

ADD INTERNATIONAL ANNUAL REPORT & ACCOUNTS.

31 DECEMBER 2016.

ADD International is registered as Action on Disability and Development

Company Limited by Guarantee

Registered in England and Wales. Company Number: 2033925.
Charity Commission Number 294860.

Registered Address: The Old Church School, Butts Hill,
Frome, Somerset, BA11 1HR, UK.

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REFERENCES AND ADMINISTRATIVE DETAILS.

Charity number: 294860

Company number: 2033925

Registered Office: The Old Church School, Butts Hill, Frome, Somerset, BA11 1HR, UK

TRUSTEES.

The directors of the charitable company (the charity) are its trustees for the purpose of charity law.

The trustees and officers serving during the year and since the year end were as follows:

Saghir Alam OBE – *Chair of Trustees*

Stuart McKinnon-Evans – *Treasurer*

Kudakwashe Dube

Sarah Dyer

Louise Catherine James

Iain McAndrew

Sally Neville

Bob Niven CBE

Jillian Emma Popkins

David Ruebain

John Tierney

Balakrishna Venkatesh

Ola Abedalrahman Abu Alghaib

ADD SENIOR STAFF.

SENIOR MANAGEMENT TEAM.

| | |
|--------------------------|---|
| Tim Wainwright | Chief Executive Officer (Outgoing) |
| Clare McKeown | Acting Chief Executive Officer and Director of Partnerships and Fundraising |
| Jasmine O'Connor | Director of International Development |
| Adil Shah | Director of Finance and Operations |
| Mosharraf Hossain | Director of Policy & Influencing |

COUNTRY DIRECTORS.

| | |
|-------------------------|----------------------|
| Shafiqul Islam | ADD Bangladesh |
| Rose Tesha | ADD Tanzania |
| Mohamed Majzoub | ADD Sudan (Outgoing) |
| Awadia Salih | ADD Sudan |
| Srey Vanthon | ADD Cambodia |
| Joseph Walugembe | ADD Uganda |

BANKERS.

Lloyds

City Office, PO Box 72
Bailey Drive, Gillingham
Kent ME8 0LS

NatWest

4 Market Place
Frome, Somerset, BA11

AUDITOR.

Buzzacott LLP

130 Wood Street
London
EC2V 6DL

SOLICITORS.

Harris & Harris

11 Stony Street
Frome
BA11 1BU

FROM THE CHAIR AND CEO.

The last few years have seen a remarkable shift in the importance placed by the international development community on disability inclusion – at long last. Disability has gone from a marginal issue to a hot topic, that many are taking very seriously indeed. This seismic shift, in policy and approach, has come about largely because of collaboration and ADD International has been privileged to be at the heart of that. As we reflect on the huge trajectory the issue of disability has been on, what is most apparent is what we have managed to achieve with others, not what we have achieved alone. As an ally to the global disability movement collaboration is in our DNA and how our sector can be most impactful.

Our collaborations have been many: in the UK with other disability focused agencies, engaging with DFID staff, ministers and parliament around their disability policies; globally working with the United Nations on the new Global Goals; and in the countries in Africa and Asian where we work to empower individual activists, organisations and build connected movements of change. In the UK office, we continually marvel at how much our country colleagues achieve with so little resources. The wider disability movement at country level is incredible and almost entirely volunteer run. Its strength goes back decades with ADD International often a vital catalyst to enable its growth.

It feels like the entire international development community has reached a tipping point where there is far greater political will, high profile champions, enough important policies, data requirements, checks and balances being included into the systems that govern processes that matter, that the requirement to include disabled people is no longer in question.

Now it's getting serious. The key challenge going forward is not 'why' should we include disabled people - we've made that argument and won - it's 'how'. It's only by starting to get specific, that the kind of changes that need to happen – to health systems, education systems, the ways markets operate – to address the scandalous waste of human potential that is the exclusion of disabled people from society that we currently tolerate today.

A word from Saghir, Chair of Trustees:

2016 marks Tim's last year as CEO of ADD International as he moves on to take over the same role at WaterAid. ADD International has been profoundly strengthened by Tim's leadership. When he arrived, we needed a CEO who could lead the staff, the organisation, rebuild our credibility and relationships with external organisations and secure our financial future. It was a fantastic appointment to have made. Tim has been a tremendous CEO for ADD International and his legacy is that he leaves the organisation in a transformed state to the one he inherited.

A word from Tim, CEO:

In my 6 and a half years at ADD International, for the first 5 years no-one rang us, we rang them. Doors were not open. Now the phone is ringing – quite a lot - and the challenge now is being strategic in choosing where ADD International should prioritize.

I remember a meeting several years ago when we were brainstorming 'inequality' and

someone from a very large NGO had written on a yellow post-it note, 'women, ethnic minorities, etc'. They just didn't understand why I felt that describing disabled people (and older people, and LGBT people) under the catchall 'etc' might be a problem. I'm delighted that that mentality is past currency. Now there is quite a lot of pressure in the international development system on mainstream organisations to think about the most marginalized groups. The tagline 'Leave no one behind' has widespread currency and the inclusion of disabled people is a very central part of that.

I leave my role at ADD International job feeling enriched, and 'hooked for life' to the cause. I am incredibly grateful to all those I have worked with – the staff of ADD International, here in the UK and around the world, an incredibly supportive board, the partners I have worked alongside – disabled people's organisations, other development agencies - and above all, the inspiring members of the disability movement. I will carry their mission with me and remain a lifelong ally to their movements.



Saghir Alam OBE
Chair of Trustees



Tim Wainwright
CEO

Date: 12/05/2017

TRUSTEES REPORT.

Report of the trustees for the year ended 31 December 2016.

The trustees are pleased to present their annual report together with the aggregated financial statements of the charity for the year ended 31 December 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT.

ADD was established as an international development agency in 1985, incorporated as a company limited by guarantee on 3 July 1986, and registered as a charity on 18 November 1986. ADD is governed by its memorandum and articles of association.

HOW TRUSTEES ARE RECRUITED AND APPOINTED.

ADD's trustees are recruited internationally to reflect the diversity of its stakeholders and we aim to have approximately 50% of our trustees being women and 50% disabled people. Of the 13 trustees serving at the end of 2016, five were women and six were disabled people.

Trustees are recruited and appointed through an open process. If a specific need for skills cannot be resolved through this process, individuals may be co-opted to the board.

POLICIES AND PROCEDURES FOR INDUCTION AND TRAINING OF TRUSTEES.

The role of trustees is set out in the *Trustees' Manual* which is given to all trustees and updated periodically. All trustees receive a day's induction with members of ADD staff before taking up their position, and are given the opportunity of external training courses in governance. The board follows a trustee and board annual performance appraisal process.

ORGANISATIONAL STRUCTURE AND MANAGEMENT.

