

Company no. 3663181
Charity no 1072612

The United Kingdom Committee for UNICEF

Trustees' Report and Financial Statements

31 December 2007

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The United Kingdom Committee for UNICEF
Trustees' Report and Financial Statements
For the year ended 31 December 2007

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Reference and administrative details

Status

The United Kingdom Committee for UNICEF (also known as UNICEF UK) is a charitable company limited by guarantee, incorporated on 5 November 1998 and registered as a charity on 26 November 1998. This is the successor body to the former unincorporated committee founded in 1956.

Governing document

The organisation was founded under a memorandum of association that established the objects and powers of the organisation and is governed under its articles of association.

Company number 3663181
Charity number 1072612

Registered office and operational address

Africa House, 64–78 Kingsway, London WC2B 6NB

President

Lord Puttnam CBE

Officers

David L Stanton	Chair
Christopher Lovell	Vice-Chair
Gerison Lansdown	Vice-Chair
Brian Smith	Treasurer

Executive Team

David Bull	Executive Director
William Cottle	Deputy Executive Director, Finance and Services
Fiona Hesselden	Deputy Executive Director, Fundraising
Anita Tiessen	Deputy Executive Director, Communications and Programmes
Andrew Radford	Associate Director, Projects and Planning

Principal bankers

HSBC Bank plc, 133 Regent Street, London W1A 4BQ

Principal solicitors

Russell-Cooke, 2 Putney Hill, London SW15 6AB

Auditors

Sayer Vincent, Chartered accountants and registered auditors
8 Angel Gate, City Road, London EC1V 2SJ

Report of the Trustees

The Trustees present their annual report and the audited financial statements for the year ended 31 December 2007

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with the current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities issued by the Charity Commission in 2005.

Objectives of UNICEF UK

UNICEF is the world's leading organisation working for children and their rights. We work with families, local communities, partners and governments in 191 countries to help every child realise their full potential.

UNICEF works in the UK to champion children's rights and to win support and raise money for our work with children worldwide. Globally, UNICEF has five key priorities for children in the years 2006–09:

a. Young child survival and development

Every hour of every day, more than 1,100 children under the age of five die. Most of these deaths can be easily prevented by low-cost, low-tech solutions. Every year, UNICEF saves the lives of many children by vaccinating against illnesses such as measles, providing proper food and clean water, enabling mothers to receive proper health care during pregnancy, and supplying families with mosquito nets treated with insect repellent. Simple solutions save lives. In support of Millennium Development Goal 4, by 2015 we aim to reduce the mortality rate of children under the age of five by two-thirds.

b. Basic education and gender equality

Globally, more than 93 million children, the majority of whom are girls, lack the benefits of primary education. Education enhances lives. It ends generational cycles of poverty and disease and provides the means for sustainable development. Education is a basic human right, vital to personal and social development and well-being. UNICEF works to ensure quality basic education for all children with an emphasis on gender equality and eliminating disparities of all kinds. In support of Millennium Development Goal 2, by 2015 we aim to ensure that all boys and girls complete a full course of primary education.

c. HIV and children

In 2007, more than 375,000 babies were born with HIV, 2.5 million children were living with HIV, and 15 million children had lost one or both parents to AIDS. UNICEF's global campaign *Unite for Children, Unite against AIDS* has four key aims: to prevent mother-to-child transmission of HIV, to provide children with life-saving anti-retroviral medicine, to prevent new infections among young people, and to protect, care for and support orphans and other children made vulnerable by HIV. In support of Millennium Development Goal 6, by 2015 we aim to halt and begin to reverse the spread of HIV.

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d. Child protection

There are more than 100 million children living on the streets, 158 million children working in dangerous conditions, more than 250,000 child soldiers, and about 1.2 million children trafficked each year. These statistics disguise the impact on individual children, denied an education and vulnerable to violence, abuse and exploitation. UNICEF works to promote and protect the rights of all children, providing support to help children leave the streets or dangerous work and gain an education. We demobilise child soldiers, reintegrating them into family and community life by providing counselling, education and training. We also reunite trafficked children with their families and campaign for governments to pass and enforce strong laws against child trafficking.

e. Policy, partnership and participation for children

UNICEF aims to put children and the reduction of child poverty at the centre of social and economic policy. We seek to influence and work alongside decision makers and policy makers. UNICEF also publishes findings from its emergency and development work and conducts research into the situation of children worldwide. We debate, discuss and form partnerships with civil society, policy makers and governments in order to ensure that children are a priority in legislation and budget allocation.

In addition to these five key objectives, we have an ongoing commitment to protect, care for and support children during times of emergency.

Children in emergencies

For more than 60 years, UNICEF has been a leader in providing life-saving assistance and protection for children caught up in emergencies around the globe. With a permanent presence in more than 190 countries, UNICEF is poised to respond rapidly wherever and whenever disaster strikes, delivering life-saving help for children in the key areas of health and nutrition, water and sanitation, education, child protection, coordination and logistics.

Activities and achievements 2007

This review of 2007 highlights some of our many achievements in saving and protecting children and improving their lives. These achievements were made possible by the generosity of our UK supporters, who donated a total of £41.3 million for children.

a. Young child survival and development

UNICEF UK raised nearly £7.6 million to support our vital work in child survival and development in the developing world – preventing the needless deaths of babies and infants below the age of five.

Tetanus

Every year, maternal and neonatal tetanus (MNT) kills around 230,000 mothers and babies (80 per cent of those affected) worldwide. Caused by tetanus spores present in unsanitary conditions during childbirth, the disease spreads rapidly throughout the body. UNICEF is part of a global drive to eliminate deaths from MNT.

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For the second consecutive year, Pampers UK supported UNICEF's immunisation work in this area. In the last three months of 2007, there was a donation of 2.5 pence to UNICEF UK for every pack of Pampers nappies sold – the cost of a tetanus vaccination for one baby. The money from this initiative will provide more than 14.5 million vaccinations.

The initiative also provided opportunities to raise awareness of UNICEF's work, including a major television advertising campaign at Christmas. Pampers packs carried key UNICEF messages and information on how to make a further donation. In addition, more than 1 million people on the Pampers database received details about the partnership with UNICEF.

Each year, MNT kills around 6,000 infants in Cambodia. In 2007, thanks to the Big Lottery Fund, UNICEF UK was able to vaccinate more than 80,000 Cambodian women of childbearing age. We also provided immunisation training for more than 3,500 traditional birth attendants. Our programme has dramatically reduced the number of neonatal tetanus deaths in Cambodia, protecting nearly 95,000 newborns in 2007.

A solution for survival

Every year, nearly 2 million children under the age of 5 die of diseases linked to acute diarrhoea. The instinctive response to dehydration caused by acute diarrhoea – giving water to drink – is not very effective because water passes through the digestive tract too quickly for the body tissues to absorb enough of it. UNICEF was a pioneer in the extensive use of oral rehydration salts (ORS), a simple solution of glucose and salt that allows water to be absorbed more quickly through the walls of a child's intestines, and we led support for the local manufacture of ORS. *The Lancet* medical journal described ORS as "potentially the most important medical advance of the 20th century."

In 2007, through various campaigns specifically for ORS, we raised nearly £800,000, which is enough to purchase more than 22 million sachets of this life-saving treatment.

Maternal and neonatal care, Bhutan

Each year, more than 4 million children worldwide die within the first 28 days of life and more than 500,000 women die as a result of complications during pregnancy and childbirth. The death of a mother makes the survival of her baby much more precarious. In Bhutan, for example, pregnant women face a staggering 1 in 55 risk of maternal death (compared with 1 in 8,000 in industrialised countries). Thanks to support from Guernsey Overseas Aid, we have been able to train 120 health workers in emergency obstetric care in Bhutan and provide equipment to make six basic health units safer, cleaner and more pleasant for delivery. This will help save the lives of thousands of women giving birth in remote rural areas.

Nutrition, Malawi

One in five children in Malawi is underweight. In 2007, in partnership with the Government of Malawi and with Concern Worldwide, UNICEF UK supported community-based therapeutic care (CTC) programmes to treat children with severe malnutrition in Lilongwe district, central Malawi. CTC was implemented in 42 health

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facilities and nine rehabilitation units. From January to November 2007, we helped more than 5,600 children suffering from severe malnutrition.

Water and sanitation

More than 500 million children lack clean water and basic sanitation facilities. As a result, it is estimated that more than 4,000 children die every day from diarrhoea caused by poor sanitation and contaminated drinking water.

The 2007 Jar of Grace Appeal focused on water and sanitation, raising £110,000 from churches across the UK. About 20 per cent of the funds supported our water and sanitation programmes in Malawi. Only 62 per cent of people in rural Malawi have access to safe water and six out of ten people lack basic sanitation facilities. As a result, there are frequent outbreaks of cholera and typhoid. More than one in ten children die before their fifth birthday and diarrhoea-related illness accounts for about one in three of these deaths. In 2007, UNICEF helped fix 39 school water points, bringing safe water to 23,000 schoolchildren.

A 2006 World Health Organization (WHO) and UNICEF report identified Mozambique as one of the countries with the lowest safe drinking water (43 per cent) and sanitation (36 per cent) coverage in Africa. In 2007 UNICEF UK contributed nearly £125,000 for the construction of 19 water points (11 play pumps and 8 hand pumps) in Mozambique. So far, the UNICEF programme has provided safe water to about 11,000 schoolchildren and 9,500 people in the surrounding communities.

