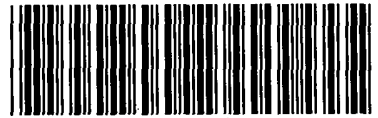


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Directors' Report and Financial Statements
For the year ended 31 December 2014

**A.C.O.R.D (AGENCY FOR CO-OPERATION AND RESEARCH IN
DEVELOPMENT/ASSOCIATION DE COOPERATION ET DE
RECHERCHE POUR LE DEVELOPPEMENT)**

A UK registered charity and a company limited by guarantee
Charity Registration number 283302
Company Registration number 1573552

CONTENTS

| | |
|---|-----------|
| Directors' Report | 2 |
| Reference and Administrative Details | |
| Structure, Governance and Management | |
| Strategic Report | |
| Achievements and Performance | |
| Financial Review | |
| Plans for the future – priority goals for the year 2015 | |
| Independent Auditors' Report | 23 |
| Statement of Financial Activities | 25 |
| Balance Sheet | 26 |
| Cash Flow Statement | 27 |
| Notes to the Accounts | 28 |

REGISTERED OFFICE

Development House
56-64 Leonard Street
London EC2A 4LT
Tel: 0207 065 0850
Fax: 0207 065 0851
Website: www.acordinternational.org
Charity Registration Number 283302
Company Registration Number 157355

DIRECTORS' REPORT

The directors are pleased to present their report and the audited financial statements for the year ended 31 December 2014.

REFERENCE AND ADMINISTRATIVE DETAILS:

1. MEMBERS (ACORD ASSEMBLY)

ORGANISATIONS

Comité Catholique Contre la Faim et pour le Développement (CCFD) (France)

Inter Pares (Canada)

Manitese (Italy)

Vredeseilanden (Belgium)

INDIVIDUALS

Teopista Kevin M Akoyi

Richard Bennett

Bonnie Campbell

Ngone Diop

Sylli Gandega

Jonathan Glennie

John Hailey (Joined October 2014)

Augusta Henriques

Michael Herzka

Hussainatu Jummai Adbullah

Molly Kane

Gertrude Kazoviyo

Kwame Kuffour

David Muthali

Naana Otoo-Oyortey (Joined October 2014)

Irene Ovonji-Odida

Ibrahim Ouedraogo

Maggie Pankhurst

Betty Plewes

Alioune Sall

Jacqueline Williams

BOARD OF DIRECTORS AND TRUSTEES OF THE CHARITY

The Trustees of ACORD are the charity's trustees under charity law and the directors of the charitable company.

| First Name | Surname | Nationality |
|------------|-----------------|------------------------------------|
| Richard | Bennett | British |
| Bonnie | Campbell | Canadian |
| Ngone | Diop | Senegalese |
| Sylli | Gandega | Mauritanien (Chair) |
| John | Hailey | British (joined Oct 2014) |
| Hussainatu | Jummai Adbullah | Sierra Leonean |
| Gertrude | Kazoviyo | Burundian |
| David | Munthali | Malawian |
| Naana | Otoo-Oyorley | British-Ghanaian (joined Oct 2014) |
| Ibrahim | Ouedraogo | Burkinabe (resigned Oct 2014) |
| Alioune | Sall | Senegalese |
| Jacqueline | Williams | British (Honorary Treasurer) |

CORPORATE MANAGEMENT TEAM

| | |
|------------------------|--|
| Ousainou Ngum | Executive Director and Company Secretary |
| Kristin Seljeflot | Director of Funding and Partnership Development |
| Elijah Lutwama | Head of Finance |
| Salina Sanou | Head of Policy and Advocacy |
| Annette Msabeni-Ngoye | Head of Programme Operations & Development |
| Almonda Foday-Khabenje | Head of Human Resources and Organisational Development |

STRUCTURE, GOVERNANCE AND MANAGEMENT

ACORD is a company limited by guarantee and a registered charity in the United Kingdom governed by a Memorandum and Articles of Association.

ACORD, a registered charity since 1981, is a membership organisation with membership open to both organisations and individuals. These members make up the General Assembly, which is the sovereign body of the charity and meets once a year. The Assembly approves the annual accounts, engages in and approves the organisation's strategic plan and appoints the board of trustees and auditors. It also determines broad policy issues.

The Board exercises the functions of the trustees of the charity and the directors of the company, controlling the work of the Charity. The Board meets twice a year and organises teleconferences as needed. A third of the trustees are elected annually by a majority vote of the Assembly.

The Board is assisted by two sub-committees: The **Programme and Funding Committee** (PERFEC Committee) which supports the programming, funding and partnership building and communications work of the organisation. The **Finance, Human Resources, Organisational Development and Governance committee (FOG Committee)** which oversees the financial management, governance and human resources management functions and also **acts as the audit committee** of the Board. The Board Committees also meet twice a year, have teleconferences as necessary and report back to the Board which makes relevant decisions.

The names of the trustees who have acted during the year are listed on page 3. New trustees are nominated through a broad and participatory nomination process including staff and other stakeholders. The final shortlist is reviewed by the Board and proposed to the General Assembly for approval. New trustees go through an individual induction programme covering all aspects of their role and the objectives of the charity to enable them to perform an effective role within the Board. Trustees serve a two-year renewable term of office.