There are normally two face-to-face full trustee meetings per year. The four current sub-committees (fundraising, Policy and influencing, international development and finance, audit and HR) meet quarterly. They oversee and take responsibility for the agreement of ADD's strategic framework, monitoring progress against plans, and operational and financial targets.

Sub-committees are made up of trustees with specific skills who report routinely to the full

board with their findings and recommendations. A further sub-committee, consisting of the chairs of the sub-committees, the chair of trustees and the vice chair(s) of trustees is now a formal group whose role is to support the CEO. A Chief Executive Officer is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive Officer has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, HR, programme implementation, fundraising and performance related activity.

The trustees regularly review the ADD risk policy, and map and assess it to ensure all reasonable steps have been taken to eliminate, minimise or mitigate risk as appropriate.

KEY MANAGEMENT PERSONNEL.

All Trustees give their time freely and no trustee received remuneration in the year.

The Senior Management team comprise of Chief Executive Officer and four departmental heads including Director of International Development, Director of Fundraising and Partnerships, Director of Global Policy and Influencing and Director of Finance and Operations. Names of the SMT members could be found on page 4 of this report.

PAY POLICY FOR SENIOR STAFF.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. The responsibility of setting and agreeing remunerations is delegated to the Finance, Audit and HR subcommittee by the Board. The organisation conduct a benchmarking process each year to ensure that staff remunerations are in accordance with the market rates which helps in retaining the best talent. The benchmarking process is undertaken by an external HR consultant in collaboration with Director of Finance and Operations. The Chief Executive recommends the remunerations of the Senior Management Team members to Finance, Audit and HR subcommittee without any of them being present. The Finance, Audit and HR subcommittee recommends the Chief Executive's remuneration to the board using the outcomes of the benchmarking process.

PURPOSE.

The purpose of ADD International is;

- To relieve poverty and sickness amongst disabled persons throughout the world;
- To advance any other exclusively charitable purpose for the benefit of disabled persons throughout the world.

Our vision is a world where all disabled people are free from discrimination and oppression, enjoying equality within an inclusive society.

Our mission is to achieve positive and lasting change in the lives of disabled people, especially those living in poverty.

We do this through developing capacity, influencing and working in partnership to ensure that:

- Disabled People's Organisations are stronger and better able to realise the rights of their members, and to tackle poverty and exclusion.
- Conditions are in place to empower disabled people to transform their lives.
- Changes are secured in policy, practice, services and attitudes so that disability discrimination is addressed.
- Mainstream development programmes focus on disability and include disabled people as active participants.

ADD International plays a distinctive role focusing on all types of disabilities from a rights perspective and works specifically in developing countries. Not only are we an ally that works alongside disability movements, we also work within a global network of international development organisations promoting and advocating for the inclusion of disabled people.

ACTIVITIES, ACHIEVEMENT AND PERFORMANCE.

ADD International. Independence, equality and opportunity for disabled people living in poverty.

WHY WE'RE HERE.

ADD International is an ally to the global disability movement. We partner with organisations of disability activists in Africa and Asia to help them access the tools, resources and support they need to build powerful movements for change.

Disability has its own stigma present in every society but in parts of Africa and Asia discrimination towards disabled people can be particularly oppressive. Disabled people are often considered weak, worthless and in some cases, subhuman. For disabled people to have a fighting chance at living their best life, the stigma and discrimination that oppresses them must be confronted and uprooted.

Shifting deeply entrenched social stigma does not happen overnight. It is lengthy and relentless work which requires a strong team of courageous people with a bold vision for change. That's why the movement for disability equality, like all significant movements for social progress, is powered by the passion, vision and courage of activists – ordinary people taking action to create social change.

Often disabled themselves, disability activists have the passion to fight for change. It's their lives, and their communities, at stake. What they often need is support in how to run and build their organisations. That's where ADD International steps in. We help disability activists access the tools, skills and resources they need to turn their vision into powerful organisations that

lead powerful movements for change.

WHAT'S THE PROBLEM?

There's a global disability crisis. One billion people worldwide are disabled. 80% live in the developing world.

Disabled people living in poverty are among the most marginalised and stigmatised people on earth. Often, they have no access to basic human rights, education, or the opportunity to earn a living. The injustice disabled people face often includes:

- **Violence.** Disabled people are disproportionately vulnerable to abuse, with children and women particularly affected.
- **Discrimination.** Disabled people face stigma and discrimination in their families and communities, mostly because of misconceptions about disability.
- **Exclusion.** Disabled people often live in isolation and are excluded from their communities, from the education system, from health care and other vital services. Sometimes, they're even hidden away by their families.

WHAT WE DO.

Right now, organisations of disability activists are working to fight discrimination and ensure every disabled person gets a fighting chance at living their best life. We are an ally to their powerful movements for change.

1. We empower disability activists.

We provide disability activists with the tools, resources and support they need to build strong and sustainable organisations that can have an ever-increasing impact and help disabled people achieve their full potential.

2. We strengthen the disability movement in Africa and Asia.

We help organisations of disability activists connect with each other to build wider movements for change and work with them to promote the rights of disabled people.

3. We influence.

We work with organisations of disability activists to influence governments, international development organisations and the private sector to design policies and services on a local and global scale which consider disabled people and offer inclusive solutions.

LOOKING BACK AT 2016.

Celebrating 30 years.

2016 marked 30 years since ADD International was founded and gave us opportunity to celebrate and thank the disability activists we've worked with and ADD International's many long-term supporters. A lot *has* changed for disabled people in Africa and Asia in the time that ADD International has been in existence and we gave pause to reflect on some of the landmark changes that are now reality, such as:

- **2000** Disability activists successfully campaign to have two seats reserved for disabled people on all public buses in Bangladesh.
- **2001** Sudan announces free education for disabled children.
- **2006** A new law in Uganda requires all TV stations to provide sign language interpretation services during prime-time news broadcasts.
- **2009** Tanzania ratifies the United Nations Convention of the Rights of Persons with Disabilities

Programme quality.

In 2016 we strengthened the quality of our work by introducing new tools to plan, deliver and monitor our capacity building approach and gender work with organisations of disability activists. Our 5 country teams around the world continued to deliver beyond their resources and particular programmatic highlights include:

- In Cambodia we pioneered new approaches to tackling the issues of violence against women and girls with disabilities.
- We developed models of good practice in water and sanitation in Bangladesh, and highlighted the need to ensure persons with disabilities are fully consulted.
- We launched a new programme to model inclusive education in Sudan
- We developed a new programme to model early years' inclusive education in Tanzania.

Building partnerships.

We believe the best work happens in collaboration and 2016 saw the conclusion of our innovative partnership with the Rockefeller foundation, IDS and the Coady Institute looking at whether markets can work for the most marginalized people living in poverty. We spent 18 months researching an answer to that question. We spoke with dozens of initiatives and collaborated with peer researchers in Uganda to identify 22 promising examples of market-based approaches.

Learning from our work.