Baby health and nutrition in the UK

Breastfeeding protects against a wide range of illnesses, including diarrhoea and respiratory infections – the two leading killers of babies worldwide. In the developing world, a baby who is not breastfed is six times more likely to die in the first two months of life than a baby who receives only mother's milk. Even in wealthy countries, babies are much more likely to suffer serious illnesses if they are not breastfed. Research shows that if all babies were breastfed, the NHS would save more than £50 million each year in England and Wales because of the reduced costs in treating gastroenteritis alone.

Recognising that the support mothers receive in maternity hospitals is crucial to successful breastfeeding, the World Health Organization and UNICEF have a joint, worldwide programme – the Baby Friendly Initiative. The initiative encourages hospitals to ensure that mothers receive proper advice and support in feeding their babies. UNICEF UK runs the Baby Friendly Initiative in the UK.

UK hospitals that receive UNICEF's prestigious Baby Friendly accreditation increase their breastfeeding rates by an average of 10 per cent. During 2007, five hospitals received full accreditations, 35 Stage 1 accreditations, and 29 Certificates of Commitment. We also trained more than 2,000 health professionals in the UK, which will lead to a higher standard of service to new mothers and babies. Our campaigns to promote the health and cost benefits of breastfeeding resulted in a new Government target to increase breastfeeding rates in the UK.

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In August 2007, we produced a joint report with Save the Children UK and the National Childbirth Trust (NCT) calling for a strengthening of the UK's Infant Formula and Follow-on Formula marketing legislation in order to protect breastfeeding and parents' right to make informed decisions free from unethical advertising. The report, entitled *A weak formula for legislation: how loopholes in the law are putting babies at risk*, was reinforced by 600 Baby Friendly supporters writing to their MP. Our work helped to ensure that the law was tightened and the accompanying Guidance contains many of the recommendations made by UNICEF.

In partnership with the Department of Health, we created new leaflets on breastfeeding, weaning and bottle feeding, giving nearly 700,000 new mothers per year access to evidence-based information around infant feeding. We also produced a DVD in conjunction with the Health Promotion Agency for Northern Ireland. The DVD provides education for health professionals on how to teach new mothers to position and attach their baby for breastfeeding and to express breastmilk – essential skills to avoid breastfeeding problems.

We also developed a Baby Friendly accreditation programme for universities. Aimed at pre-registration courses in midwifery and health visiting, the programme sets best practice standards for educating these health professionals and provides a method of assessment and accreditation of courses which meet the standards. The programme will ensure that more mothers and babies receive better support for breastfeeding.

b. Basic education and gender equality

In 2007, UNICEF UK raised more than £2.8 million for our international programmes to help children gain access to education – many for the first time. Our "Education for all" message was promoted to around 215,000 donors through our magazine *Child Matters*.

We also spent over £750,000 promoting child rights and education in the UK.

Day for Change, Kenya

More than 3,200 UK schools took part in our 2007 Day for Change initiative, raising more than £275,000 for education in Kenya. UNICEF has supported the Kenyan Government in honouring its pledge, made in 2003, to provide free and compulsory primary education. UNICEF has supplied basic education kits, learning and teaching materials, helped to train teachers, and to repair and rebuild primary schools. The installation and improvement of water and sanitation facilities at schools forms a crucial part of our effort to ensure that girls are not denied the opportunity to learn.

Nomadic children, Sudan

There are 3.6 million nomadic people in Sudan, mostly with limited access to education. Thanks to a generous grant from the Band Aid Trust, 80,000 children in nomadic communities are receiving quality education from 700 newly trained teachers. Families and communities are also being educated on the benefits of sending girls to school. In addition, 800 school-in-a-box kits have been provided along with furniture and recreation kits, and 500 schools have been given hygiene education facilities and soap and water containers, thus making them more attractive and encouraging children to keep coming once they have enrolled.

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Girls' education, India

With support from Jersey Overseas Aid Commission, 250 girls from excluded communities in Bihar have received quality primary school education and vocational skills training. Most of these girls had never been to school and this grant enabled them to attend an eight-month residential course to prepare them for mainstream formal education or for employment. The girls are being encouraged to continue to higher education and become leaders in improving life in their villages.

Pre-school, Cambodia

In Cambodia, around 14 per cent of children drop out of school in their first year. This could be due to family arrangements, malnutrition or a lack of pre-school facilities. UNICEF supports a pre-school programme in Cambodia that aids child development and gets younger children ready for school. Between September 2005 and the end of 2007, UNICEF UK corporate partner TNS raised more than £200,000 through a successful global employee campaign, enabling us to build pre-school shelters, train teachers and support communities to invest in their children.

Soft Toy Campaign

In 2007, the joint IKEA, UNICEF and Save the Children Christmas fundraising campaign raised over £3 million globally and £236,000 in the UK. In November and December, IKEA invited customers to support vulnerable children worldwide by purchasing IKEA soft toys. In the UK, IKEA donated £1 for every soft toy purchased, which was split between UNICEF and Save the Children education programmes in Albania, Bangladesh, China, Côte d'Ivoire, India, Pakistan, Russia, Sierra Leone and Vietnam.

Inspiring Young Minds

In April 2007, BT Global Services launched the *Inspiring Young Minds* charity partnership with UNICEF. Over the next three years, BT will invest £1.5 million into UNICEF projects, bringing education and communication and technology skills to children and young people in deprived areas of South Africa, Brazil and China. BT's aim is to help all young people develop the communication skills they need to reach their full potential and achieve their life goals. In addition to the donation, BT employees have been planning and running their own fundraising activities, which in 2007 raised over £140,000 for *Inspiring Young Minds* in South Africa.

The funds will help renovate 27 schools in KwaZulu-Natal and Eastern Cape, benefiting an estimated 18,750 children. The programme will also train 150 principals and administrators to use information communications technology (ICT) as a management tool, helping an estimated 160,000 children.

Chances for Children

Over the course of 2007, ING has raised nearly £3.0 million for UNICEF education projects through the global "Chances for Children" programme. ING in the UK generated over £75,000 for this global figure through employee fundraising activities. Thanks to their support, more children will have the opportunity to go to school in India, Ethiopia and Brazil.

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Community schools, Zambia

More than £520,000 was raised from supporters for education in Zambia. The funds are enabling us to build community schools in the 10 poorest districts of Zambia. The schools will educate 6,000 vulnerable children who might otherwise miss out on schooling. These children, many of whom are orphans, either live too far from a government-run school or their families are too poor to afford shoes, books and uniforms. UNICEF provides building materials, desks, chairs, textbooks, stationery and teacher training. The local community takes responsibility for building, teaching, organisation and maintenance of the school.

Child rights and education in the UK

UNICEF champions child-centred education based on the UN Convention on the Rights of the Child (CRC).

In 2007, following a successful pilot programme, we launched our Rights Respecting School Award (RRSA). The Award recognises a school's achievement in embedding the CRC in its ethos and curriculum. The expansion of the RRSA scheme has been backed by a grant of £500,000 over 3 years (April 2007–March 2010) by the Department for Children, Schools and Families.

By the end of 2007, there were 380 schools in 30 Local Authorities participating in the RRSA scheme. This figure represents over 100,000 children. By December 2007, 65 schools had achieved Level 1 and 7 schools had attained Level 2 accreditation.

Teachers, students and Local Authorities have welcomed the initiative. A significant number of schools have already reported an improvement in peer relationships and a decline in bullying and absenteeism. Teachers have reported an improved climate for learning, including improved mutual respect. Children state that adults listen to them better and take their opinions more seriously. More children see the need to campaign for children's rights around the world.

c. HIV and children

Our global *Unite for Children, Unite against AIDS* campaign is a key priority, supported by many events, corporate partners, high-profile supporters, trusts and grant-making bodies, and members of the public. The campaign seeks to raise at least US\$1 billion over five years: one-third from voluntary sources through UNICEF national committees like UNICEF UK. Of this US\$330 million, UNICEF UK aims to raise £15 million (equal to about US\$30 million).

The campaign has four priorities (commonly known as the 'Four Ps')

- Prevent mother-to-child transmission of HIV (PMTCT)
By 2010, offer appropriate services to 80 per cent of women in need
- Provide anti-retroviral medicine for HIV-positive children
By 2010, provide either anti-retroviral treatment or cotrimoxazole, or both, to 80 per cent of children in need

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- Prevent infection in young people
By 2010, reduce the percentage of young people living with HIV by 25 per cent globally
- Protect, care for and support orphans and other children made vulnerable by HIV and AIDS
By 2010, reach 80 per cent of children most in need

Born Free from HIV

In 2007, we launched the *Born Free from HIV* phase of the campaign, focusing on the prevention of mother-to-child transmission (PMTCT). *Born Free from HIV* brought our work to the attention of a younger female audience: women made up 76 per cent of our audience and 67 per cent were under the age of 35.

We took the new phase of the campaign to the streets, where more than 33,000 people signed a petition calling on the UK Government to ensure the G8 fulfils its pledge to help raise US\$ 1.5 billion so that pregnant women with HIV do not pass the virus to their babies.

UK campaigning

We lobbied the UK Government to support an enlarged Global Fund to fight AIDS, tuberculosis and malaria. The Government subsequently supported a decision by the Global Fund to more than treble in size by 2010.