Overall Management, Staff and Volunteers

Under the overall leadership of the Executive Director, the Senior Management Team (SMT) is responsible for promoting ACORD's Vision, Mission, Values and Strategic Directions. The SMT is the decision-making forum, which guides the day-to-day running of the whole organisation, overseeing overall programming work, operations, financial management, human resources management, fundraising and partnership development as well as internal and external communication.

The SMT is accountable to the ACORD Board through the Executive Director. There are two-way accountability lines between SMT and other staff members.

ACORD employed an average of 412 staff during the year of which 395 were employed on local contracts.

All managers hold regular meetings with their staff to provide an opportunity for communication of information and discussion of issues as they develop. Equal opportunities in employment within ACORD are promoted as an integral part of our overall aims and objectives. ACORD has well established arrangements for consulting and involving staff in its work.

The trustees wish to record their appreciation to all staff and volunteers for their devoted work, often beyond the duty required of them. Without this commitment, the work of ACORD could not continue.

THE OBJECTIVES AND ACTIVITIES OF THE CHARITY

ACORD) is a pan African organisation working for social justice and development in Africa. ACORD's vision is a society in which all citizens are equally able to achieve their rights and fulfil their responsibilities. ACORD works in common cause with people who are poor and those who have been denied their rights to obtain social justice and development and be part of locally rooted citizen movements.

In order to achieve these objectives ACORD unites practical work and research at community level, with advocacy at all levels from local to global.

ACORD is currently present in 17 countries in Africa, with programming activities that reflect four thematic areas: livelihoods and food sovereignty; gender and women's rights; the right to health; conflict prevention and peace building. ACORD also implements a Pan African Advocacy Programme through which ACORD seeks to further its vision of a society in which all citizens are equally able to achieve their rights and fulfil their responsibilities.

In the strategic period 2011 to 2015 ACORD is guided by four pillars to achieve its vision of social justice in Africa:

| Pillar 1 | Pillar 2 | Pillar 3 | Pillar 4 |
|---|---|--|--|
| Coherent Programming: Enhance the voice of the poor and the marginalised to enable them to change conditions undermining social justice and development in Africa through participatory people-centred research, practical actions, civil society capacity building and advocacy. | Organisational Learning and Accountability: Facilitate organisational systems, inter-personal and inter-group relations which thrive on achievements, learning and innovation while administering appropriate levels of internal and external accountability and cohesion of organisational identity. | Improved External Communication: Foster a robust communication strategy for ACORD's impact and added value underpinning its advocacy work and supporting fundraising | Increased Level of Quality Funding: Enhance the level of quality funding by mobilising unrestricted funding and funds for institutional development, attracting additional funding from non-traditional sources. |

PUBLIC BENEFIT

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and activities. ACORD clearly demonstrates and meets the public benefit requirements of the UK Charity Commission given our work with marginalised communities in 17 countries of Africa. This report explains the charity's activities and demonstrates how they contribute to the charity's purpose and provide public benefit.

STRATEGIC REPORT:

The trustees of ACORD present below their Annual Report for the year ended 31 December 2014 under the Charities Act 2011 and the Companies Act 2006. This report also meets the requirement of the Directors' Report and the Strategic Report under the 2006 Act, together with the audited financial statements for the year.

ACHIEVEMENTS AND PERFORMANCE

2014 MAIN ACHIEVEMENTS IN LINE WITH ACORD STRATEGIC DIRECTIONS:

2014 was the penultimate year in the implementation of ACORD's Strategic Plan for 2011 to 2015. The main activities and achievements carried out for the public benefit and in line with strategic governance, strategic programme management and development and institutional development are highlighted as follows:

Strategic Direction 1 – Coherent Programming

Further engagement on the post-2015 development agenda, a process led by the United Nations to help define the successor framework to the Millennium Development Goals, contributed to greater coherence in our work from local to global. It encouraged us to develop clear positions on the issues at the heart of our work and within each thematic focus area (livelihoods, gender, health and peace building). All thematic areas of our work can directly or indirectly link some of their activities in 2014 to influencing this process.

Our reports '*Africa in 2030: Responsive states, empowered citizens*' and '*African Women and Girls – Their Say on Their World Post 2015*' used grassroots participatory research to build recommendations for African governments on the post-2015 process. Livelihoods and gender issues in particular, as well as access to basic services such as health are clearly articulated in these publications which are based on the voices of people at the grassroots, especially women and girls, following workshops in 13 countries where we talked to over 4,600 African citizens. "*African Women and Girls – Their Say on Their World Post-2015*" was launched in March 2014 during the 58th Session of the Commission on the Status of Women in New York. ACORD presented copies to the UN Women Executive Director, United Nations Population Fund Executive Director and to various African Ministers including Minister of Gender, Children and Social Welfare of the Republic of Malawi.

ACORD's pan African identity, rooting, methodology of combining practical work at the grassroots level in marginalised communities with people-centred research, and partnerships lends ACORD legitimacy to advocate with and on behalf of the most

marginalised when entering policy spaces and highlights the valuable role we play in linking marginalised local communities to global processes which they are often excluded from.

ACORD in 2014 has actively engaged in relevant networks and alliances to increase advocacy effectiveness and reach. Good examples of this are the positive collaboration between ACORD and the Africa Working Group on post-2015, the Non-state actors groups on the Comprehensive Africa Agriculture Development Programme (CAADP) as well as two UK based networks, the African Smallholder Farmers Group and the UK Food Group.