At ADD International we believe the strength of an organisation lies in part in its ability to learn from its experience and to feed this learning into improved practice. That's why in 2016 we commission reviews of both our **capacity building** model and our **gender-based violence** work. These papers outline the lessons we've learned from our work and will be used to both inform our own practice and support other agencies in implementing effective interventions.

Delivering global commitments.

Our 2016 policy work continued to focus on making sure the Sustainable Development Goals are implemented in a way that secures the best outcomes for disabled people. In Cambodia

and Bangladesh we worked with CIVICUS and civil society organisations representing other marginalized groups to share lessons and develop policy recommendations to ensure no one is left behind. We also participated in 2016 global policy debates, attending and speaking in the review of the Sustainable Development Goals at the High-Level Political Forum (HLPF), in the consultation of SDGs indicators and data, and the commemoration of 10th year of CRPD. 2016 also saw another significant advocacy milestone with the World Bank including disability in their new safeguard policy, which we had been campaigning for over the last 2 years, alongside other actors.

Effectiveness and skills.

We built the effectiveness and skills of our staff in country programs building capacity by:

- Delivering policy training for the domestication of the Sustainable Development Goals.
- Workshops on monitoring, evaluation and programme planning.
- Hosting regular peer learning forums on Skype for programme managers.
- Holding quarterly country and organizational wide learning meetings to reflect on our practice and share lessons.

OUR PLANS FOR 2017.

Disability inclusion has risen up the development agenda but there is still a huge way to go to make equality a reality. Millions of disabled people are still condemned to a life of poverty and exclusion. Therefore, in 2017 we will:

- 1. Focus on 3 priority themes:** In 2017 we will focus on the following key themes and develop comprehensive programme plans and a theory of change for at least one of the priority themes in each country:
 - Violence against disabled women and girls
 - Economic empowerment
 - Voice, holding duty bearers to account and participation
- 2. Embed our Theory of Change:** Our theory of change needs to be at the heart of all we do and the starting point for all our work, to make sure it is fully embedded in our practice we will develop and deliver training for all staff.
- 3. Strengthen our learning:** Learning should be the glue to bind and strengthen our policy and practice. In 2017 we will create strategies and implement systems to embed a culture of learning throughout the organisation.
- 4. Influence Global Commitments:** We will support disability activists and their organisations to influence how the Sustainable Development Goals are implemented in their locations and support them in building strategic 'leave no one behind' alliances.
- 5. Strengthen our monitoring:** We will improve the effectiveness and integrity of our programme monitoring by developing a data validation system and piloting this in one country. We will support our capacity building work and gender approach by using our

newly developed assessment tools to plan, monitor and evaluate our work.

- 6. Mainstream:** We will look to develop a new programme partnership with a mainstream organisation.

FINANCIAL REVIEW.

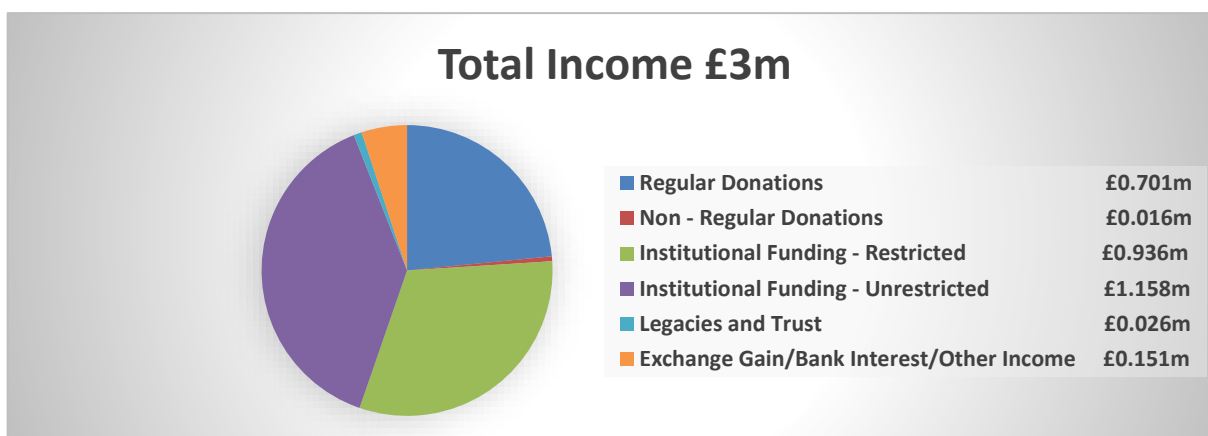
Income:

In 2016, ADD International's total income was £3.0m (£3.2m:2015). This is a reduction of 6% in total income which is due to a decrease in restricted income.

Our results show a decline in restricted income of 17% from £1.169m in 2015 to £0.975m in 2016. However, this reflects the fact that cash from donors was received in 2015 for implementing projects in 2015/2016. The decline therefore reflects timing issues, rather than a trend of declining restricted funding. ADD International continues to be successful in around 50% (33% in 2015) of funding bids submitted, which is an improved position.

There has been a small increase in unrestricted income by 0.28%. This is mainly due to an exchange gain of £85k on revaluation of foreign currency balances held in ADD bank accounts, across six countries, as at 31 December 2016, which is recorded as part of other income.

Income from regular donations has continued to fall and this has led to an 8% decrease in income from individual donations in 2016.

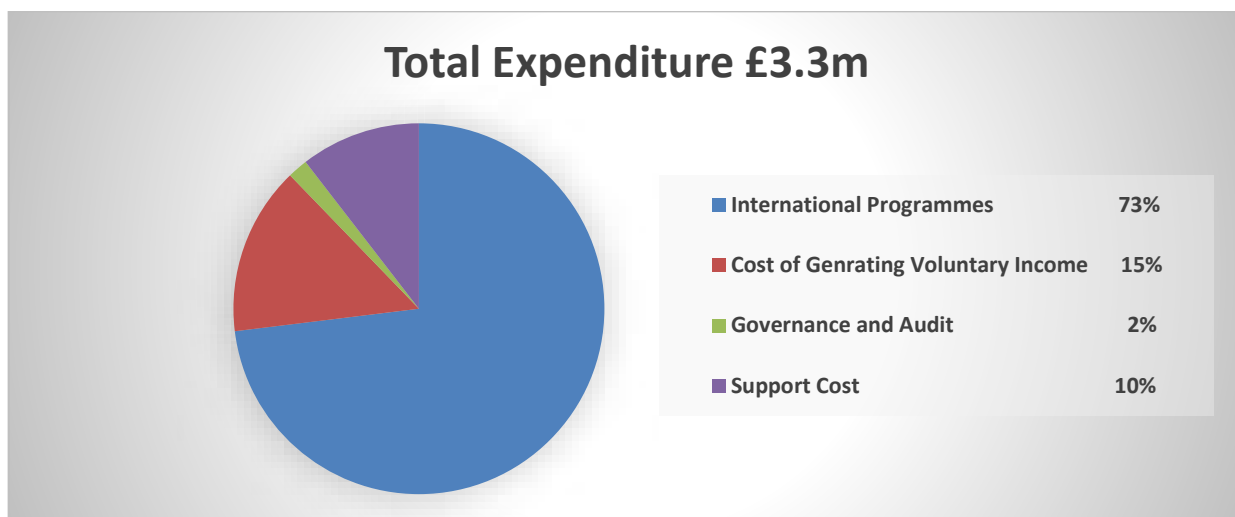


Expenditure:

Total expenditure in 2016 was £3.3m (3.1m:2015). This is an increase of 5% compared to the previous year. We spent £2.8m (£2.6m:2015), equal to 85% of our total expenditure, on direct programme activities, this included support and governance costs, and £0.507m (£0.476m:2015), equal to 15% on generating income and other fundraising activities.