We also lobbied the Government to ensure that PMTCT and children affected by AIDS were a priority at the G8 Summit in 2007. UNICEF was mentioned in the 2007 G8 communiqué for the first time. The G8 gave their strongest ever support for children affected by HIV and AIDS, promising to

- "contribute substantially" to the US \$1.5 billion needed for universal coverage of PMTCT services
- work with donors to give US \$1.8 billion for paediatric treatment
- provide care for 10 million orphans and vulnerable children

We worked with partners in the UK Consortium on AIDS and International Development to produce recommendations for the UK Government's new international HIV and AIDS strategy. The UK Government has indicated that children will remain central to its new strategy, which is due to be published in spring 2008.

We also participated in a highly successful lobby event to mark World AIDS Day (1 December). UNICEF UK and other members of the UK Consortium unveiled a giant AIDS ribbon made of 6,000 red carnations on Parliament Square. The 6-metre high ribbon commemorated the fact that every single day around 6,000 people die of AIDS-related illness around the world. Douglas Alexander, Secretary of State for International Development, opened the event, which was chaired by UNICEF UK Executive Director David Bull. More than 60 other MPs also attended or sent a senior representative.

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Lesotho voices

For World AIDS Day, we also worked with renowned photojournalist Gideon Mendel to produce a major illustrated feature for *The Guardian* newspaper on the prevention of mother-to-child transmission in Lesotho. The photographs appeared on the front cover of *G2*. Our website also featured "Lesotho voices", an innovative audiovisual insight into the lives of mothers and babies affected by HIV in Lesotho.

Youth participation

A group of 17–19 year-old Campaign Champions led the way in developing UNICEF UK's first youth-led action for the *Born Free from HIV* phase of the campaign. The Champions held workshops, wrote articles and hit the streets asking young people to lend a hand to combat the spread of HIV. More than 1,500 handprint actions were collected and thousands more young people were reached via workshops and online activities.

Seven UNICEF UK Youth Advisers travelled to Jamaica to visit UNICEF-supported programmes aimed at combating the spread of HIV among young people. The advisers spent five days working with youth activists and learning more about how HIV affects young Jamaicans' lives. The visit was featured on external websites including *V* and *Headliners* as well as on social networking sites such as MySpace and Facebook. Advisers delivered workshops on HIV and AIDS to over 250 young people at the 2007 Youth Voice road shows in the UK.

Baby Friendly in Zambia

Members of the UK Baby Friendly team delivered training on HIV and breastfeeding to a group of health professionals in Zambia. When evaluating the course, one health professional said that "babies are less likely to die because of this training". The health professionals now have the skills and knowledge to educate parents with HIV on safe feeding practices for their babies.

Raising money for the *Unite* campaign

In 2007, UNICEF UK raised more than £3.7 million to fund a wide range of programmes for children orphaned or made vulnerable by AIDS. Our target was to raise £2.9 million.

Corporate support

The Corporate partnerships team raised over £1.5 million for the global campaign with support from British Airways, Manchester United, FTSE, Kodak, Blue Peter, Starwood, Clarks and DLA Piper. Our *Change for Good* partnership with British Airways alone delivered more than £900,000 towards HIV programmes.

In 2007, Manchester United visited China as part of their pre-season tour. Players met with children whose lives had been affected by HIV and AIDS, and took part in media interviews as part of a powerful anti-stigma campaign.

The *United for UNICEF* Gala Dinner in October raised more than £100,000 for a unique programme in South Africa called the "Supermarket Approach", which ensures mothers and their babies can access a whole range of medical services, including HIV prevention, in one place.

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Other fundraising activities for the campaign

Individuals donated more than £1.0 million to our campaign in response to our direct marketing appeals. Grant-making bodies, major donors, and UNICEF local groups continued to give significant financial support to our campaign.

Team UNICEF's 54 runners in the 2007 Flora London Marathon raised £85,000 and our other sponsored runs contributed a further £41,000 for the campaign.

Special events contributed more than £1.0 million for the campaign. Events included UNICEF UK Ambassador Jemima Khan's *Cricket Unites for Children*, the Property Industry Annual Dinner, Quintessentially's *Dinner Des Tsars*, and the *Euroweek* Gala dinner.

Examples of *Unite* campaign programmes supported

Mozambique

Our PMTCT programme in Mozambique provides anti-retroviral medicine and additional health care services to prevent pregnant women and new mothers with HIV from passing HIV on to their babies. Generous support from donors including the Parthenon Trust enabled UNICEF and its partners to set up eight new PMTCT centres, extending free HIV testing and counselling to over 26,500 pregnant women. We estimate that this programme has so far prevented about 3,200 babies from being born with HIV.

Malaysia

The PROSTAR-UNICEF Youth Centres in six rural districts of Kedah, north-west Malaysia, provide peer-to-peer education and leadership opportunities for 35,000 young people. Thanks to funding from the *United for UNICEF* partnership, these centres create a protective environment where young people can receive information and counselling on HIV. It is envisaged that the programme will be expanded across the whole of Kedah and the neighbouring state of Perlis, benefiting 90,000 young people.

Ukraine

In Makiyivka, south-east Ukraine, our *Change for Good* partnership with British Airways is helping children who have been affected by HIV and are living in institutions to be transferred to a loving family environment, offering them a brighter future. Makiyivka has the highest number of people living with HIV in Ukraine.

Malawi

UNICEF UK was the beneficiary of the Blue Peter charity appeal for 2006–07. The Shoe Biz Appeal asked people to donate shoes, which were then recycled and turned into cash to help children orphaned or otherwise made vulnerable by HIV. In 2007, the Appeal raised more than £330,000 for Children's Corners and community-based childcare centres (CBCCs) in Malawi. These centres provide children with health care and education, nutritious food, and a chance to make friends. In 2007, we helped more than 15,000 children under the age of five in 150 CBCCs and 18,000 children in 45 Children's Corners.

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Lesotho

In 2007, £150,000 from UNICEF's long-term partnership with Kodak supported an innovative project for children who have been orphaned or made vulnerable by HIV in Lesotho. Thanks to this contribution, UNICEF has been able to provide 640 home gardening and cooking kits to help these children cultivate their own vegetables and turn them into nutritious meals.

Tanzania

Each year, about 45,000 babies are born with HIV in Tanzania, passed on by their mother during pregnancy, labour or childbirth.

Change for Good is supporting a programme that provides HIV testing, treatment and counselling for children. The programme also provides training for health workers and support for outreach work in remote areas. In 2007, paediatric care services increased to reach around 3,250 mothers and their newborns.

Ghana

In Ghana, children between 10 and 14 years old are described as the "window of hope" in preventing the spread of HIV. Funds from *Change for Good* have helped to establish a school-based HIV-prevention programme to reach this age group as well as teachers and the wider community. So far, we have trained about 1,300 teachers and 3,000 peer educators.

d. Child protection

In 2007, we raised over £625,000 for our child protection work. This included campaigning for the protection for all children, particularly focusing on the prevention of child trafficking, and the rescue and rehabilitation of children who have been trafficked, forced into labour or enlisted as child soldiers. These funds have enabled us to support a variety of projects including:

Child trafficking

Every year, 1.2 million children are victims of trafficking. The UK is a significant transit and destination country for trafficked children. In 2007, the UK Government announced that 330 child victims of trafficking had been identified over an 18-month period, of these 183 went missing from social services care. Child trafficking is largely a hidden crime, so the true number of children trafficked into the UK is likely to be much larger. Some of these trafficked children are destined to work in the sex industry, as domestic servants and in sweatshops. Even if trafficked children are identified, their care and protection is inconsistent, *ad hoc* and, in some regions, completely absent.

In February–March 2007, we partnered with Amnesty International, Anti-Slavery International, Eaves and the St Paul Institute to produce the *Slave Britain* exhibition at St Paul's Cathedral, London. The exhibition, which commemorated the 200th anniversary of the abolition of slavery in the UK, focused on human trafficking. The exhibition formed part of a campaign that helped to secure the UK Government's signature to the Council of Europe Convention on Action against Trafficking in Human Beings.

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The issue of child trafficking also was highlighted to around 215,000 donors through *Child Matters*, our magazine for individual supporters

In September 2007, UNICEF and ECPAT UK (End Child Prostitution, Child Pornography and the Trafficking of Children for Sexual Purposes) produced *Rights here, Rights now*—an influential report setting out recommendations for the protection of trafficked children in the UK

One of the report's principal recommendations was that the UK Government lifts its reservation to the UN Convention on the Rights of the Child (CRC) on matters of nationality and immigration. In January 2008, in response to the report and our lobbying and submissions, the Government announced it would review its reservation and ratify the European Convention against Trafficking

Uganda

After 20 years, the people of northern Uganda continue to suffer the terrible effects of civil war. Almost 2 million people have been displaced and are living in camps. In Kitgum region, 90 per cent of the population is living in camps. However, a ceasefire has endured since August 2006, and the camp populations have begun to shift out of the original camps to transition camps nearer to their homes

In partnership with the Hunter Foundation, UNICEF UK is providing or rebuilding facilities and services to promote the health and well-being of children and their families. We have provided safe water supplies in the camps and trained local community leaders to build their own sanitation facilities when they return home. We have immunised more than 80 per cent of infants in camps and trained volunteer health workers, who have treated over 60,000 children. UNICEF has also worked with partner organisations to provide information, life skills and voluntary HIV counselling and testing to displaced families. We have provided school materials and equipment, including tents for temporary schools, so that children can continue to learn while in the camps. We have also developed a database of orphans and other vulnerable children and have established child-protection committees in the camps

Lions International raised more than £24,000 to provide 200 school-in-a-box kits for 16,000 children affected by the conflict in Uganda

Guinea

As a result of internal conflict and civil wars in neighbouring countries, children in Guinea, west Africa, have been vulnerable to trafficking and sexual exploitation. UNICEF, thanks to funding from the FTSE4Good Index, is warning children across the country about the dangers of trafficking and helping trafficked children re-integrate into society. The funds are helping us support the Government of Guinea to establish rigorous child protection policies

Funds from UNICEF UK have also helped to rehabilitate and reintegrate 85 children with their families. We have also enabled more than 280 street children, victims of trafficking, and child labourers to join an innovative circus school programme, where the children receive food, health care, literacy classes and vocational training. We have also helped 20 of these children create an awareness-raising play about child trafficking that was performed in several areas of Conakry, the capital of Guinea

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For the year ended 31 December 2007

Morocco

Thanks to the *Change for Good* partnership, British Airways is supporting UNICEF's child protection work in Marrakech. The donation has helped establish a centre where children who are victims of exploitation can receive support, advice and help through trained mediators. Since opening in July 2007, the centre has provided appropriate care and guidance for about 40 vulnerable children.