Specific Achievements on our core themes in 2014

Livelihoods and Food Sovereignty

In 2014 agriculture remained central to our livelihoods work. Our work focused on the small-scale production sector on which most Africans depend. Within this sector women, who produce most of the continent's food, were prioritised.

At the community level, to sustain farming and food production, ACORD supported small scale farmers to improve their growing techniques, conservation methods and access appropriate inputs as well as increase their resilience to the impacts of climate change.

For example, ACORD supported over 5,000 small horticultural producers in Geita region providing a much needed source of income and employment in North-West Tanzania. Support to horticultural producer groups has contributed to *uptake of good agricultural practices* amongst small horticultural producers through a combination technical training and provision of agricultural inputs such as improved seeds and irrigation equipment. This in turn is helping them not only to address the challenges related to climate change but also to *increase productivity*. The promotion and use of proper techniques and facilities for post-harvest management such as the storage and marketing facilities and cooling chambers has helped small horticultural producers to *reduce post-harvest losses* of leafy vegetables and fruits.



Pineapple producer, Geita, Tanzania

UWAMAMI - an association of small horticultural producers in Igate established in 1999 has a membership of 91 small scale farmers located around Igate village, Geita district. Through the support of the project, today they have a savings and credit scheme with a revolving fund value of 9 million Tanzanian Shillings (around £3,600) and together they produce 10,000 tonnes of pineapples a year. Because of the marketing and storage facilities they now have better bargaining power and are not forced to sell their produce during the rainy season.

In South Sudan ACORD was able to mobilize and support 2,400 members of farming and fishing groups with training, tools and other inputs to increase agricultural and fishery productivity. This led to marked improvement in the feeding patterns of the participating households as a result of increased yields and livelihood diversification.

The *resilience* of water stressed communities in Burkina Faso, Ethiopia, Mauritania, South Sudan and Uganda has been enhanced through water supply activities, training on sustainable water management and community based disaster risk reduction activities. In Borana zone, Ethiopia, ponds and traditional wells have been constructed to harvest rain water and rangeland rehabilitated to increase access to pasture for pastoralist communities and their livestock. In Burkina Faso a borehole was drilled in Tambolo, and a management committee put in place to ensure good use and maintenance of the infrastructure. The local population has been sensitized on good hygiene and sanitation practices around the water point. In South Sudan ACORD drilled 10 boreholes reducing cases of conflict arising from water scarcity and water related diseases in the beneficiary communities.

In Ethiopia (Miyo and Dire districts) and Mali (Kita), ACORD has provided emergency assistance in response to drought and associated food shortages due to crop failure and loss of livestock. Through a combination of activities, including cash for work schemes (and cash transfer for the most vulnerable), water treatment, soil and water conservation, and livestock vaccination lives and livelihoods of over 640 vulnerable households in the target areas were improved and helped to bridge the food deficit during this time of crisis.

Through training events on food processing and access to appropriate technology producer groups in many of ACORD's areas of intervention have been able to *add value to their agricultural produce*.



Mango displayed and prepared for drying in Diankana, Guinea

In Mandiana and Kankan areas of Upper Guinea, despite the ebola outbreak, ACORD has managed to support 300 youth and 1,680 women involved in fish farming, fish smoking and mango transformation to add value to their produce. Ten fish farming ponds have been established (producing over 7 tonnes of fish), a fish smoking centre and two mango drying units each producing over 50 kilos of dried mango per month

providing a sustainable source of income for women and youth.

Before this project, we would only eat mango fresh or cooked, but now we have learned how to add value to mango and how to conserve it for longer. A pack of dried mango can be sold at 25000fg; this is an important source of income for women

- Ms Hadja Nantenin Berete, President of the Women's Union of Baté-Nafadji, Guinea



Sondré-Est milk producer, Burkina Faso, with her gestating Goudali cow

In Burkina Faso ACORD is improving production, collection, processing and marketing of milk and its by-products in pastoralist communities and supporting the development of the local milk sector. Measures to support increased milk production and improve quality led to a 16% increase in production in 2014 compared to 2013 and nearly 50% decrease in the quantity of milk rejected after quality control. The mini-dairies supported by ACORD have been able to collect and process more milk resulting in income increases for both producers and processors.

At national and Pan-African level ACORD sees engagement on the Comprehensive African Agriculture Development Programme (CAADP) as an essential area of intervention for African civil society. ACORD and its farmer partners are engaging decision makers at various levels, providing concrete recommendations on national agricultural investment plans and ways of increasing the policy literacy and engagement of small holder farmers in policy implementation, budget monitoring and tracking.

ACORD successfully mobilised over 250 small-scale farmers and pastoralist organisations who are currently actively participating in agricultural policy processes at regional and national levels. For example, in Mozambique 20 women representing associations from Magude and Manhiça Districts were sensitised and trained on targeted national agriculture, food security, women's security and protection policies and protocols.

To support evidence based advocacy five country reports have been finalised on the quality of and equity within existing National Agriculture Investment Plans. A regional synthesis *"Putting Small-Scale Farming First: Improving the National Agricultural Investment Plans of Burkina Faso, Burundi, Ethiopia, Rwanda and Tanzania"* was launched at the AU summit in Addis Ababa in January 2014 and is supporting advocacy and lobbying at national, regional and continental level.