As explained above, ADD International received funds from institutional donors for restricted grants in 2015 which were to be spent in 2015/2016. We followed the Charities SORP (FRS 102) guidelines for income recognition and recognized all this income in 2015 which has resulted in a mismatch in income and expenditure for 2016. We had started the year 2016 with a restricted fund balance of £0.569m and spent £0.431m, out of this balance, to implement projects according to the agreements with donors.

This contributed to the overall deficit of £0.298m in the year.



Financial Plans for 2017:

We are planning to continue delivering on our Global Strategic Framework and Country strategies to achieve the mission of ADD International. We will do this by;

- Securing £1.750m of unrestricted funds of which £0.500m is for areas previously covered by PPA funding, plus £0.700m in unrestricted public funding.
- Secure £1.5m in new restricted contracts
- Increase overhead recovery from restricted funding, aiming for a minimum 10% on all proposals.
- Develop and pilot new services to deliver alternative sources of sustainable revenue and impact.

FINANCIAL POSITION & RESERVES POLICY.

ADD International had restricted funds of £0.137m (£0.569m:2015), and unrestricted funds of £0.973m (£0.840m:2015) at 31 December 2016. This totals to a fund balance of £1.111m (£1.410m:2015) and represented a reduction of 21%. This change is due to our utilizing restricted funds, which were received last year, to deliver programmes on the ground. The unrestricted funds increased during this period and thus free reserves increased from £0.820m in 2015 to £0.960m in 2016.

It is our policy to retain sufficient reserves to safeguard on-going commitments and operations. Our reserves policy states that trustees must hold reserves sufficient to cover unrestricted expenditure commitments for approximately five months at the current spending levels. Our 'free' reserves are currently standing at £0.960m, which meets this requirement adequately.

FINANCIAL OUTLOOK.

The Programme Partnership Arrangement (PPA) from the Department for International Development ended in December 2016. The end of PPA funding was a significant change for the organization as it represented one third of total organizational income. During the year, we managed the risks associated with this financial uncertainty. The trustees and management agreed not to cut back on expenditure too severely, in order to keep ADD effective, relevant and able to secure future funding.

We are working to replace the PPA funding through different means which includes newly created streams by DFID, i.e. AID Connect, Aid Direct and Aid Match. We have been successful in obtaining some large restricted funding in 2017 and continue to increase the restricted funding to ensure that all country programmes are fully supported.

The trustees have also agreed to bridge the funding gap by investing organizational reserves in 2017.

INVESTMENT POLICY.

The trustees, having regard to the liquidity requirements of the organisation, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index. Due to wider economic circumstances, deposit rates have been depressed and so this aim was not achieved in the year. The invested funds held on deposit achieved an average rate of 0.5% against the retail price index of 2.5% for the year.

RISK MANAGEMENT.

Trustees assess the risks faced by ADD International on quarterly basis. The key risks faced by the organisation are:

- **Shortfall in funding;** this is a potential risk faced by the organisation post-PPA era, as there is no indication from DFID on the timeframe for AID Connect funding. Further delays in AID Connect funding will create financial challenges to manage the current level of activity without a detrimental effect on reserves. The announcement of the UK election of June 2017 extended the period of uncertainty.

We are monitoring the situation very closely and necessary steps have been taken to mitigate severe risks linked to shortfall in the income. We have undertaken detailed scenario planning and considered organisational requirement beyond 2017. The trustees

are satisfied that all possible steps are being taken to mitigate all possible risks arising from the current political situation in the UK.

- **Retaining and recruiting donors;** the challenge to retain and recruit regular donors to raise voluntary unrestricted income to support the organisation in 2017 and beyond at current or increased levels.

While we recognize that the public fundraising landscape is unfavorable at present due to eroding public confidence in the wake of adverse media reports, efforts are being made to run donor retention and acquisition programmes and encourage existing donors to increase giving. We are continuing to look at ways to increase our income from Public Fundraising by investing and testing innovative approaches.

- **Unable to secure restricted funding;** not being able to secure enough institutional funds to fulfill our strategic ambition.

Our current success ratio in institutional fundraising is 50%. We have regular review and monitoring of institutional fundraising performance on a quarterly basis by the Fundraising sub-committee (comprised of trustees and an SMT member). The chairs of subcommittees receive an update on fundraising on a monthly basis and consider this during the monthly catch up.

- **Unable to Demonstrate Impact;** not clearly demonstrating the impact of our work.

We have invested in a strong Monitoring, Evaluation and Learning (“MEL”) expert at the UK level and in country-based MEL officers focusing on the development of a strong MEL Framework to accurately record and demonstrate the impact of our work.

- **Skills shortage;** within our country programmes arising from an inability to retain or recruit staff with right skills and experience.

We review and implement a comprehensive training and development plan for staff with clear objectives. We are piloting a competency framework at present which will be fully implemented by the end of this year. We have also established a transparent worldwide salary review policy.

- **Instability and lack of momentum;** this is due to lack of leadership during the transition period between CEO's.

We are recruiting for the new CEO now, and in the meantime, organisational stewardship is in the good and experienced hands of Clare McKeown, who has years of experience in leading large organisations.

INTERNAL CONTROL.

The trustees have overall responsibility for ensuring that the organisation has appropriate

systems of control, financial and otherwise. They are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and enable them to ensure that the Financial Statements comply with the Companies Act 2006.

The trustees recognise that systems of control can only provide a reasonable and not complete assurance against inappropriate or ineffective use of resources, or against the risk of errors or fraud. They remain satisfied that the internal systems provide reasonable assurance that the organisation operates efficiently and effectively, safeguards its assets, maintains proper records and complies with relevant laws and regulations.

We operate a comprehensive accountability system which includes a rolling 24 month cash-flow and annual budgets approved by trustees. These are reviewed by the Finance and Audit sub-committee and they consider actual results compared with plans and forecasts, and non- financial performance data. We do not have an internal audit function at this moment but instead outsource this to overseas auditors who conduct risk-based internal audits and review internal controls. Reports and recommendations are submitted to the finance and audit sub-committee quarterly for scrutiny.

