Depreciation:</i>				
At 1 October 2020	2,162	255	431	2,848
Charge for the year	128	13	33	174
Disposals	-	(39)	(87)	(126)
At 30 September 2021	2,289	230	378	2,896
<i>Net book value:</i>				
At 30 September 2021	4,760	6	134	4,900
At 1 October 2020	4,888	55	152	5,095

14 Investments

The Charity holds the entire issue of share capital of one £1 share in World Vision Trading Limited. World Vision Trading Limited is a private company, limited by shares, incorporated in England and Wales (company number: 11460148). The company is a wholly owned subsidiary of the charity, its ultimate parent undertaking and controlling party. The company has no employees or premises of its own, and the address of its registered office is World Vision House, Opal Drive, Fox Milne, Milton Keynes, MK15 0ZR. The company has three statutory directors, consisting of two members of World Vision UK key management, and one trustee of World Vision UK. All transactions between World Vision UK and World Vision Trading Limited are conducted on an arm's length basis. Profits retained by World Vision Trading Limited are periodically donated to its parent undertaking.

In the year ended 30 September 2021, World Vision Trading Limited had a turnover of £4,000 (2020: £36,000), expenditure of £3,000 (2020: £8,000) and made a donation to World Vision UK of £28,000 (2020: £2,000). As at 30 September 2021, World Vision Trading Limited had net assets of £1,000 (2020: £28,000). The subsidiary has been excluded from consolidation on the grounds of materiality. There being no further interests in subsidiaries, group accounts have not been prepared, and accordingly these accounts present information about the charity and not its group.

All financial investments are held within the UK.

	2021 £'000	2020 £'000
Financial Investments		
Common investment funds held by the charity		
Market value at 1 October	1,561	1,472
Net investment gains	267	89
Market value at 30 September	1,828	1,561
Historical cost at 30 September	452	452

15 Debtors

	2021 £'000	2020 £'000
Institutional grants receivable	1,620	2,142
Amounts owed by other World Vision entities	50	158
Tax recoverable (Gift Aid)	909	377
Prepayments and accrued income (including legacy income)	207	192
Other debtors	333	1,355
	3,119	4,224

There was no deferred income during the year (2020: none).

16 Creditors

Amounts falling due within one year

	2021 £'000	2020 £'000
Mortgage loan (see also note 17)	295	280
Amounts owed to other World Vision entities	2,516	547
Accruals	981	1,459
Taxation and social security	268	288
Other creditors	645	1,678
	4,705	4,252

Included within 'Other creditors' are outstanding pension contributions amounting to £72,000 (2020: £79,000).

17 Creditors

Amounts falling due after more than one year

The mortgage loan is secured on the charity's property and is repayable over 25 years from October 2003. Interest is charged at LIBOR(London Bank Interest Rate) plus Mandatory Liquid Asset cost plus 0.7%.

	2021 £'000	2020 £'000
Mortgage loan repayable between 1-5 years	1,355	1,283
Mortgage loan repayable in more than 5 years	795	1,163
	2,150	2,446
Department for International Development (DFID) mobilisation funding repayable between 1-5 years	-	320
Total liabilities due after more than 1 year	2,150	2,766

18 Financial instruments

	2021 £'000	2020 £'000
Financial assets		
Financial assets measured at fair value through income and expenditure	1,739	1,561
Financial assets measured at amortised cost	15,776	18,714
	17,515	20,275
Financial liabilities		
Financial liabilities measured at amortised cost	6,586	6,411

Financial assets measured at fair value through income and expenditure comprises common investment funds. Financial assets measured at amortised cost comprises cash at bank, trade debtors and accrued income. Financial liabilities measured at amortised cost comprises trade creditors, accruals and other creditors.

The entity's income, expense, gains and losses in respect of financial instruments are summarised below:

	2021 £'000	2020 £'000
Income, expense, gains and losses		
Total investment income for financial assets measured at fair value through income and expenditure	267	89
Net gains on financial assets measured at amortised cost through income and expenditure	3	49

19 Funds

The transfer between the General fund and the designated Tangible fixed assets fund represents net movements on fixed assets and the related loan. The General fund at 30 September 2021 includes cumulative net unrealised gains on investments of £1,376,000 (2020: unrealised gain of £1,109,000) see Note 14.