Throughout the course of 2014 ACORD actively engaged in the Non-State Actors group, a collective of likeminded civil society and farmer's organisations who are working on CAADP, to influence investment in agriculture. ACORD led in the design and publication of the groups *10 joint policy recommendations*, which called on African Governments and donors to increase support to small holder farmers in the CAADP process for concrete results and positive impacts and got sign on from more than 120 African civil society

organisations. The policy recommendations were launched publically, and were accompanied by targeted lobbying and engagement aimed at influencing the AU Year of Agriculture's final policy position.

Heads of State launched the *Malabo Declaration* in June 2014, outlining Africa's recommitment to CAADP as well as a series of new policy commitments and objectives for CAADP spanning over ten years. The year of intense engagement by the non-state actors group culminated in a number of their positions being integrated into the final Declaration, most notably on women farmers and climate change.

In October 2014 ACORD co-hosted an event held at the UK Parliament entitled 'Celebrating the African Union Year of Agriculture and Food Security', which was attended by a range of parliamentarians, UK government staff, NGOs and African diaspora. As a result of the meeting a new series of dialogues between ACORD and its allies and the UK government have been established.

Gender Equality and Women's Rights

Our work on gender equality and women's rights includes women's social and economic empowerment, tackling sexual and gender based violence (SGBV), and gender mainstreaming at institutional and local level.



Beneficiaries of small ruminant production Dire Dawa, Ethiopia, successfully breeding goats

In our livelihoods work priority is given to support women, who produce most of the continent's food. ACORD has many programmes dedicated to the social and economic empowerment of women producers. For example, in peri-urban areas of Dire Dawa, Ethiopia, ACORD is supporting vulnerable women headed households including women living with disability and HIV/AIDS to increase their income and food security. In 2014 179 women headed households engaged in urban agriculture have increased their income by 53% on average and have built their assets. In addition credit services have allowed 423

members of newly established savings and credit cooperatives to start new businesses and expand existing ones increasing income levels by 54% on average.

In Rwanda, 450 members of women's groups supported by ACORD are engaged in value chain production of cassava, red onions, honey, banana, pineapple and maize and in Kenya over 40 groups across 3 counties have benefitted from trainings on agriculture and bee-keeping and have been supported with beehives and greenhouses.

ACORD in Rwanda supports the economic empowerment of vulnerable women through entrepreneurial skills development, peer to peer learning and action using the gender, action, learning, system (GALS) approach. This approach supports the organisation of women farmers into associations and enhances their ability to engage constructively with traders, processors and input suppliers and benefit from economies of scale. These associations are increasingly well organised, share a common vision, are focused and more reliable and efficient in engaging with businesses/private sector. They are better linked to national and other grassroots organisations for increased networking and collaboration.

In 2014 ACORD continued working for the implementation of laws to fight gender based violence and ensure the enforcement of reparation legislation particularly in countries emerging from conflict. At country level, ACORD in Burundi, DRC, Guinea, Kenya, Mali and Uganda is playing a key role in the evolution of local responses and national policy processes with regards to transitional justice. The strategy is mainly aimed at engaging with policy makers, but also empowering communities through the public litigation process, to know their rights and which channels to use to claim justice.

At Pan African level in collaboration with the Hekima Institute of Peace Studies and International Relations ACORD hosted an international conference on transitional justice in Nairobi in October 2014 to stimulate a strategic response to the Truth Justice and Reconciliation Commission (TJRC) process bringing together participants from the CSO fraternity, the African Union and the former president of Tanzania, Mr. Benjamin Mkaba. Another national forum was organised

in Mombasa bringing together NGOs working on transitional justice issues, government officials, the attorney general's office and the police to discuss implementation of the TJRC report. The two day event was a great success in charting the way forward towards monitoring government's implementation of the TJRC report and identifying watchdogs within the Kenya Transitional Justice Network. Earlier in



ACORD country Director and the Deputy speaker of the national Assembly during the launch of the policy brief on reparations for SGBV survivors in April 2014

the year the Kenya programme launched a policy brief on Reparations for Sexual and gender based survivors in Kenya.

In Ngorongoro Tanzania to address SGBV in pastoralist communities a district network on SGBV was established and has successfully brought together SGBV duty bearers including health workers, police, judiciary, members of human rights organisations and local leaders who have been trained on how to detect and refer women and adolescent girls with signs of sexual abuse or violence, including female genital mutilation (FGM). Increased community awareness around SGBV issues has resulted in increased reportage of SGBV related incidences. 54% of SGBV survivors (of FGM, negligence, domestic violence, denied girl child education and forced marriage) received psychosocial support and referrals through the District SGBV network.

In Ethiopia, the establishment of two women's empowerment committees is a notable success. These committees received training on gender issues and a financial grant to hold events in the community. 2,798 community members benefitted from the awareness raising events of these committees through 61 traditional coffee ceremonies and discussions held at village level generating awareness and action to combat gender based violence by community members and duty bearers.

In Burundi an awareness raising campaign on SGBV at community level was organised around the 16 days of activism to end violence against women in Rango commune; two social contracts on gender based violence were signed in Kabuye and Gaheta zones.