PUBLIC BENEFIT STATEMENT.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and aims and in planning future activities for the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES.

The trustees (who are also directors of Action on Disability and Development for the purposes of company law) are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of 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 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);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 charitable company will continue in operation.

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

Each of the trustees confirms that:

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

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

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

A handwritten signature in black ink, appearing to read 'Saghir Alam', with a stylized flourish at the end.

Saghir Alam OBE
Chair of Trustees

Date: 12/05/2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION ON DISABILITY AND DEVELOPMENT.

We have audited the financial statements of Action on Disability and Development for the year ended 31 December 2016 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR.

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us

in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006.

In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION.

In 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' Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



**Edward Finch, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor**

130 Wood Street London
EC2V 6DL

Date: 08/09/2017

STATEMENT OF FINANCIAL ACTIVITIES YEAR TO 31 DECEMBER 2016.

| | Unrestricted funds | Restricted funds | 2016 Total funds | 2015 Total funds |
|---|-----------------------|---------------------|---------------------------------|------------------------|
| Income & expenditure | £ | £ | £ | £ |
| Income from: | | | | |
| Donations and legacies (note 1) | 1,897,520 | 5,042 | 1,902,562 | 1,999,321 |
| Interest receivable (note 2) | 4,648 | - | 4,648 | 6,310 |
| Charitable activities (note 3) | - | 936,380 | 936,380 | 1,168,777 |
| Other income | 112,576 | 33,946 | 146,522 | 3,883 |
| Total income | 2,014,744 | 975,368 | 2,990,112 | 3,178,291 |
| Expenditure on: | | | | |
| Raising funds (note 1) | 505,991 | - | 505,991 | 476,844 |
| Support of the International Disability Movement | 1,375,607 | 1,407,127 | 2,782,734 | 2,644,153 |
| Total expenditure (note 7) | 1,881,598 | 1,407,127 | 3,288,725 | 3,120,997 |
| Net income and Net movement in funds (note 8) | 133,146 | (431,759) | (298,613) | 57,294 |
| Fund balances b/f at 1 January 2016 | 840,562 | 569,522 | 1,410,084 | 1,352,790 |
| Fund balances c/f at 31 December 2016 | 973,708 | 137,763 | 1,111,471 | 1,410,084 |

There is no difference between the net movement in funds stated above, and the historical cost equivalent. All of the charity's activities derived from continuing operations during the above two financial periods.

Included within other income is £119,428 of foreign exchange gains (of which £33,946 was restricted and the remainder unrestricted) in respect of foreign currencies held at 31 December 2016. Such gains (or losses) will vary over time with the strength of sterling.

BALANCE SHEET 31 DECEMBER 2016.

| | 2016 | 2016 | 2015 | 2015 |
|--|------------------|-------------------------|------------------|-------------------------|
| | £ | £ | £ | £ |
| Fixed assets | | | | |
| Tangible fixed assets (note 11) | | 13,296 | | 17,349 |
| Current assets | | | | |
| Debtors (note 12) | 117,069 | | 175,745 | |
| Cash at bank and in hand (note 13) | <u>1,320,328</u> | | <u>1,844,113</u> | |
| | 1,437,397 | | 2,109,858 | |
| Creditors: Amounts falling due within 1 year (note 14) | <u>(124,711)</u> | | <u>(424,046)</u> | |
| Net current assets | | <u>1,312,686</u> | | <u>1,595,812</u> |
| Total assets less current liabilities | | <u>1,325,982</u> | | <u>1,613,161</u> |
| Provisions (note 15) | | <u>(214,511)</u> | | <u>(203,077)</u> |
| Total net assets | | <u><u>1,111,471</u></u> | | <u><u>1,410,084</u></u> |

Represented by:

The funds of the charity:

Restricted funds (note 16)

Unrestricted funds

- *General funds*

| | | |
|--|-------------------------|-------------------------|
| | 137,763 | 569,522 |
| | <u>973,708</u> | <u>840,562</u> |
| | <u><u>1,111,471</u></u> | <u><u>1,410,084</u></u> |

Approved by the trustees on 12 May 2017 and agreed on their behalf



Saghir Alam OBE
Chair of Trustees

Date: 12/05/2017

Action on Disability and Development (trading as ADD International): A company limited by guarantee, Company Registration No. 2033925 (England and Wales)

STATEMENT OF CASH FLOWS YEAR TO 31 DECEMBER 2016.

| | Notes | 2016 £ | 2015 £ |
|--|-------|------------------|------------------|
| Cash flow from operating activities: | | | |
| Net cash (used in) provided by operating activities | A | (518,766) | 59,275 |
| Cash flow from investing activities: | | | |
| Purchase of tangible fixed assets | | (5,019) | (8,910) |
| Net cash used in investing activities | | (5,019) | (8,910) |
| Change in cash and cash equivalents in the year | | (523,758) | 50,365 |
| Cash and cash equivalents at 1 January | B | 1,844,113 | 1,793,748 |
| Cash and cash equivalents at 31 December | B | 1,320,328 | 1,844,113 |

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 DECEMBER 2016.

A Reconciliation of net movement in funds to net cash used in operating activities

| | 2016 £ | 2015 £ |
|---|------------------|---------------|
| Net movement in funds (as per the statement of financial | (298,613) | 57,294 |
| Adjustments for: | | |
| Depreciation charge | 6,498 | 25,735 |
| Loss on the sale of fixed assets | 2,574 | |
| Decrease (Increase) in debtors | 58,676 | (33,359) |
| (Decrease) Increase in creditors | (299,635) | 21,350 |
| Increase (decrease) in provisions | 11,734 | (11,745) |
| Net cash (used in) provided by operating activities | (518,766) | 59,275 |

B Analysis of cash and cash equivalents

| | 2016 £ | 2015 £ |
|--|------------------|------------------|
| Cash at bank and in hand | 1,320,328 | 1,844,113 |
| Total cash and cash equivalents | 1,320,328 | 1,844,113 |

PRINCIPAL ACCOUNTING POLICIES.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

BASIS OF ACCOUNTING.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The 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 FRS 102 SORP 2015'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT.

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets
- Termination provisions

ASSESSMENT OF GOING CONCERN.

The trustees have assessed and satisfied that the charity is going concern at least for a period of one year from the date of approval of these accounts. The trustees have given a careful consideration to the fundamental risk faced by the charity, external and internal factors known to the staff and trustees that may have an impact and the current financial situation of the charity. The list is as follows:

1. End of DFID's PPA funding
2. Reducing public donations
3. Current level of reserves
4. Increased restricted income with full cost recovery
5. Scenario planning
6. Long and short term liabilities

The trustees of the charity have concluded that there are no material reasons related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. In trustee's opinion, the charity will have sufficient resources to meet its liabilities as they fall due

INCOME.

All income becoming available to the charitable company during the year is recognised, gross, in the Statement of Financial Activities. Volunteer time is not included in the financial statements.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the dates on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Grants receivable are normally accounted for when receivable, except where they relate to a specified future period, in which case they are treated as deferred income.