	Restricted funds		Unrestricted funds		Total
	£'000	Tangible fixed assets fund £'000	General fund £'000	£'000	
Balance at 1 October 2019	5,936	2,667	7,764	16,367	
Income	59,759	-	9,821	69,580	
Expenditure	(58,895)	(335)	(8,019)	67,249	
Transfers between funds	-	280	(280)	-	
Net unrealised investment gain	-	-	89	89	
Balance at 30 September 2020	6,800	2,612	9,375	18,787	
Represented by:					
Fixed assets	-	5,337	-	5,337	
Investments	-	-	1,561	1,561	
Debtors	3,430	-	794	4,224	
Cash at bank and in hand	5,367	1	9,315	14,683	
Creditors: amounts falling due within one year	(1,677)	(280)	(2,295)	(4,252)	
Creditors: amounts falling due after more than one year	(320)	(2,446)	-	(2,766)	
Balance at 30 September 2020	6,800	2,612	9,375	18,787	

	Restricted funds		Unrestricted funds		Total
	£'000	Tangible fixed assets fund £'000	General fund £'000	£'000	
Balance at 1 October 2020	6,800	2,612	9,375	18,787	
Income	42,657	-	10,158	52,815	
Expenditure	(46,733)	(300)	(8,865)	(55,898)	
Transfers between funds	-	258	(258)	-	
Net unrealised investment gain	-	-	267	267	
Balance at 30 September 2021	2,724	2,570	10,677	15,971	
Represented by:					
Fixed assets	-	5,015	-	5,015	
Investments	-	-	1,828	1,828	
Debtors	1,896	-	1,223	3,119	
Cash at bank and in hand	(2,516)	-	9,520	12,864	
Creditors: amounts falling due within one year	(2,156)	(295)	(1,894)	(4,705)	
Creditors: amounts falling due after more than one year	-	(2,150)	-	(2,150)	
Balance at 30 September 2021	2,724	2,570	10,677	15,971	

Restricted funds	Balance 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 2020 £'000
East Africa	890	17,881	(17,916)	-	855
Southern Africa	1,148	18,702	(18,308)	-	1,542
West Africa	1,655	5,510	(5,608)	-	1,559
Asia	7	7,358	(6,733)	-	632
Latin America	864	1,879	(2,123)	-	620
Middle East/Eastern Europe	158	1,915	(1,668)	-	405
Cross regional initiatives	1,214	6,514	(6,541)	-	1,187
Total	5,936	59,759	(58,895)	-	6,800

Restricted funds	Balance 2020 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Balance 2021 £'000
East Africa	855	11,992	(15,298)	-	(2,451)
Southern Africa	1,542	9,728	(10,620)	-	650
West Africa	1,559	4,129	(4,227)	-	1,461
Asia	632	7,769	(7,728)	-	673
Latin America	620	1,280	(1,280)	-	620
Middle East/Eastern Europe	405	1,847	(2,228)	-	24
Cross regional initiatives	1,187	5,912	(5,352)	-	1,747
Total	6,800	42,657	(46,733)	-	2,724

20 Commitments and contingent liabilities

Pension commitments

The Charity operates a defined contribution scheme for its employees. The assets of the scheme are held separately from those of the Charity in a group personal pension scheme, for which the Charity has no responsibility other than regular contributions on behalf of employees.

Contingent liabilities

There were no contingent liabilities at year end (2020: none).

21 Taxation

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

22 Related party transactions

Marcus Frost is World Vision International's Partnership Leader, Marketing and Communications and World Vision International President's Representative member on the Board of World Vision UK.

The charity remitted £32,462,000 (2019: £44,073,000) to World Vision International to fund overseas programme costs (see also Note 7) and charged £46,000 (2020: £70,000) for office space, IT and payroll services.

At the end of the year, World Vision International and its partner entities owed the charity £50,000 (2020: £158,000), see Note 15. World Vision UK owed World Vision International and its partner entities £2,516,000 (2020: £547,000), see Note 16. There are no other related party transactions or balances other than those noted above.

Financial statements

for the year ended 30 September 2021

Auditor's Report

Independent Auditor's Report to the Members of World Vision UK

Opinion

We have audited the financial statements of World Vision UK for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 45, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified the principal risks of non-compliance with laws and

regulations related to compliance with the regulations of the Charity Commission and Fundraising Regulator, and Company Law applicable in England and Wales we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, as well as compliance with UK tax legislation.

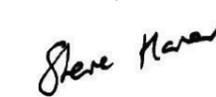
We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate revenue recognition and management bias in areas of accounting estimate. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with significant values or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed



Steven Harper (Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditors
10 Queen Street Place
London, EC4R 1AG
11 March 2022

Trustees, principal officers and advisers

Board of Trustees

Jude Addo (appointed September 2021)
Serena Brown
Simon Burne
Andrew Darfoor (appointed September 2021)
Charlotte Hull (resigned February 2021)
Alice Huntley
Marcus Frost
Richard Izard, Board Chair
Fola Komolafe
Kimberley Lewis (appointed September 2021)
Marcus Manuel
Douglas Millican, Board Vice Chair
Mark Parsons (retired March 2021)
Rev Canon David Richards
Catherine Taylor (appointed October 2020)
Julian Thomas (retired March 2021)

Special Adviser to the Board (Public Engagement Committee)

Lucy Barker

Company Secretary

Elisabeth Madden

Principal Officers

Chief Executive

Mark Sheard

Director of Policy and Programmes

David Westwood

Director of Public Engagement

Graeme Newton (until June 2021)
Ben Nolan (acting from July 2021)