Viet Nam

Every year, thousands of Vietnamese women and children are trafficked. Children under the age of 16 account for about 15 per cent of all trafficked people. Children are sold for adoption to foreign countries, or used as bonded labourers or domestic servants. Young women and children are forced to work in Cambodia's commercial sex industry.

UNICEF UK has supported the creation of eight centres for the care and protection of victims of human trafficking in Viet Nam. So far, we have delivered supplies for the establishment and operation of an emergency shelter in the northern province of Quang Ninh for children and women who are victims of trafficking, as well as providing basic training for key workers providing temporary care for victims of cross-border trafficking.

e. Policy, partnership and participation for children

Child Well-being in the UK

In February 2007, UNICEF Innocenti Research Centre published the first study of childhood across 21 of the world's industrialised nations. The report, entitled *Child Poverty in Perspective: An Overview of Child Well-being in Rich Countries*, placed the UK at the bottom of the child well-being table. The report drew unprecedented media coverage of UNICEF's assessment of the situation of children in the UK. BBC2 devoted a whole edition of *Newsnight* to the report's findings and many major news broadcast and print publications headlined the report.

In June 2007, UNICEF hosted the *Child Well-being in the UK* conference at Ditchley Park, Oxfordshire. We brought together young people, politicians, international experts, the Children's Commissioners for England, Scotland, Wales and Northern Ireland, academics, children's charities and others in an attempt to build a national consensus around the value and importance of giving priority to child well-being, and establish broad agreement on how this can be achieved.

The Conference resulted in the *Declaration on Child Well-being* with a 12-point plan for improvement. The Declaration, which has received the support of the three main political parties, was a reflection of what needs to change now in the UK to fulfil the rights enshrined in the UN Convention on the Rights of the Child (CRC). The four young people at the Conference later met Children's Minister Beverley Hughes to ask for her support in addressing the issues affecting children in the UK.

UN Convention on the Rights of the Child (CRC)

For the first time, UNICEF UK participated in the production of the NGO alternative report on the CRC for England and Scotland. The suggestions that we submitted to the Department for Children, Schools and Families were included in the UK

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Government's report to the Committee on the Rights of the Child, which monitors the implementation of the CRC in every country

UNICEF UK Youth Adviser Joel Semakula represented the UK at a roundtable event celebrating 18 years of the CRC, at the Palais de Nations in Geneva. Joel shared his experiences as an advocate for children's rights and what the CRC means to him.

Youth participation

We actively encourage child and youth participation in our work, and our UK Youth team and Youth Advisers strive to ensure that children know more about their rights and receive support as active, global citizens.

We supported the UK delegation to the Junior 8 Summit 2007 in Wismar, north-west Germany, and organised a meeting with Prime Minister Tony Blair. Junior 8 takes place prior to the G8 Summit, and is a unique chance for young people to have their ideas heard by leaders of the eight leading industrialised nations.

After the J8 Summit, nine young people met with the G8 leaders in Heiligendamm and presented their solutions to global challenges. German Chancellor Angela Merkel thanked UNICEF and Morgan Stanley (who funded the initiative) for making the programme possible and, speaking on behalf of the G8 leaders, told the young people that the J8 Summit "is an important part of our preparations for the [G8] Summit."

Youth Advisers and Campaign Champions spent two weeks over the summer at the World Scout Jamboree – a celebration of 100 years of scouting with over 40,000 participants. The Advisers and Champions delivered half-day workshops on HIV, children's rights and violence against children. More than 1,500 young people took part in the workshops, 1,300 young people signed up to the Voices of Youth website and thousands more visited the UNICEF information booth.

Our 16-strong team of Youth Advisers led workshops at three regional road show events. The road shows were delivered in partnership with local authorities and voluntary agencies. More than 200 young people learned about their rights and the work of UNICEF UK.

In 2007, our Youth Voice website saw a significant increase in traffic, with an average of 6,000 visits per month. Young people also engaged with UNICEF UK via social networking sites. In 2007, Youth Voice was approached by MySpace Impact to be the main feature for the week leading up to World AIDS Day. Over the week, Impact was the sixth largest referrer to our site, our profile was viewed 800 times, and we gained 154 new friends.

Campaigners

The number of UNICEF UK campaigners increased from 12,500 to 23,000, providing essential support to our advocacy for children. Over the year, our campaigners took more than 45,000 actions on behalf of children.

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Children in emergencies

UNICEF UK raised over £7.4 million to assist the millions of children caught up in emergencies in 2007. This sum includes £5.0 million from the Department for International Development (DfID) for emergencies where UNICEF UK appealed for funds.

In 2007, UNICEF UK supported 20 countries and regions to help children caught up in emergencies.

Darfur, western Sudan

The children of Darfur continue to suffer in one of the world's most severe humanitarian crises. About 2.1 million children, including 630,000 children under the age of five, have been affected. In 2007, UK donors (excluding Government) gave more than £420,000 for our emergency work in Darfur to help our work for children in this troubled region. This includes £75,000 from our *Change for Good* partnership with British Airways.

UNICEF and its partners continue to provide urgent humanitarian supplies, as well as treating and restoring water supplies in communities that have been attacked and in camps housing displaced people. Nearly 2.2 million conflict-affected people were provided with basic health care services. We also contributed to a 20 per cent increase in the number of children attending primary school – from 516,000 children in December 2006 to more than 650,000 in June 2007.

Gulf of Mexico

In November, severe floods in Mexico, Central America and the Caribbean left entire villages submerged and thousands of people homeless and destitute in the Dominican Republic, Haiti, Honduras, Nicaragua and Mexico. Mexico experienced its worst floods for 50 years, affecting more than 1 million people. Thousands of families were forced out of their homes by floodwaters and desperately required water, food and medicine.

UNICEF rapidly set up temporary shelters and distributed bottled water, essential medicines, cooking kits, clothing and blankets. We also established temporary classrooms and provided 400 school-in-a-box kits to enable a swift return to education.

South Asia

In July, extreme monsoon rains hit north India, Nepal, Pakistan and Bangladesh, affecting an estimated 30 million people. Hundreds of thousands of people were displaced and thousands lost their homes, possessions and livestock.

UNICEF was able to respond quickly to the emergency thanks to pre-positioned stocks of essential supplies such as mosquito nets, tarpaulins and oral rehydration salts. We also helped deliver clean water to thousands of people.

In Bangladesh, we distributed 3 million water purification tablets. In Nepal, our immediate response included providing water purification materials for 30,000

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families and 6,000 sachets of oral rehydration salts (ORS) In Pakistan, a measles vaccination campaign reached 98 per cent of children in seven affected districts of Balochistan and 94 per cent of children in two affected districts of Sindh

The British Airways *Change for Good* partnership donated £150,000 for our emergency response to the flooding

Africa floods

In July, around 1.5 million people were affected by extreme rainfall across 18 countries in West, East and Central Africa. The floods affected more than 400,000 people in Sudan. Nearly 200 Sudanese schools were partially or totally damaged, disrupting school for nearly 45,000 children. Floods across northern and eastern Uganda also affected 400,000 people. The heavy rains also caused flooding in northern and eastern Ghana, affecting a further 200,000 people.

In the immediate aftermath, UNICEF and its partners provided 1 million measles vaccines and 1.2 million polio vaccines, distributed 17,000 mosquito nets to prevent malaria, as well as emergency medical kits to treat up to 20,000 people for three months. UNICEF also provided 300 tents to be used as temporary classrooms for over 150,000 schoolchildren and repaired sanitation equipment in 49 of the worst-affected schools.

Bangladesh cyclone

On 15 November, Cyclone Sidr hit the southwest coast of Bangladesh with wind speeds of more than 220 km per hour. Leaving a trail of destruction across 30 districts, Sidr was one of the fiercest cyclones ever to hit Bangladesh affecting 7 million people including 600,000 children under the age of five.

UNICEF helped to restore the provision of clean water by repairing 80 per cent of tube wells in the worst-affected districts. We also provided vital relief supplies for more than 70,000 children and 100,000 families.

Over 60 child friendly spaces, each catering for the basic needs of 50 children, were set up to provide children with food as well as recreation and play activities. UNICEF also supplied essential medicine in areas where people were at risk of disease outbreaks.

Through press adverts and mailing our donors, we raised over £500,000 to help children and their families affected by the Bangladesh cyclone. In addition, the *Change for Good* partnership with British Airways contributed £75,000.