In early 2014 ACORD's gender policy and strategy document for 2014-2017 was finalised. It represents the main document for guiding ACORD work, objectives and orientations in gender for the next 4 years and it has been widely shared across the organisation. Other key gender responsive tools and methodologies developed and adopted during the year include gender mainstreaming in school guidelines, a public interest litigation handbook and a men to men strategy and handbook. Country specific tools have been developed at national level. For example, in Kenya the men to men handbook has been adapted into a contextualised national level toolkit.

Conflict prevention and peace building

In the area of peace-building and conflict transformation good progress has been made to address conflict over land and water resources. During the year community dialogues were held in Guinea, Ethiopia, South Sudan, Kenya, Uganda and Burundi. They are at various stages of advancement within what is known as the Community Social Peace and Recovery Model. In 2014 11 social contracts have been signed.

Using this model in Kenya and Guinea ACORD has brought together pastoralists and crop farmers. In the Tana Delta in Kenya, they have been brought together to dialogue on differences which are a complex mix of historical unresolved conflicts, land difference and political difference. The dialogues have enabled the communities to discuss and put in place measures to avert future open conflict. All indications are that the communities will be ready, willing and able to negotiate and sign a social contract by early 2015. In Guinea work towards the non-violent management of conflicts between farmers and herders from

Fulani, Guerze, Toma and Mania communities is progressing well. There are indications that trust and respect are being rebuilt and this is significant in the process towards cementing their negotiated agreement through a social contract. There is also ongoing work around Marsabit with pastoralist communities along the Ethiopia Kenya border.

The model is also being used to address sexual and gender based violence in Mt Elgon, Kenya and Kayanza province, Burundi, regions with high rates of sexual violations. Five community social contracts have been signed towards the protection of the rights of girls in Mt Elgon and 4 in Burundi.

In South Sudan, where open conflict broke out in December 2013 and spates of violence continue to date, implementation of the model has continued in Central Equatoria as the situation in this particular state remained stable. In Terekeka county local government facilitated to settle conflict between the Nyikabor and Tukoro clans-both from the Mundari tribe which resulted in the two communities signing a social contract to restore broken social relations. In Uganda, the impact of the conflict has been felt through an influx of refugees who have settled in the different West Nile districts. ACORD Uganda has responded by promoting peace and reconciliation among the different refugee ethnic groups and host communities. In addition to the successful mediation of land disputes in Lokung sub-county and Lamwo district, a social contract has been signed between the Lonai and Patika Clans. Other indicators of progress include establishment of Peace Committees and successful dialogue/sensitization meetings held in 8 refugee settlements and, close collaboration between the peace committees, cultural institutions and local



Peace meeting in the Central African Republic, May 2014

governments in peace building work.

In the Central African Republic roll out of the model has proven much more challenging as it is not applicable in open-war contexts. In view of this reality, in May 2014, ACORD, in preparation for a UN Women and African Union mission to CAR, carried out extensive interviews with its women partners and beneficiaries, including women survivors of violence, on the effects and solutions to recurrent conflict in CAR. ACORD also organised a forum for Central African civil society on *“Organizations of the Central African civil society and the challenges of peace and reconciliation.”* This event, the first of its kind to be organised in Central Africa, saw the participation of citizens representing all political and

social groups in the country, as well as government officials and personalities from neighbouring countries. A consensus was reached on the need for constructive and continuous engagement between the different parties to the conflict as a precondition for peace dialogue. Follow up discussions continue to take place and as a result, more productive relationships are beginning to emerge amongst various stakeholders in the country.

In Rwanda, DRC and Burundi, ACORD and other consortium partners are implementing a regional peace initiative that is promoting citizens' participation in transforming land and governance related conflicts and bringing about sustainable peace in Eastern DRC, Rwanda and Burundi. To date, the programme has built citizens' capacities in analyzing the root causes of conflict in the region. Combining traditional mechanisms of conflict resolution with modern tools of conflict analysis, citizens at the grassroots level in their Barazas are helped to identify key problems/issues contributing to conflict; their causes and consequences; primary and secondary actors in the conflicts but also suggesting potential ways and solutions to resolving or transforming identified key drivers of conflicts in the region. The principal objective of the programme is to generate a Regional Roadmap to peace which is designed by conflict-affected communities. The programme is making citizens' voices on matters of conflict transformation heard by their respective political leaders at the highest level.

HIV/AIDS and the Right to Health

ACORD's work on the right to health focuses on access to services for marginalised populations. At national and Pan African level we engage governments on the provision of quality and appropriate health services and at community level we address barriers including gender inequality and women's control over decisions related to their sexual and reproductive health.



In Tanzania, ACORD is implementing a programme designed to increase access and utilisation of maternal, child, and sexual and reproductive health services for pastoralist women and girls. Poor access to and utilisation of sexual and reproductive health services in Ngorongoro District is aggravated by among other issues gender inequality. As such all project activities are designed to address gender issues and promote uptake of services by women and girls. In 2014 our programming response involved: the creation of a platform for women and youth to start identifying and addressing the various cultural, social norms and discrimination practices that in effect are barriers to accessing services; involving youth as agents of change including through school based programmes; engagement with traditional structures in particular men's groups (*Laigwanans*);

In Ngorongoro, Tanzania, ACORD is mobilising pastoralist communities to dialogue with local government on access to SRH treatment and care services

engagement with women councillors and policy makers; engaging the technical local government health structure to ensure ownership and sustainability of the initiative; multi-media campaigns to increase access to information; and skills upgrading for frontline health providers and traditional birth attendants including interpersonal communication and counselling skills.