EXPENDITURE AND THE BASIS OF APPORTIONING COSTS.

Expenditure is included in the Statement of Financial Activities when incurred and includes attributable VAT which cannot be recovered.

Expenditure is shown gross and accruals are included in creditors for all known liabilities relating to the year.

Expenditure on international programmes comprises all direct expenditure and all staff related costs of the countries' offices plus the costs related to the Global Policy and Influencing team.

Grants payable to overseas partners are those grants paid both directly from the UK and those paid by ADD Country offices to the charitable company's partners overseas.

Cost of raising funds relate to the costs incurred by the charitable company in inducing

others to make voluntary contributions to it.

Support costs comprise staff and overhead costs which fall into more than one of the above categories. These costs have been allocated on the basis of full time equivalent staff numbers in the relevant categories of expenditure.

The charitable company makes contributions on behalf of its UK employees into their personal pension funds. The amounts charged in the Statement of Financial Activities represent the contributions payable to the funds in respect of the accounting period. Outstanding pension contributions at the year-end are included in creditors.

In a number of countries in which the charity operates, it is legally required to fund end of service payments to staff at the end of their employment with the charity. Full provision is made for the cost of these benefits relating to past services and this is included within overseas staff costs. It is our intention that we treat all staff fairly, so in countries where it is not a legal obligation we would still contribute to an end of service/pension provision as per our HR guidelines.

TANGIBLE FIXED ASSETS.

All assets in the UK costing more than £500 and with an expected useful life exceeding one year are capitalised.

Fixed assets are depreciated at the following annual rates in order to write them off over their estimated useful lives:

- Computer equipment: 25% straight line
- Office equipment: 25% reducing balance
- Motor vehicles, overseas programmes: 33% straight line

Capital items purchased for use overseas, with the exception of vehicles, are depreciated 100% in the year of acquisition.

DEBTORS.

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

CASH AT BANK AND IN HAND.

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

CREDITORS AND PROVISIONS.

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

FUND ACCOUNTING.

Restricted funds are funds subject to specific conditions imposed by the funders and relate to specific projects. Expenditure which meets these criteria is charged to the funds together with a fair allocation of management and support costs.

Interest earned on restricted income is not applied to the restricted fund unless specifically requested by the donor. Such interest will be treated as unrestricted income designated for programme support.

Unrestricted funds comprise accumulated surpluses and deficits on general funds and are available for use at the discretion of the trustees in furtherance of the objectives of the charitable company.

FOREIGN CURRENCIES.

Transactions in foreign currency are accounted for on a monthly basis at the monthly spot rate. At the balance sheet date, any cash or other monetary items held are translated at the closing spot rate.

PROVISIONS.

Provisions are made where there exist contractual liabilities for payment of funds at an unspecified future date, or for obligations where it is probable that payment of funds will be required at an unspecified future date where no contractual liability exists.

NOTES TO THE FINANCIAL STATEMENTS.

1) VOLUNTARY INCOME AND COST OF GENERATING VOLUNTARY INCOME ANALYSIS.

| | 2016 total funds | 2015 total funds |
|--|------------------|------------------|
| | £ | £ |
| Income | | |
| Grants (note 3) | 1,158,514 | 1,152,255 |
| Regular donations and collections | 701,096 | 772,386 |
| Donations from legacies and trusts | 26,852 | 46,448 |
| Non regular donations | 16,100 | 28,232 |
| Total voluntary income | 1,902,562 | 1,999,321 |
| Cost of raising funds | | |
| Grants | 103,335 | 96,314 |
| Regular donor acquisition and support | 348,344 | 326,133 |
| Trust development | 17,670 | 13,202 |
| Non regular donations | 25,275 | 29,500 |
| Communication and promotional activities | 11,367 | 11,695 |
| Total costs of raising funds | 505,991 | 476,844 |

All voluntary income was unrestricted in nature.

2) INTEREST RECEIVABLE.

| | Unrestricted funds | Restricted funds | 2016 Total funds | 2015 Total funds |
|----------------------|--------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Bank interest | | | | |
| 2016 total funds | 4,648 | - | 4,648 | 6,310 |
| 2015 total funds | 5,844 | 466 | 6,310 | |

3) GRANTS (ALL INSTITUTIONAL).

| | Unrestricted funds | Restricted funds | 2016 Total funds | 2015 Total funds |
|--|-----------------------|---------------------|---------------------|---------------------|
| | £ | £ | £ | £ |
| Asia Foundation | - | (1,209) | (1,209) | 7,209 |
| CAFOD | - | 93,888 | 93,888 | 104,811 |
| CBM (Bangladesh) | - | 151,474 | 151,474 | 119,206 |
| Civicus | - | 5,782 | 5,782 | - |
| Comic Relief | - | 125,000 | 125,000 | - |
| Commission for the European Communities (CEC) | - | 155,557 | 155,557 | 150,304 |
| Cordaid (note 5) | - | - | - | 61,359 |
| Department for International Development (DFID) | 1,133,825 | - | 1,133,825 | 1,133,825 |
| Disability Rights Fund | - | 14,231 | 14,231 | 6,659 |
| DPA (Australian Embassy) | - | 14,841 | 14,841 | 31,558 |
| EU – Peace Building | - | 16,352 | 16,352 | - |
| Fonden | - | 5,758 | 5,758 | 31,558 |
| Irish Aid | - | 20,349 | 20,349 | - |
| Light for the World | - | - | - | 22,942 |
| Manusher Jonno Foundation | - | 76,881 | 76,881 | 84,383 |
| Middle East Consultants | - | - | - | 150,000 |
| Other and anonymous grants | 24,689 | 44,462 | 69,151 | 119,889 |
| Pro Victimis | - | 13,503 | 13,503 | 5,221 |
| Sorensens | - | 6,277 | 6,277 | - |
| The Headley Trust | - | - | - | 29,250 |
| the innocent foundation | - | 34,500 | 34,500 | 35,486 |
| The Rockefeller Foundation | - | 37,594 | 37,594 | 228,144 |
| USAID | - | 121,140 | 121,140 | 30,786 |
| Total grants | 1,158,514 | 936,380 | 2,094,894 | 2,321,032 |
| 2015 total grants | 1,152,255 | 1,168,777 | 2,321,032 | |

Note: Where a donor is listed as anonymous ADD International conducts appropriate due diligence to confirm that the funds are from a legitimate source and are for a genuine purpose

4) MOVEMENT IN DEFERRED INCOME.

| | At 1 January 2016 | Deferred during the year | Utilised | At 31 December 2016 |
|--|-------------------------|--------------------------------|------------------|---------------------------|
| | £ | £ | £ | £ |
| Department for International Development (DFID) | 283,456 | - | (283,456) | - |
| Other | 6,115 | - | (6,115) | - |
| Total | 289,571 | - | (289,571) | - |