Iraq

We submitted evidence to the Iraq Commission, highlighting the urgent need for increased aid in order to step up our humanitarian relief effort for vulnerable Iraqi children and women. The Commission recommended that the UK "should provide greater funding to UNICEF to support vulnerable women and children in Iraq, Jordan and Syria."

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Emergencies fund

Income from Trudie Styler's "Christmas in Fairyland Ball" at the end of 2006, supported by fellow Ambassador Jemima Khan, was received during 2007 and has now raised over £670,000 for our emergencies fund. This fund enables UNICEF UK to respond to "silent" emergencies where media interest is low but children remain desperately vulnerable. The event delivered vital support and protection for children affected by conflict, natural disasters and disease in 11 countries around the world including floods and cyclones in Comoros, Mozambique and Madagascar, a tsunami in the Solomon Islands, food crisis in Niger, and conflicts in Central African Republic and Sri Lanka.

Core programmes

UNICEF requires unrestricted funds to support our vital work for children on a global level. There are three main criteria for allocating unrestricted funds to individual countries: the mortality rate of children under 5 years old, the gross national product per capita, and the absolute size of the child population. Based on these criteria, the global UNICEF Executive Board decides on funding proposals for individual country programmes. If approved, a country programme is usually five years in length and UNICEF plans carefully with individual governments to ensure the best results for children.

From our 2007 income, the contribution of UNICEF UK to UNICEF's core programmes amounts to over £4.4 million. This allows UNICEF to direct money to those areas where children's need is greatest. This may involve us working in regions where the need is great, but where funding has so far been inadequate or non-existent.

Raising money for children

UNICEF is not funded by the UN. Instead, we rely entirely on voluntary contributions to support our programmes worldwide.

Our total income for 2007 was £41.3 million. Below are some of our key fundraising activities and achievements during the year.

Long Way Down

In 2007, following on from the success of their *Long Way Round* journey from London to New York, UNICEF UK Ambassador Ewan McGregor and high-profile supporter Charley Boorman set off on the *Long Way Down*, a second motorbike adventure travelling from John O'Groats, Scotland, to Cape Agulhas, South Africa. Once again, Ewan and Charley visited three UNICEF programmes on their journey: they learned about our mine awareness work in Ethiopia, they witnessed our work for the rehabilitation of former child soldiers in Uganda, and in Malawi, they stopped at a Children's Corner for children affected by HIV and AIDS.

The visits featured in a prime-time BBC2 series, an accompanying book and DVD, and on the *Long Way Down* website. Ewan and Charley also raised over £450,000 for UNICEF UK to help children affected by HIV, conflict and poverty in Africa.

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Corporate support

In 2007, the Corporate Fundraising team raised over £5.2 million with valued support from our corporate partners including British Airways, Starwood Hotels & Resorts, FTSE, BT, Pampers, Manchester United, Barclays, RealNetworks, TNS (Taylor Nelson Sofres), Kodak, Blue Peter, Clarks, IKEA, The Pier and ING.

In 2007 we launched *Change for Good's* very first merchandise – our cuddly toy, Fudge the Dog. Sold on British Airways' flights, Fudge was named with help from children at Heathrow Primary and launched by BA's Chief Executive Willie Walsh. He told us, "*This is a truly worthwhile project and it is great that something so important can be fun at the same time*." More than 3,500 Fudge the Dogs had been bought by the end of 2007.

During 2007, the *Check Out for Children* partnership raised over £826,000 through guest donations in Starwood Hotels in Europe, Africa and the Middle East. Worldwide, the partnership has raised more than £9.3 million since 1995, enabling UNICEF to immunise over 1 million children against the six killer childhood diseases.

The British Academy of Film and Television Arts (BAFTA) supported UNICEF for the first time through the "Happy Birthday BAFTA" event.

Legacies, major supporters, trusts and grant-making bodies

UNICEF UK achieved our highest-ever legacy income of over £2.6 million, and raised over £2.5 million from major individual supporters. We also received more than £1.2 million from charitable trusts, foundations and other grant-making bodies.

Fundraising groups and volunteers

Through volunteering their time and skills on a wide range of innovative events, community fundraisers and event organisers raised over £3.7 million in 2007.

Individual fundraising

We raised over £16.1 million through marketing campaigns to our existing supporters and other members of the public. Our Christmas appeal, for instance, raised nearly £520,000 to support our vital immunisation work around the world.

Sales of UNICEF cards and gifts

Total income from the sales of UNICEF cards and gifts (including donations with orders and "Inspired Gifts") was nearly £2.5 million, down 8 per cent from 2006. One of our greatest challenges is the decline in sales of traditional cards to corporates as larger companies order fewer cards or choose to send e-greetings only. On a more positive note, Waterstone's bookstores sold UNICEF cards for the first time.

Sales of Inspired Gifts – our range of life-saving and life-changing gifts – increased by nearly 10 per cent. Again, we refined and expanded our range of gifts.

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Here are some of the Inspired Gifts we delivered to improve the lives of vulnerable children around the world

- 1,300 kg of high-energy biscuits delivered to children in Chad
- 82 solar/wind-up radios to the Solomon Islands
- Almost 700,000 antibiotic doses to treat children in Turkmenistan
- 60,000 sachets of oral rehydration salts to children suffering with diarrhoea in Somalia
- 180,000 vitamin A capsules to Zambia
- 18,000 skipping ropes to children in Niger
- More than 1 million pencils to children in Iraq
- 47 school-in-a-box kits to Lesotho
- 547 bicycles to health workers and teachers in the Democratic Republic of Congo
- More than 60,000 vials of measles vaccines to Kenya
- 282 HIV test kits to Madagascar to help prevent mothers passing the virus to their babies

Looking ahead

In 2008, we will work even harder to build a world fit for children

Champion for Children

In 2008, UNICEF UK will work for positive change in UK legislation, policy and practice, influencing government to implement the UN Convention on the Rights of the Child (CRC), improve policies on child well-being, and to improve protection of the rights of children trafficked into the UK. We will be centrally involved in the UK Government's CRC-reporting process for the first time and will use the Concluding Observations to amplify our calls for change.

We will make 45 new Baby Friendly awards to hospitals, health centres and universities, and accredit another 49 Rights Respecting schools. We will build upon the success of these programmes to improve child health and well-being in the UK. We will undertake research to compare government policies and institutional approaches for improving child well-being and use the results to enhance our work.

We will research into and report on the impacts of climate change on children. We will work to ensure that policy and actions to address those impacts have children at their heart. Recognising our own responsibilities in this area, UNICEF UK will audit and minimise our own environmental impact and report on our progress.

Unite for Children, Unite against AIDS

We will raise £2.1 million for the campaign in 2008.

In particular, we will focus on the prevention of mother-to-child transmission (PMTCT) via the *Born Free from HIV* phase of our campaign. This will be supported by a short film and a series of commissioned photographs. We will remind the UK Government of its promise at the 2007 G8 Summit that it would contribute to the US\$1.5 billion needed to provide PMTCT for all mothers, and use the 2008 Summit to ensure the promise is kept.

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More support for children

Our focus is two-fold to raise more funds for children and to ensure that our systems make the most of the money we bring in. In 2008, we aim to raise £31.1 million net to be spent on UNICEF programmes for children worldwide.

Recognising that disasters are not receiving the media attention that they deserve, especially when they are related to extreme weather events such as drought, flooding and hurricanes, we will review our approach to fundraising for emergencies. This will ensure that we can raise money and continue to deliver an effective and rapid response in the event of a humanitarian emergency, delivering life-saving help to children, even if media coverage is low.

We will launch "International Inspiration", an ambitious project to deliver on the promise that the London 2012 Olympic Games will "inspire millions of children and young people around the world to take up sport". Working with partners including UK Sport, the British Council and the London Organising Committee of the Olympic Games (LOCOG), the project aims to provide education, health promotion and health protection via sports participation programmes for 12 million children in 20 countries before the Opening Ceremony of the London 2012 Olympic Games.

Financial review

Income

In describing our activities and achievements above, we have reported that UNICEF UK's total income for 2007 was £41.3 million. Our plans for 2008 and beyond keep us on track to meet the targets we set ourselves in our five-year strategic plan covering 2006–10.

Our 2007 income was just over £2.0 million lower than our total income in the previous year, partly because there were fewer humanitarian emergencies attracting media attention in the UK resulting in a fall in emergency income of around £0.9 million, and partly because the previous year included £2.5 million from the Soccer Aid television show screened in the 2006 World Cup year. If we exclude these two factors, our income continues to grow.

Costs of generating funds

Charities have to spend money to raise money. Over the past five years, for all donations, UNICEF UK has spent on average 18 pence for every pound raised, while for every one pound's worth of sales of cards and gifts, the average cost has been 56 pence. In 2007 total fundraising costs were £10.4 million, compared to £9.1 million in 2006 reflecting the increased investment in direct marketing and corporate partnerships in particular.

Charitable expenditure

Of the total income raised in 2007, £28.6 million was available for programmes to benefit children. Of this, £20.6 million was for specific programmes or countries chosen by our donors, £4.4 million for UNICEF core programmes and £3.6 million for the charity's advocacy and education programmes in the UK, including those of the Baby Friendly Initiative.