A national vaccination campaign was also supported reaching 12,504 children with Vitamin A, measles and rubella vaccines.

In Uganda, ACORD is contributing to safe delivery in West Nile and South Western Uganda through provision of dignity kits to expectant mothers, providing ambulance services to enable access to health centres by women in labour as well as collaboration with health service providers to extend family planning education and services to refugee women as well as community members in South western Uganda and the West Nile emergency programmes. A total of 5,038 women have been supported reducing pregnancy related complications and enhancing safe delivery.

In Ethiopia ACORD is contributing to prevention and control of HIV/AIDS through support provided to associations of people living with HIV/AIDS and training in behaviour change communication for community leaders. These leaders and associations have organised dialogues on HIV/AIDS in their associations, at school and village levels contributing to reduced stigma and discrimination and increased uptake in ARVs as well as voluntary counselling and testing.

In Burundi, an awareness raising campaign on HIV/AIDS and the rights of people living with HIV was organised at community level in Kayanza with the participation of 25 human rights observers.

At Pan African level ACORD continued its contribution to the CSO consultative processes on the Maputo Plan of Action on sexual and reproductive health. The consultation process aims to gather CSOs perspectives on the implementation of the continental framework in the African region. As a member of the Reproductive Health Network in Africa a coalition of actors on sexual and reproductive health in Africa, we have had an opportunity to raise the critical issues from marginalised communities linked with their access to services to inform policy and practice at different levels. Outcomes of the consultations were integrated in Africa's common position to be considered in the continental population policy framework beyond 2015.

Strategic Direction 2 – Organisational Learning and Accountability

Pillar 2 includes staff development, organisational learning, knowledge management, monitoring & evaluation (M&E) and external accountability.

Learning forums have provided a mechanism for knowledge sharing and learning across the organisation in relation to critical areas of work. Given ACORD's active participation in pan-African discussions and debates on the post-2015 development agenda and addressing inequality in Africa two learning forums were held on these issues. One in Dakar, Senegal discussing, '*The Common Africa Position (CAP) on post 2015: What does it mean for Africa and the global post 2015 Framework?*' and a second in September 2014

under the title '*Working with national governments in tackling inequalities through structural transformation*'. These forums brought together ACORD staff and a set of senior and relevant external speakers and participants from government, African and international CSOs, donors, and academia to discuss the post-2015 development agenda and inequalities agenda in Africa, and the role that ACORD and wider civil society can play in addressing the issue. Discussions focused on the need to build a national and democratic developmental state, decent employment, the use of economic policy tools, amongst others.

In addition country strategic planning processes are another important tool supporting continuous organisational learning and accountability. Significant progress has been made in the development and review of country strategic plans focusing on ensuring that our work in country programmes is aligned with the organisational strategy.

A significant number of researches, publications, case studies and documentation have been published that contribute to ACORD's programming, policy advocacy and visibility in the development arena as well as help to bridge knowledge gaps (where they exist). Among the most significant in 2014 are 1) The findings from citizen driven workshops held in 13 countries documented in a *Flagship Report* and the publication highlighting *Women's voices* 2) An regional synthesis and analysis of national agricultural investment plans "*Putting Small-Scale Farming First: Improving the National Agricultural Investment Plans of Burkina Faso, Burundi, Ethiopia, Rwanda and Tanzania*" 3) A regional study on food reserves "*Why Wait until the Next Food Crisis: Improving Food Reserves Strategies in East Africa*" including Kenya, Tanzania and Uganda 4) An internal study on Chinese engagement in African agriculture which spells out a series of recommendations for further research and advocacy on this subject 5) A Synthesis shadow Report of Beijing plus 20 reviews in Chad, Kenya, Mauritania, Rwanda and Uganda containing key lessons for ACORD on policy priorities for African governments to ensure implementation of the Beijing framework and 6) A landmark research interrogating the validity of traditional governance systems to execute transitional justice in the post-conflict context of Northern Uganda. This final piece of research will be available by mid-2015.

The mid-term internal review of the ACORD Strategic Plan 2011 – 2015 was completed. The review aimed to reflect on the organisations' performance by measuring progress in achievement of the strategic goals and objectives from 2011 to date. Internal consultations were conducted to create an opportunity to analyse internal strengths and weaknesses, assess the external environment and the current shifts to assess the continued relevance of the Strategic Plan and help identify new issues to consider for the new strategy. It also provided an opportunity to develop a full understanding of the key issues that will require focus in various parts of the organisation in the remaining strategic period.

The general assessment is that ACORD has made good progress towards achievement of our goals, the ACORD methodologies and approaches remain relevant and ACORD has gained significant ground in promoting citizen driven change and building capacities for social justice. The inputs from the internal review will be used for continuous reflection at organisational level in the remaining strategy period while also laying ground for the external evaluation of the strategic plan in 2015 and subsequent development of the next strategy.