5) CORDAID GRANT BY COUNTRY.

| | 2016 | 2015 |
|------------|------|--------|
| | £ | £ |
| Bangladesh | - | 61,359 |

6) GRANTS AND PAYMENTS TO PARTNERS FROM PROGRAMMES.

| | 2016 | 2015 |
|---|----------------|----------------|
| | £ | £ |
| Paid from ADD's country programmes | | |
| Bangladesh | 41,453 | 4,426 |
| Cambodia | 28,399 | 47,393 |
| Sudan | 22,317 | 16,564 |
| Tanzania | 13,898 | 21,672 |
| Uganda | 6,939 | 12,100 |
| | 113,006 | 102,155 |
| Paid from UK direct to partners | | |
| ADD India | - | (10,000) |
| The Coady Institute | 41,631 | 2,387 |
| The Institute of Development Studies | 45,502 | 5,533 |
| | 87,133 | (2,080) |
| Total grants | 200,139 | 100,075 |

Where ADD's support to partners includes the provision of funds, a formal Agreement to Support (ATS) is entered into, grants are made for the running costs and activities of the partner or disabled peoples' organisations. Payments are also made to partners to assist in the implementation of restricted projects, for these a formal Contract or Memorandum of understanding (MoU) is entered into.

7) TOTAL EXPENDITURE.

| | International Programmes | Cost of generating voluntary income | Support costs | 2016 Total | 2015 Total |
|---------------------------------------|--------------------------|-------------------------------------|----------------|------------------|------------|
| | £ | £ | £ | £ | £ |
| Staff costs (note 9) | 1,094,025 | 290,882 | 198,088 | 1,582,995 | 1,484,655 |
| Office running costs | 204,361 | 54,618 | 60,800 | 319,779 | 339,571 |
| Transport & travel | 144,165 | 28,199 | 27,795 | 200,159 | 192,915 |
| Payments payable to partners (note 6) | 201,906 | - | - | 201,906 | 100,075 |
| Field operations | 721,752 | (1,710) | 2,924 | 722,966 | 665,953 |
| Exchange loss/gain | (22,529) | - | 20,234 | (2,295) | (3,755) |
| Fundraising activities | 796 | 69,257 | 320 | 70,373 | 63,533 |
| Consultancy & external advice | 58,341 | 42,666 | 33,825 | 134,832 | 214,020 |
| Governance - Trustees' costs | 4,874 | 338 | 18,812 | 24,024 | 18,348 |
| Governance – Audit | 21,060 | - | 12,926 | 33,986 | 45,682 |
| Subtotal | 2,428,751 | 484,250 | 375,724 | 3,288,725 | 3,120,997 |
| Support costs | 352,455 | 23,269 | (375,724) | - | - |
| Total resources expended 2016 | 2,781,206 | 507,519 | - | 3,288,725 | - |
| Total 2015 | 2,644,153 | 476,844 | - | - | 3,120,997 |

Field work & payments to partners increased significantly, primarily due to the increased volume of restricted programme work.

Expenditure relating to the Global Policy & Influencing team has been reflected in International Programmes as their work is global and contributes to our strategic programmatic goals and is not a support function.

The **staff costs** related to staff involved in **development work** are included in staff costs and not in field operations.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Similarly, costs will be incurred in supporting income generation activities such as fundraising, and in supporting the governance of the charity. Support costs include the UK office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources, restricted fundraising and reporting and financing. Support costs have been allocated on the basis of head count.

8) NET INCOME (EXPENDITURE) FOR THE YEAR.

| | | |
|---|-------------|-------------|
| This is stated after charging (crediting): | 2016 | 2015 |
| | £ | £ |
| Depreciation | 6,498 | 25,735 |
| Trustees' reimbursed expenses: | | |
| Cost incurred in attending two trustees' meetings | 9,794 | 7,924 |
| Auditors' remuneration: | | |
| Statutory Audit services – Current Year | 16,207 | 16,200 |
| Statutory Audit services – Prior Year | - | 3,538 |
| Overseas auditors | 17,780 | 22,145 |

9) STAFF COSTS AND NUMBERS

The total staff costs of UK-based employees were as follows:

| | | |
|--|------------------|------------------|
| | 2016 | 2015 |
| | £ | £ |
| Wages and salaries | 687,755 | 633,110 |
| Social security costs | 64,884 | 64,557 |
| Pension contributions | 35,106 | 29,265 |
| Total emoluments paid to staff based in the UK | 787,743 | 726,932 |
| Other staff costs (health insurance, training & recruitment) | 27,077 | 62,221 |
| Total staff costs in the UK | 814,820 | 789,153 |
| Total staff & salary costs for field staff based overseas | 768,175 | 695,502 |
| Total staff costs | 1,582,995 | 1,484,655 |

Remuneration

| | 2016 | 2015 |
|--|--------|--------|
| | Number | Number |
| The number of employees whose remuneration for the year fell within the following bands were | | |
| £60,001 - £70,000 | 2 | 2 |

Pension contributions totalling £11,248 were paid in respect of these higher paid employees all of whom were accruing benefits under a defined contribution pension scheme.

The average number of employees during the year, calculated on a full time equivalent basis (which is not significantly different to a headcount basis), analysed by function was as follows:

| | FTE | FTE |
|------------------------------|------------|------------|
| | 2016 | 2015 |
| Field staff -overseas based | 84 | 84 |
| Programme support - UK based | 7 | 7 |
| Fundraising - UK based | 6 | 6 |
| Support - UK based | 4 | 4 |
| Total | 101 | 101 |

Total employee benefits paid to key management personnel, being members of the charity's senior management team, in the year totalled £292,510 (2015 - £262,738).

Trustees, who are also deemed to be key management personnel, were not remunerated in 2016 or 2015.

During the year ended 31 December 2016 travel and subsistence expenses totalling £9,794 were reimbursed to trustees (2015 - £7,924 to 12 trustees)

10) TAXATION.