Director of Strategic Partnerships

Helen D'Oyley (appointed January 2021)

Chief Financial Officer

Elisabeth Madden

Director of People and Business Excellence

Jacque Heany (until August 2021)

Chief People Officer

Charnelle Dearing (acting from August 2021)

Director of Business Transformation

Jony Francis (acting from August 2021)

Auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Bankers

Barclays Bank plc
PO Box 885
Mortlock House
Station Road
Histon
Cambridge CB4 9ZX

Allied Irish Bank (GB)

Park View House
58 The Ropewalk
Nottingham NG1 5DW

Registered Office

World Vision House
Opal Drive
Fox Milne
Milton Keynes MK15 0ZR

Thank you

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

The Brett Family
Capital Group Companies
Chemonics International Inc
Disasters Emergency Committee
Don Procter
The Eighty Eight Foundation
ELRHA
European Commission
The Fielding Family Trust
Foreign, Commonwealth and Development Office
The Global Fund
The Henderson Charitable Trust
Hillsong Church UK
Alex & Lucas Klein
Latin American Children's Trust
Lightsource Foundation
MacDaibhidh Charitable Trust
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The Shamoon Family
Alison Smith
Stafford Capital Partners Limited
Start Fund
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Mrs Susan Tobbell
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Steve & Carolyne Walker
Wider Plan
World Food Programme

We also thank our many supporters who make great sacrifices to give smaller amounts. Your contributions are greatly appreciated.

Join us

We've been privileged to work with millions of children over the last 70 years. The changes they've experienced and the futures they're able to create, are only possible thanks to their communities' determination, our dedicated local staff and our supporters who give, campaign and pray with us.

How could you join the World Vision community today?

Sponsor a child

Sponsoring a child is one of the most effective and rewarding ways to give. You change a child's life by helping their community to transform themselves – from a place of need to one of opportunity. And it lasts.

To sponsor a child today:

Tel: 0800 50 10 10

worldvision.org.uk/child-sponsorship

Help the most vulnerable

In the world's most dangerous places, children are under threat every day, but it's difficult to set up long-term help in such circumstances. Through Childhood Rescue, you can help where hunger, drought and disease, as well as coronavirus and its impacts, threaten to damage childhoods.

Sign up to Childhood Rescue at:

worldvision.org.uk/childhoodrescue

Shape your legacy

A gift to World Vision in your Will – no matter how big or small – will help to transform the lives of children living in difficult circumstances. It's a special way to continue supporting a cause you care about in years to come.

To find out more and request a free legacy brochure:

Tel: 01908 84 10 60

email: legacies@worldvision.org.uk

Pray with us

Our monthly prayer newsletter, Together Amen, shares updates and requests for prayer from many of the communities we're working with.

Sign up to join us in prayer: worldvision.org.uk/pray-together

Your church and World Vision

The Church is our indispensable partner. Throughout the year, you can engage your church family and change children's lives by partnering with communities or using our seasonal resources, like October's Pumpkin Heroes.

To find out more: worldvision.org.uk/churches

Partnerships with impact

If you're considering partnering with us through your church, company or private philanthropy, please get in touch. Our dedicated Relationship Executives will craft a partnership with you based on your individual interests and requirements.

Email us philanthropy@worldvision.org.uk

or call 01908 84 10 30

Volunteer with us

World Vision Volunteers help spread the word about World Vision at events and festivals around the UK.

To find out more about becoming a volunteer,

visit worldvision.org.uk/volunteer

End violence against children

It takes a world is World Vision's global campaign to end violence against children. In the UK, we're calling on the government to invest in safer futures for the world's children. Let your MP know that keeping children safe from violence is important to you.

Find out how at: worldvision.org.uk/ITAW

Stay in touch

Follow us: @WorldVisionUK



OPPOSITE: Brothers Billy (8) and Francis (12) watch the Zambian sunset. Through World Vision's Pass-on the Blessings programme, the boys are experiencing life-changing transformation. When their family received goats, they were able to start recovering from the devastating impact of 2018's drought. Their mother, Dorcas, remembers what it was like before: "Most times, we only had one meal a day, and when Billy was hungry, he would come crying to me asking for food, and if I told him I was still cooking he would say, 'Please give me just like that, even if it's not ready.' It was moments like those that broke my heart because there was nothing I could do, but to tell him to wait." But now the family is healthy and can afford the children's school fees, as well as farming resources ©2021 Tigana Chileshe/World Vision



I have come that they may have life and have it to the full

John 10:10

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At World Vision, our focus is on helping the most vulnerable children, in the most dangerous places, overcome poverty and injustice. Inspired by our Christian faith, we've worked together with communities, partners, local leaders and governments, for over 70 years, so that children – of all faiths and none – are empowered to experience fullness of life.

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