Staff safety and security remained a priority in 2014 especially in the light of the Ebola crisis in West Africa. We have had to re-engage country directors to ensure proper precautions are being observed as well as close contact with relevant government agencies for regular updates. In Guinea, one of our intervention countries affected by Ebola, we had to temporarily suspend operations in some areas and evacuate staff as a precaution.

Strategic Direction 3 – External Communication

As planned, we are pursuing strategic use of the internet as a cost-effective and far reaching medium to enhance ACORD's external communication with good results.

ACORD's following and engagement on different social media channels and the views on our website are continuing to increase. On average across the different channels, about a third of our current followers joined in the course of 2014. This is a reflection of our relative new history on most of these channels, but also a positive indication of the interest the organisation and its work are having.

At the same time there is a need to link our advocacy and communications work more closely and proactively. Currently our increased online presence and use of online tools, including social media, has largely been focused on raising the profile of the organisation and spotlighting our activities and successes. As we go forward there is a need to harness these channels as mechanisms to communicate our key advocacy messages in a more proactive, timely and aggressive manner in order to position ACORD. With that in mind we launched a recruitment process to identify a new senior bilingual person to head ACORD's communication work to be situated within the programming department.

Strategic Direction 4 – Quality Funding

A key priority has been to secure Long-Term Strategic Funding Agreements in line with ACORD's strategic objectives and enhance the quality of our multiple project grants through more strategic budgeting and cost recovery.

An ACORD remains a grant funded, with 10 donors representing about 60% of ACORD's total income. The majority of the funding is heavily dependent on European government funding (either direct, through the European Union, a European NGO or an agency of the United Nations that are to a large extent funded by European governments). To enhance long-term organisational sustainability, a concerted effort to build alternative income streams as well as enhance the quality of our grant funding has therefore been pursued on several fronts. In particular, we have continued our work to seek to identify and secure new strategic funding. We have also taken steps to look at other types of funding, specifically online donations from individuals and research into the potential of funding from trusts and foundations.

In our on-going institutional grant fundraising we have worked on enhancing our budgeting for better cost recovery, and reinforced our internal procedures for sign-offs before proposal submissions. We have also sought to step up our negotiations, - all with a view to break out of the so-called "starvation cycle", where NGOs get into a pattern of taking on

projects where the real costs and capacities involved in delivering the work is misrepresented and not fully paid for. We have some successes.

ACORD has also started looking beyond traditional institutional donors to online donations from individuals and research into the potential of funding from trusts and foundations. In June 2014 ACORD successfully secured its place on the online Global Giving UK web platform. This was after going through a due diligence process, staff having completed a training programme and us successfully concluding the qualifying fundraising challenge that ran over a one month period and raised funds for Child-Headed Households in Rwanda.

FINANCIAL REVIEW

INCOMING RESOURCES: Incoming resources during the year under review have increased by 16% to £10.057m (2013 £8.654m). Income from member organisations accounted for about 4% of the total income for 2014 down from 8% in 2013. During this reporting period income from “other private institutions” has increased by 17% and remains our main source of funding at 42% of all revenue in the year under review. Both bilateral and multilateral funding institutions have continued to be main supporters in 2014 bringing in 24% and 29% respectively.

During the year, there was continued support from our main institutional donors. Contributions from 10 of the largest funders (The Governments of Netherlands, Oxfam Novib, CCFD, Caritas, UNFPA, ECHO, Amnesty International, Comic Relief, Oxfam Intermon and Local Government of South Sudan) accounted for 66% (2013: 69%) of the total funding received during the financial year 2014. The rest of the funding is from a number other institutions which contribute to our work especially in local partnerships across the African.

RESOURCES EXPENDED: There was a proportionate increase in the amount of total expenditure, consistent with the increase in incoming resources, of 18% in comparison to 2013. Total amount of expenditure in 2014 stood at £10.017m (£8.481m in 2013). Our investment in advocacy work at Pan-African level and in livelihood support work at country levels still remains main areas of work and cost driver of the expenditure. Similar to 2013, the Pan African level investment in advocacy work around gender and conflict has continued to be been supported by The Governments of Netherlands who has multiyear thematic funding covering the reporting year 2014. During the year, expenditure related to programmes and related support costs represented over 92% of expenditure compared to 91% in previous year. About half of all our expenditure was in the areas of support to livelihood of the community we work with forming the largest areas of our work. Other thematic areas accounted for 26% peace building; 14% on Gender and about 5% of HIV/AIDs prevention. Livelihoods work is weighted heavily by the community support especially around the Mauritania, CAR and support to South Sudan refugees in the reporting period.

Restricted funds carried forward at the end of the year stood at £516k (£544k for 2013). Unrestricted reserves have seen an increase by £68k from £1.058m in 2013 to £1.126m in 2014. This level of reserves is in line with our policy of retaining a minimum amount of £800k in unrestricted funds.

RESERVES POLICY: The trustees have examined the requirement for free reserves and the guidance set out by the Charity Commission and best practice including the “Beyond Reserves” publication published by the Charities Finance Group. Our policy is to consider reserves as those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The policy objective is “to maximise the programme impact to beneficiaries and maximise the value of net income”. The trustees review the reserves policy on an annual basis in light of the new strategic policies and future commitments. The trustees consider that given the nature of ACORD’s work, ideally the general reserve should be in the region of £800k. At the current level of operation, this amount is sufficient to cover six months’ worth of operating costs which gives the organisation flexibility to cover temporary timing differences for grant claims, adequate working capital for our core costs, and will allow

ACORD to respond quickly in unexpected situations. General reserves currently stand at £1.126m as reported on page 26, and the trustees consider this amount to be adequate given the organisation's plans for future periods and its budgeted expenditure for 2015.