Action on Disability and Development is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11) TANGIBLE FIXED ASSETS.

| | Office and computer equipment | Overseas assets | Total |
|----------------------------|-------------------------------------|-----------------|----------------|
| | £ | £ | £ |
| Cost or valuation | | | |
| At 1 January 2016 | 71,496 | 236,756 | 308,252 |
| Additions in year | 5,019 | - | 5,019 |
| Disposals in year | (10,548) | (3,699) | (14,247) |
| At 31 December 2016 | 65,967 | 233,057 | 299,024 |
| Depreciation | | | |
| At 1 January 2016 | 54,147 | 236,756 | 290,903 |
| On disposals | (7,974) | (3,699) | (11,673) |
| Charge for year | 6,498 | - | 6,498 |
| At 31 December 2016 | 52,671 | 233,057 | 285,728 |
| Net book values | | | |
| At 31 December 2015 | 17,349 | - | 17,349 |
| At 31 December 2016 | 13,296 | - | 13,296 |

12) DEBTORS.

| | 2016 | 2015 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Other debtors | 4,798 | 3,486 |
| Prepayments | 39,057 | 36,411 |
| Accrued income | 67,958 | 79,455 |
| Overseas floats and advances | 5,256 | 56,393 |
| | 117,069 | 175,745 |

13) CASH AT BANK AND IN HAND.

| | 2016 | 2015 |
|--------------------------------------|------------------|------------------|
| | £ | £ |
| UK current accounts and cash in hand | 183,058 | 425,432 |
| Foreign accounts | 242,412 | 370,559 |
| UK deposit accounts | 894,284 | 1,047,827 |
| Foreign cash | 574 | 295 |
| | 1,320,328 | 1,844,113 |

14) CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR.

| | 2016 | 2015 |
|--------------------------|----------------|----------------|
| | £ | £ |
| Payroll taxes | 21,295 | 18,779 |
| Accruals | 81,448 | 93,057 |
| Other creditors | 21,968 | 22,639 |
| Deferred income (note 4) | - | 289,571 |
| | 124,711 | 424,046 |

15) PROVISIONS

| | At 31 December 2015 | Incoming (charge for the year) | Outgoing (utilised) | At 31 December 2016 |
|-----------------------------|---------------------------|---|------------------------|---------------------------|
| | £ | £ | £ | £ |
| Overseas staff terminations | 164,453 | 50,539 | (47,035) | 167,957 |
| Project commitments | 38,624 | 7,930 | - | 46,554 |
| | 203,077 | 58,469 | (47,035) | 214,511 |

Project commitments represent the trustees' best estimate at the balance sheet date of obligations in respect of project work completed at that date, net of amounts recoverable from donors. The provision has been estimated across a number of projects and any excess of expenditure, or reduction as applicable, will be recognised in the statement of financial activities in the year in which project accounting is finalised.

16) RESTRICTED FUNDS.

| | At 1 January 2016 | Income | Expenditure | Transfers | At 31 December 2016 |
|----------------------------------|-------------------------|----------------|--------------------|-----------|---------------------------|
| | £ | £ | £ | £ | £ |
| UK | 215,223 | 37,593 | (211,143) | - | 41,673 |
| Bangladesh | 104,739 | 352,343 | (445,535) | - | 11,547 |
| Cambodia | 22,976 | 105,088 | (133,162) | - | (5,098) |
| Sudan | (4,673) | 276,697 | (263,485) | - | 8,539 |
| Tanzania | 119,347 | 153,349 | (218,923) | - | 53,773 |
| Uganda | 111,910 | 16,352 | (134,879) | - | (6,617) |
| Temporary foreign currency gains | - | 33,946 | - | - | 33,946 |
| Total restricted funds | 569,522 | 975,368 | (1,407,127) | - | 137,763 |

Income includes institutional grant income (note 3), any sundry income and interest receivable.

Temporary foreign currency gains represent unrealised gains on open restricted projects with funds held as foreign currencies at 31 December 2016. Such gains (or losses) will vary over time in line with the strength of sterling. Accumulated foreign exchange movements are assessed at the end of each project.

ADD BANGLADESH RECEIVED FUNDING FROM

- **CAFOD** supported a project ensuring sanitation for women and men with disabilities. This project was completed in 2016.
- **CAFOD** supported the "Inclusive Development Endeavour" project empowering persons with disabilities through strengthening DPOs to become sustainable organizations through which persons with disabilities can exercise their rights and improve access to resources and services.
- **CAFOD** supported the "SDG:Making Targets Reality" project. This project was extended till March 2017.
- **Christian Blind Mission:** to improve the quality of life for people with psychosocial problems & empower them to become self-supporting. This promotes community mental health service in in 6 districts of Bangladesh.
- **Cordaid & Sorensens & Fonden** supported a project on inclusive pre school education. Donations received through the **Big Give campaign** also will also be used to support this project.
- **Manusher Jonno:** for the empowerment of disabled people to continue their studies and run their own businesses.
- **Disability Rights Fund:** for increasing the employment opportunities of women with disabilities in Government and Private Sector 2016.

ADD CAMBODIA RECEIVED FUNDING FROM:

- **An anonymous charitable foundation:** for livelihoods work with people with intellectual disabilities. This project was completed in 2016.
- **DPA (Australian Embassy) and pro Victimis:** for a pilot project to support victims of violence against women and children with disabilities. This project was completed in 2016.
- **the innocent foundation:** for improving the food security of extremely poor women with disabilities by supporting them to earn additional income from pig raising.
- **Civicus:** for the project "Leave No-one Behind"

ADD SUDAN RECEIVED FUNDING FROM:

- **USAID:** to support expanding the participation of people with disabilities by supporting the emerging network of cross-disability federations.
- **The CEC:** for a project piloting inclusive education for children with disabilities in rural areas of Gedarif State by raising community awareness, establishing inclusive bodies within the

education system, teacher training and advocacy.

ADD TANZANIA RECEIVED FUNDING FROM:

- **Comic Relief** and an anonymous funder: for a project modelling inclusive education in schools in Pwani region, Tanzania. The project includes awareness-raising on the rights of disabled children to education, relevant training, advocacy, and research of best practice.
- **Irish Aid:** to support a scoping study on gender based violence and persons with disabilities.

ADD UGANDA RECEIVED FUNDING FROM:

- **The CEC:** for a project to embed a disability inclusive approach and conflict sensitivity in the design and implementation of human rights and development programmes in the Rwenzori region, Uganda.
- **Light for the World and Middle East Consultants:** gave funds in 2015 for a pilot entitled "My Story, My Rights". This project is continuing into 2017.

ADD INTERNATIONAL RECEIVED FUNDING FROM:

- **The Rockefeller Foundation:** for a collaborative project with the Institute of Development Studies and the Coady Institute to examine how market-based solutions can improve the lives of the poor and vulnerable people in developing countries, with a focus on Uganda.

17) ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Restricted funds | General funds | Total 2016 |
|---|---------------------|------------------|------------------|
| Fund balances at 31 December 2016 are represented by: | | | |
| Tangible fixed assets | - | 13,296 | 13,296 |
| Current assets | 137,763 | 1,299,634 | 1,437,397 |
| Current liabilities | - | (124,711) | (124,711) |
| Provisions | - | (214,511) | (214,511) |
| Total net assets | 137,763 | 973,708 | 1,111,471 |

18) LEASING COMMITMENTS.

The charity is committed to making lease payments of £68,171 (2015 £79,850) over the life of the leases.

The obligation to make these payments is as follows:

| | 2016 | 2015 |
|----------------------|---------------|--------|
| | £ | £ |
| Land and buildings | | |
| Due within one year | 48,221 | 61,530 |
| Due within 2-5 years | 19,951 | 18,320 |
| Total | 68,171 | 79,850 |

For more information, or to request an accessible version, please get in touch: call 0300 303 8835 or email info@add.org.uk

Thank you