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On average, over the last five years, 77 per cent of UNICEF UK's gross income was available for programmes, after fundraising, sales and administration costs

Management and administration and governance costs

Management and administration costs, calculated in compliance with the previous Charities Statement of Recommended Practice (SORP 2000), amounted to £1,003,000 in 2007 compared to £972,000 in 2006, which is an increase of just over 3 per cent. Over the last five years, management and administration costs amounted to a little under 2 per cent of total income.

Under the revised Statement of Recommended Practice on Accounting and Reporting by Charities issued in 2005, management and administration support costs are allocated between the charity's functional activities and governance costs. As a percentage of total income, governance costs amounted to just over 1 per cent in 2007.

UNICEF UK Enterprises Limited

The charity's wholly owned trading subsidiary carries out non-charitable trading activities for the charity. During the year, income of £1,048,000 (2006: £499,000) was raised from events, corporate sponsorship, commission and royalties. After allowing for associated expenditure and management charges, £1,033,000 (2006: £479,000) was covenanted under Gift Aid to UNICEF UK.

Reserves

UNICEF UK's policy on reserves is to

Retain an emergency fund to allow for an immediate response to the humanitarian needs of children during an emergency, even if income from the relevant appeals has not yet been received.

Maintain a general fund of £500,000 to finance the working capital needs and cover the resources invested in fixed assets. UNICEF UK has no need for reserves to provide for future programmes, as these are the commitment of UNICEF HQ. Also, the charity's diversified sources of income render unnecessary any large reserves to safeguard against a sudden reduction in donations.

At the year end, there was also £34,000 of restricted funds relating to income that is for programmes carried out by UNICEF UK and hence has not been paid to UNICEF HQ. A designated fund of £25,000 has been set up in 2007 for a specific IT project to be carried out in 2008.

Investment policy

Other than holding money on deposit at the bank for short periods, UNICEF UK has no investments. Any shares or similar investments donated to UNICEF UK are sold immediately so that those funds are available for our work for children. Except for amounts held for expenditure in the following year, the entire surplus from the year's activities is transferred to UNICEF HQ.

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Changes in assets

The movements in fixed assets are set out in note 13 to the financial statements. The cash at bank held by the group at the year end amounted to £8.5 million, compared to £7.4 million at the end of 2006. The last 3 months of the year are the busiest times of the year for donations and the sale of cards and gifts, which results in higher than usual bank balances in December. Regular transfers are sent to UNICEF headquarters, and by the end of March 2008 UNICEF UK had transferred a further £4.3 million to support our work overseas.

Governance

UNICEF UK is a charitable company limited by guarantee and governed by a Board of Trustees that consists of no less than seven and no more than 16 elected Board Members, who are concurrently Directors under Company Law. The Board selects from amongst themselves the following officers: a Chair, two Vice-Chairs and a Treasurer, and has a power to co-opt not more than six further Trustees for a maximum of one year. The maximum term of service for an elected Trustee is six consecutive years; officers of the charity can serve for nine consecutive years. Thereafter, a year must elapse before re-election or re-appointment to the Board.

The Board of Trustees meets quarterly to ensure that UNICEF UK has a clear vision, mission and strategic direction and is focused on achieving them. This involves monitoring and acting to ensure that performance and impact is achieved, as well as being the guardians of our fundamental values and ethos. For example, the Board reviews and approves the medium term strategic plans and annual plans of the charity, receives and examines reports on the charity's financial affairs, monitors programmatic and fundraising activities, and considers policies and procedures in areas such as risk management and legal and regulatory compliance.

A Management Committee of up to seven of the Trustees meets six times a year to give detailed consideration to all governance matters and make recommendations to the Board. The Management Committee also provides guidance and challenge to the Executive Team.

The Executive Team has been delegated responsibility for the day-to-day management of UNICEF UK and comprises the Executive Director supported by three Deputy Executive Directors. The Deputy Executive Directors each have specific responsibility for Finance and Services, Fundraising, Communications and Programmes.

Trustees regularly review the membership of the Board and Management Committee to ensure that the necessary skills and perspectives needed for effective governance are in place, taking account of the need for political impartiality, gender balance and representation of the structure of the UK population. In 2006, the Trustees commissioned a review of UNICEF UK's governance arrangements to ensure that we continue to meet best practice standards.

UNICEF UK provides an annual budget for training and support to Trustees and they receive regular briefings on their legal responsibilities and duties. All new Trustees undergo a thorough induction programme which includes meetings with each of the

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Executive Team, a briefing on their role and responsibilities, and a comprehensive set of documents which includes detailed information about UNICEF as well as general guidance such as "The Essential Trustee" published by the Charity Commission

Risk management

The Trustees have implemented a formal risk management process to assess business risks and implement management strategies as part of UNICEF UK's five-year plan

A Risk Working Group, comprising the Treasurer and senior members of staff from across UNICEF UK, meets quarterly to identify and assess the major risks, and recommend and implement appropriate actions to manage those risks. The group reports at least twice a year to the Trustees. Risk management is fully embedded as an integral part of our planning process both at a strategic and a departmental level

Trustees

The Trustees are also Directors for the purposes of company law. The Trustees who served during the year and up to the date of this report were as follows

David L Stanton	Chair	
Brian Smith	Treasurer	
Gerison Lansdown	Vice-Chair	
Christopher Lovell	Vice-Chair	
Alison Richards	Vice-Chair	(until July 2007)
Baroness Anelay of St Johns DBE		(until July 2007)
Dr Harriet Crabtree		(from July 2007)
Professor Lynn Davies		
Mehr Khan Williams		
Sue MacGregor CBE		
Bruce Mauleverer QC		
Baroness Morris of Bolton OBE		(from October 2007)
Professor Andrew Tomkins		
Baroness Walmsley		
Baroness Whitaker		

The Trustees are members of the charity. Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2007 was 13 (2006 – 16). The Trustees have no beneficial interest in the charity or the group.

Related parties and connected organizations

UNICEF UK has a wholly owned trading subsidiary, UNICEF UK Enterprises Limited, that carries out non-charitable trading activities for the charity.

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Report of the Trustees

For the year ended 31 December 2007

Statement of responsibilities of the trustees

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and group and the incoming resources, including the net income or expenditure, of the group for the year. In preparing those financial statements the Trustees are required to

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

The Trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records that 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 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include

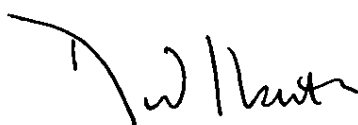
- a strategic plan and an annual budget approved by the Trustees
- Regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews
- Delegation of authority and segregation of duties
- Identification and management of risks

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. The Trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

Auditors

Sayer Vincent was appointed as the group and charity's auditors during the year and expressed their willingness to continue in that capacity.

Approved by the Board of Trustees on 30 April 2008 and signed on its behalf by



David L Stanton
Chairman

The United Kingdom Committee for UNICEF

Independent auditors' report

For the year ended 31 December 2007

Independent auditors' report

We have audited the financial statements of The United Kingdom Committee for UNICEF for the year ended 31 December 2007 which comprise the consolidated statement of financial activities, balance sheets, consolidated cash flow statement and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

The responsibilities of the trustees (who are also the directors of The United Kingdom Committee for UNICEF for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), are set out in the statement of responsibilities of the trustees.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the annual report of the trustees is consistent with the financial statements. In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the trustees' remuneration and other transactions is not disclosed.

We read the annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

The maintenance and integrity of The United Kingdom Committee for UNICEF's website is the responsibility of the trustees; our work does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

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Independent auditors' report

For the year ended 31 December 2007

Basis of opinion

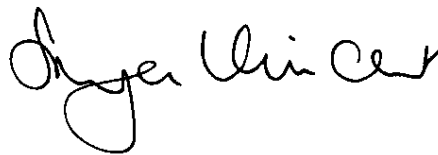
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the group and charitable company's state of affairs as at 31 December 2007 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the report of the trustees is consistent with the financial statements



SAYER VINCENT
Chartered Accountants and Registered Auditors

4 June 2008

The United Kingdom Committee for UNICEF

Consolidated statement of financial activities
(incorporating an income and expenditure account)

For the year ended 31 December 2007

	Notes	Unrestricted £'000	Restricted £'000	2007 Total £'000	2006 Total £'000
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	12,469	19,634	32,103	33,222
Government grants	3	-	5,454	5,454	6,040
UNICEF fundraising development	11	-	332	332	468
UNICEF cards and gift sales	4	2,023	-	2,023	2,282
Investment income		398	-	398	345
<i>Incoming resources from charitable activities</i>					
Advocacy programmes		<u>729</u>	<u>234</u>	<u>963</u>	<u>958</u>
Total incoming resources		15,619	25,654	41,273	43,315
Resources expended					
<i>Costs of generating funds</i>					
Costs of generating voluntary income	5	(5,922)	(4,498)	(10,420)	(9,076)
UNICEF fundraising development	11	-	(332)	(332)	(468)
UNICEF cards and gifts costs	4	<u>(1,493)</u>	<u>-</u>	<u>(1,493)</u>	<u>(1,568)</u>
		<u>(7,415)</u>	<u>(4,830)</u>	<u>(12,245)</u>	<u>(11,112)</u>
<i>Charitable activities</i>					
Core UNICEF programmes	6	(4,411)	-	(4,411)	(6,086)
Specific UNICEF programmes	6,8	-	(20,640)	(20,640)	(22,502)
Advocacy programmes	6,7	<u>(3,331)</u>	<u>(248)</u>	<u>(3,579)</u>	<u>(3,255)</u>
		<u>(7,742)</u>	<u>(20,888)</u>	<u>(28,630)</u>	<u>(31,843)</u>
Governance costs	6	<u>(437)</u>	<u>-</u>	<u>(437)</u>	<u>(423)</u>
Total resources expended		<u>(15,594)</u>	<u>(25,718)</u>	<u>(41,312)</u>	<u>(43,378)</u>
Net movement in funds before transfers		25	(64)	(39)	(63)
Net transfer between funds		-	-	-	-
Net movement in funds after transfers		<u>25</u>	<u>(64)</u>	<u>(39)</u>	<u>(63)</u>
Funds at the start of the year		<u>1,000</u>	<u>98</u>	<u>1,098</u>	<u>1,161</u>
Funds at the end of the year		<u>1,025</u>	<u>34</u>	<u>1,059</u>	<u>1,098</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the financial statements.

The United Kingdom Committee for UNICEF

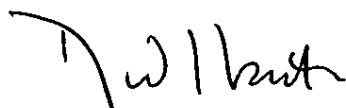
Balance sheets

As at 31 December 2007

	Note	The group		The committee	
		2007	2006	2007	2006
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible fixed assets	13	283	325	283	325
Investments	14	-	-	20	20
		<u>283</u>	<u>325</u>	<u>303</u>	<u>345</u>
Current assets					
Debtors	15	2,721	1,445	2,916	1,663
Cash at bank and in hand		<u>8,541</u>	<u>7,373</u>	<u>8,326</u>	<u>7,135</u>
		11,262	8,818	11,242	8,798
Creditors amounts due within one year					
Creditors and accrued charges	16	2,742	1,943	2,742	1,943
Amounts due to UNICEF		<u>7,744</u>	<u>6,102</u>	<u>7,744</u>	<u>6,102</u>
		<u>10,486</u>	<u>8,045</u>	<u>10,486</u>	<u>8,045</u>
Net current assets		<u>776</u>	<u>773</u>	<u>756</u>	<u>753</u>
Net assets	17	<u>1,059</u>	<u>1,098</u>	<u>1,059</u>	<u>1,098</u>
Funds	18				
Unrestricted funds					
General funds		500	500	500	500
Designated funds - Emergency Reserve		500	500	500	500
- Other		25	-	25	-
Restricted funds		<u>34</u>	<u>98</u>	<u>34</u>	<u>98</u>
Total funds		<u>1,059</u>	<u>1,098</u>	<u>1,059</u>	<u>1,098</u>

The notes on pages 31 to 42 form part of these financial statements

These financial statements were approved by the Trustees on 30 April 2008 and were signed on their behalf by



David L Stanton
Chairman



Brian Smith
Treasurer

The United Kingdom Committee for UNICEF

Consolidated cash flow statement

For the year ended 31 December 2007

	2007	2006
	£'000	£'000
Net incoming / (outgoing) resources for the year	(39)	(63)
Interest received	(398)	(345)
Depreciation of tangible fixed assets	182	180
Decrease / (increase) in debtors	(1,276)	115
(Decrease) / increase in creditors	2,441	(135)
Net cash inflow / (outflow) from operating activities	910	(248)
Returns on investments and servicing of finance		
Interest received	398	345
Capital expenditure		
Payments to acquire tangible fixed assets	(140)	(181)
Increase / (decrease) in cash	1,168	(84)
Reconciliation of net cash flow to movement in net cash		
	2007	2006
	£'000	£'000
Increase / (decrease) in cash	1,168	(84)
Net cash at 1 January	7,373	7,457
Net cash at 31 December	8,541	7,373

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

1. Accounting policies

a) Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable accounting standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are as follows:

b) Basis of consolidation

UNICEF UK Enterprises Limited is a subsidiary undertaking of UNICEF UK as defined in the SORP and therefore all its transactions have been accounted for gross in these financial statements.

c) Incoming resources and resources expended

All income and expenditure is shown in the Statement of Financial Activities.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Legacy income is recognised when it becomes reasonably certain that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability. Grants are recognised in full in the SOFA in the year in which they are receivable. The value of services provided by volunteers has not been included.

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds. Designated funds are unrestricted funds earmarked by the trustees for particular purposes. Restricted funds are to be used for specific purposes as laid down by the donor.

Costs of Generating Funds

Resources expended are accounted for on an accruals basis. They include attributable VAT, which cannot be recovered. Costs of generating funds comprise those operational costs directly attributable to fundraising and sales of UNICEF cards and gifts. These include direct costs, which are allocated on an actual basis to the relevant expense heading, salaries and other overhead expenses. Added to this is an allocation (based on space, usage or time spent) of the salaries and overhead costs of support.

Fundraising	58%
Cards and Gifts	5%
Advocacy Programmes	27%
Governance	10%

Charitable Expenditure

Charitable expenditure is the cost of activities carried out by UNICEF UK in the furtherance of its objectives and includes the funds sent to programmes to benefit children.

Core UNICEF programmes are financed by unearmarked (unrestricted) donations which are used for UNICEF general programmes such as immunisation and education.

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

1 Accounting policies (continued)

Specific UNICEF programmes are specific project or country programmes, chosen by UNICEF UK or its donors

Advocacy programmes are UNICEF UK's advocacy and education programmes in the UK, including those of the Baby Friendly Initiative

Governance costs are incurred in the general running of the charity to provide the governance structure which allows the charity to operate and generate the information required for public accountability. These costs include the strategic planning process, external audit, costs relating to trustee meetings and legal advice for trustees. Also included is an allocation of indirect costs involved with supporting the governance activities

d) Tangible fixed assets

Fixed assets are shown at cost less depreciation. Individual fixed assets costing £1,000 or more are capitalised at cost

Depreciation is calculated so as to write off the cost of fixed assets on a straight line basis over their estimated useful lives as follows

Leasehold property	20%
Office equipment	20%
Computer hardware	33 $\frac{1}{3}$ %

e) Grants

Included in the UNICEF UK accounts are contributions from DFID, Jersey, Guernsey and the Isle of Man. The DFID contributions are those to humanitarian emergencies in which UNICEF UK was active in 2007 both in discussions with DFID and in raising public awareness and funds

The UK Government also made other contributions to UNICEF HQ which are not shown in UNICEF UK's accounts on the basis that the above criteria were not met

f) Pensions

The charity operated two defined contribution pension schemes during the year. The assets of the schemes are held separately from the charity in independently administered funds. The charge in the SOFA is the amount of contributions payable to the pension scheme in respect of the accounting period

g) Rental

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due

h) Foreign currency

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

2. Voluntary income			2007	2006
	Unrestricted	Restricted	Total	Total
	£'000	£'000	£'000	£'000
Direct marketing	8,286	7,834	16,120	15,303
Change for Good	53	1,221	1,274	1,387
Check Out for Children	-	826	826	904
Corporate partnerships	228	2,847	3,075	2,543
Major supporters, charitable trusts and foundations*	575	3,211	3,786	4,960
Legacies	2,657	1	2,658	2,490
Fundraising initiatives and regional fundraising	489	1,205	1,694	1,464
Special events	24	2,018	2,042	3,718
"Inspired Gifts" donations	-	471	471	430
Other fundraising	157	-	157	23
Total	12,469	19,634	32,103	33,222

* Charitable trusts restricted income includes £190,159 (2006 - £145,882) from the Big Lottery Fund



3. Government grants	2007	2006
	Total	Total
	£'000	£'000
The Department for Overseas Development (DFID)	5,037	5,709
The States of Guernsey & Jersey and the Isle of Man	417	331
Total	5,454	6,040

All government grants are treated as restricted funds

4. UNICEF cards and gifts	2007	2006
	Total	Total
	£'000	£'000
Sales of UNICEF cards and gifts	1,794	1,949
Donations with orders	229	333
Total	2,023	2,282
Less Costs of selling UNICEF cards and gifts		
Staff costs	(194)	(195)
Direct costs	(1,091)	(1,172)
Support costs	(208)	(201)
	(1,493)	(1,568)
	530	714

All income from the sales of cards and gifts is treated as unrestricted funds

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

5 Costs of generating voluntary income

	Staff costs	Direct costs	Support costs (note9)	2007 Total	2006 Total
	£'000	£'000	£'000	£'000	£'000
Direct marketing	395	5,050	1,196	6,641	5,657
Change for Good	101	219	104	424	397
Check Out for Children	45	136	104	285	276
Corporate partnerships	429	161	208	798	632
Special events	59	193	104	356	306
Major supporters, charitable trusts and foundations	416	149	467	1,032	989
Fundraising initiatives	189	146	312	647	612
Legacies	68	117	52	237	207
Total	1,702	6,171	2,547	10,420	9,076

6. Charitable activities

	Staff costs	Direct costs	Support costs (note9)	2007 Total	2006 Total
	£'000	£'000	£'000	£'000	£'000
Core UNICEF programmes	-	4,411	-	4,411	6,086
Specific UNICEF programmes (note 8)	-	20,640	-	20,640	22,502
Advocacy programmes (note 7)	1,515	895	1,169	3,579	3,255
Governance	226	211	-	437	423
Total	1,741	26,157	1,169	29,067	32,266

The direct costs of core programmes and specific programmes are transfers to UNICEF. Specific programme transfers are detailed in note 8.

7 Advocacy programmes expenditure

	Staff costs	Direct costs	Support costs (note9)	2007 Total	2006 Total
	£'000	£'000	£'000	£'000	£'000
Development education and youth work	493	291	293	1,077	992
Baby Friendly Initiative	288	217	195	700	765
Management of information resources	221	54	236	511	499
Communication of UNICEF's programmes	221	53	186	460	332
Management of high profile supporters	96	15	113	224	277
Campaign and parliamentary work	196	265	146	607	390
Total	1,515	895	1,169	3,579	3,255

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

8 Supplementary programmes

£20,640,000 was for supplementary programmes (2006 £22,502,000) The main components of expenditure are identified below

	2007 £'000	2006 £'000
Children in emergencies	7,224	8,337
Young child survival and development	6,402	7,079
Basic education and gender equality	2,462	1,613
HIV and children	3,963	3,431
Child protection	534	1,667
Policy, partnership and participation for children	55	375
	<u>20,640</u>	<u>22,502</u>

9 Support costs

	Fundraising and sales costs £'000	Advocacy programmes £'000	Governance £'000	2007 Total £'000	2006 Total £'000
Finance	331	141	52	524	523
Information technology	399	169	64	632	616
People and development	313	132	49	494	444
Office management	563	239	89	891	908
Support services	594	252	94	940	941
Directorate	555	236	88	879	792
	<u>2,755</u>	<u>1,169</u>	<u>436</u>	<u>4,360</u>	<u>4,224</u>

	Staff costs £'000	Other costs £'000	2007 Total £'000	2006 Total £'000
Finance	189	335	524	523
Information technology	269	363	632	616
People and development	440	54	494	444
Office management	142	749	891	908
Support services	639	301	940	941
Directorate	575	304	879	792
	<u>2,254</u>	<u>2,106</u>	<u>4,360</u>	<u>4,224</u>

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

10. Staff costs

The average weekly number of employees (full-time equivalent) during the year was as follows

	2007 No.	2006 No
Fundraising	74	72
Advocacy programmes	62	62
Support and governance	14	14
	<u>150</u>	<u>148</u>

Staff costs were as follows

	2007 £'000	2006 £'000
Salaries and wages	4,373	3,906
Social security costs	448	404
Pension contributions	276	249
Total salaries' costs	<u>5,097</u>	<u>4,559</u>
Other staff costs	<u>583</u>	<u>458</u>
Total staff Costs	<u>5,680</u>	<u>5,017</u>

Employees with emoluments over £60,000 were as follows

	No.	No
£80,001 - £90,000	1	1
£60,001 - £70,000	1	2

There were 2 employees in the year (2006 3 employees) with emoluments over £60,000 who accrued retirement benefits under the charity's defined contribution schemes. The combined contributions for the year from UNICEF UK for those employees totalled £12,609.

Pension and retirement benefits

The charity operated two defined contribution pension schemes during the year with Scottish Mutual and Friends Provident. The pension cost charge for the period represents employer contributions payable to the schemes and amounted to £276,000 (2006 £249,000).

There were £nil outstanding contributions at the end of the financial year (2006 £nil).

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

11. UNICEF fundraising development programme

Expenditure on trading activities and fundraising is undertaken with the following financial support provided by UNICEF Headquarters for fundraising market development and fundraising research & development activities

	2007 £'000	2006 £'000
Market development programme		
Greeting card operation	67	154
Research and development programme		
Donor recruitment	89	70
Fundraising development programme		
Donor recruitment	177	244
	333	468

Movements on UNICEF fundraising development programme funds

	Market development programme £'000	Research and development programme £'000	Fundraising development programme £'000	2007 £'000	2006 £'000
At the start of the year	132	48	59	239	378
Funding received	<u>67</u>	<u>89</u>	<u>177</u>	333	468
Funding available	199	137	236	572	846
Funding utilised	<u>(142)</u>	<u>(104)</u>	<u>(206)</u>	(452)	(607)
At the end of the year	57	33	30	120	239

The balance at the end of the year is included under 'Amounts due to UNICEF' in the balance sheet. Funding utilised in the year above the level received is shown as a movement in the "Amounts due to UNICEF" balance.

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

12. Net incoming resources for the year

This is stated after charging

	2007 £'000	2006 £'000
Depreciation	182	180
Trustees' reimbursed expenses	16	11
Trustees' remuneration	Nil	Nil
Auditors' remuneration		
▪ Audit	22	22
▪ Other services	1	2
Operating lease rentals		
▪ Property	497	499

13. Tangible fixed assets

The Committee and Group

	Short leasehold property £'000	Office equipment £'000	Computer hardware £'000	Totals £'000
Cost				
At the start of the year	333	464	850	1,647
Additions in the year	<u>-</u>	<u>88</u>	<u>52</u>	<u>140</u>
At the end of the year	<u>333</u>	<u>552</u>	<u>902</u>	<u>1,787</u>
Depreciation				
At the start of the year	313	354	655	1,322
Charge for the year	<u>11</u>	<u>49</u>	<u>122</u>	<u>182</u>
At the end of the year	<u>324</u>	<u>403</u>	<u>777</u>	<u>1,504</u>
Net book value				
At 31 December 2007	<u>9</u>	<u>149</u>	<u>125</u>	<u>283</u>
At 1 January 2007	<u>20</u>	<u>110</u>	<u>195</u>	<u>325</u>

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

14. Fixed asset investment

The charitable company (UNICEF UK) owns the whole of the issued ordinary share capital of the subsidiary (UNICEF UK Enterprises Limited), a company registered in England and Wales

	2007	2006
	£'000	£'000
20,000 £1 ordinary shares UNICEF UK Enterprises Limited at cost	<u>20</u>	<u>20</u>

UNICEF UK Enterprises Limited is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are donated by Gift Aid to UNICEF UK. A summary of the results of the subsidiary is shown below

Summary profit and loss account (UNICEF UK Enterprises Ltd)

	2007	2006
	£'000	£'000
Turnover	1,048	499
Cost of sales	<u>-</u>	<u>(3)</u>
Gross profit	1,048	496
Administrative expenses	(21)	(21)
Interest receivable	<u>6</u>	<u>4</u>
Operating profit / (loss)	1,033	479
Amount donated by Gift Aid to the charity	<u>(1,033)</u>	<u>(479)</u>
Retained in the subsidiary	<u>-</u>	<u>-</u>
The assets and liabilities of the subsidiary were		
Current assets	473	496
Creditors' amounts falling due within one year	(453)	(476)
Total net assets	<u>20</u>	<u>20</u>
Aggregate share capital and reserves	<u>20</u>	<u>20</u>

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

15. Debtors

	The group		The committee	
	2007	2006	2007	2006
	£'000	£'000	£'000	£'000
Trade debtors	770	779	770	779
Other debtors	1,951	666	1,693	408
Amounts due from subsidiary undertaking	-	-	453	476
	<u>2,721</u>	<u>1,445</u>	<u>2,916</u>	<u>1,663</u>

16. Creditors and accrued charges

	The group		The committee	
	2007	2006	2007	2006
	£'000	£'000	£'000	£'000
Trade creditors	1,405	826	1,405	826
Other creditors and accruals	1,337	1,117	1,337	1,117
	<u>2,742</u>	<u>1,943</u>	<u>2,742</u>	<u>1,943</u>

17. Analysis of group net assets between funds

	General funds	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	283	-	-	283
Net current assets	<u>217</u>	<u>525</u>	<u>34</u>	<u>776</u>
Net assets at the end of the year	<u>500</u>	<u>525</u>	<u>34</u>	<u>1,059</u>

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

18. Movements in funds

	At the start of the year £'000	Total income £'000	Total expenditure £'000	At the end of the year £'000
Unrestricted funds*				
General funds	500	15,594	(15,594)	500
<i>Designated funds</i>				
IT Projects Fund	-	25	-	25
Emergency fund	500	-	-	500
<i>Total designated funds</i>	500	25	-	525
Total unrestricted	1,000	15,619	(15,594)	1,025
Restricted funds:				
Supplementary programmes*	-	25,088	(25,088)	-
Advocacy programmes	98	234	(298)	34
UNICEF fundraising development	-	332	(332)	-
Total restricted funds	98	25,654	(25,718)	34
Total funds	1,098	41,273	(41,312)	1,059

* Includes £190,159 income and expenditure from the Big Lottery Fund



Purposes of funds

The general unrestricted fund of £500,000 is to finance the purchase of fixed assets and working capital for current needs

The designated Emergency fund of £500,000 is held to enable rapid transfers to be made to UNICEF HQ for immediate needs before appeals are made to donors and funds received in response to those emergency appeals

Restricted funds are used for specific purposes as laid down by the donor. The £34,000 is a restricted fund specifically for the Baby Friendly Initiative to project manage an Interagency Group on Breastfeeding Monitoring (IGBM) in four African countries

The United Kingdom Committee for UNICEF

Notes to the financial statements

For the year ended 31 December 2007

18. Movements in funds (continued)

UNICEF fundraising development programme funds are provided by UNICEF headquarters for market development, research and development and fundraising development programmes. The balance at the end of the year is included under 'Amounts due to UNICEF' in the balance sheet.

19. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary UNICEF UK Enterprises Ltd covenants available profits to the charity. There was no charge to corporation tax in 2007.

20. Annual achievements review

The annual review of UNICEF UK achievements gives details of the support to UNICEF programmes provided by UNICEF UK and further narrative on the charity's activities during the year.

Copies of the annual review may be obtained from

UNICEF UK
The Helpdesk
Kingfisher House
2 Woodbrook Crescent
Billericay
Essex
CM12 0EQ

Telephone 0870 606 3377
Email helpdesk@unicef.org.uk