INVESTMENT POLICY: ACORD's investment objective is to maximise the return of its investment funds while maintaining maximum security, managing organisational risk and a high degree of liquidity to allow a response to operational needs. To meet this objective ACORD invests in fixed term or call deposits with a high security rating and either fixed interest rates or with a fixed relationship to base rates. During the year, there was no equity investment held by ACORD. The board of trustees reviews ACORD's investment policy annually.

RISK MANAGEMENT: ACORD's Board recognises that overseeing the Charity's risk management function is a key responsibility of the board of trustees. To perform this function, the board of trustees reviews ACORD's key risks regularly as part of the strategic plan monitoring process; while delegating operational aspects of risk management to the management function, which is monitored through the existence of a comprehensive risk register. In this role, the trustees determine the appropriate level of risk exposure for the organisation; approve major decisions affecting ACORD's risk profile, set standards and expectations of management with respect to conduct and probity. They also lead the risk identification, monitoring and management process with the aim of reducing the likelihood and impact of the identified risks.

Through this process, combined with the review of controls over key financial systems carried out through a structured audit programme of each country of operation, the trustees have provided ACORD with adequate risk assurance. A similar comprehensive mechanism to manage the operational and business risks that ACORD faces on a regular basis is incorporated in the country level strategic plans. Through this mechanism, risk mapping, analysis, and mitigation processes are carried out by the trustees and management in a more structured way.

During the current strategic period, and specifically relating to the current period, the organisation recognises two main risk areas arising from the work we do.

One is related to the nature of some of ACORD's work in marginalised areas of Africa often affected by extreme poverty and conflict. This requires active acceptance and management of some risks in undertaking activities in order to achieve the objectives of the charity. The risk management systems in relation to this identified risk include procedures for protecting staff and responding to emergencies arising both natural and man-made calamities

The other relates to the uncertainty linked to on-going grant negotiations with donors and the local conditions in the diverse operating areas in Africa. On an on-going basis, we monitor this risk linked to grant uncertainty as it may affect availability of resources for ACORD to carry out its mandate. In addition, ACORD has extensive knowledge of the local conditions and monitors the changing operating conditions for any material changes on the ground that may make it impossible to implement planned activities. These considerations are taken into account when we review our reserves policy annually. We are therefore confident that there are adequate mitigating measures in place to guard against the impact of these risks.

PLANS FOR THE FUTURE- PRIORITY GOALS FOR THE YEAR 2015

2015 will be the final year of implementation of ACORD's Strategic Plan for 2011 to 2015. ACORD will continue to build on the progress made in all areas and will focus on delivering activities designed to help ACORD achieve its organisational objectives.

Under the first strategic direction on **coherent programming**, ACORD will continue to:

i) Strengthen the livelihoods of marginalised communities and their capacity to successfully advocate for their rights and improve welfare through the achievement of food sovereignty; ii) Build knowledge on positive gender relations and effective ways of addressing gender inequalities with a view to improving women's status, development and influence; iii) Promote learning, strengthen capacity and develop effective partnerships to influence thinking, policy and practices on HIV and AIDS and the right to health iv) Facilitate an enabling environment where marginalised communities become effective agents of conflict prevention and peace building, to support inclusive stability and development in the continent. To contribute to this, ACORD will internally (v) Maximise the impact of ACORD's work through more targeted and synergised programming at area programme and pan-African levels.

Under the second strategic pillar on **organisational learning and accountability** priority will be to complete a review of our strategy and development of strategy for 2016-2020 and continue to strengthen organisational monitoring, evaluation and learning systems.

As part of the third strategic pillar, improving **external communication**, priority is to optimise our online presence and facilitate and support unified and compelling communication about ACORD

In relation to **quality funding**, the fourth strategic pillar, the priorities will be to: secure long-term strategic funding agreements for our Pan Africa level work beyond 2016; implement a full cost recovery approach; and look at new funding streams such as income from individuals, corporations, major donors or own generated income through fixed assets.

STATEMENT OF TRUSTEES' RESPONSIBILITIES:

The trustees (who are also directors of ACORD for the purposes of company law) are responsible for preparing the strategic report, the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

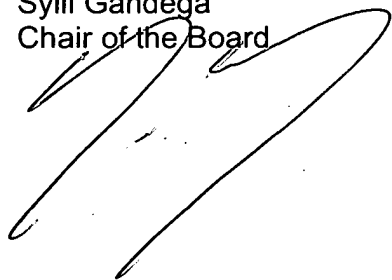
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

Crowe Clark Whitehill have indicated their willingness to be reappointed as statutory auditors.

This Annual Report of the Trustees, under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 8th of September 2015 including approving in their capacity as company directors the Strategic Report contained therein, and is signed as authorised on its behalf by:

Sylli Gandega
Chair of the Board



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACORD

We have audited the financial statements of ACORD for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 19.

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

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

Respective responsibilities of trustees and auditor

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

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

Scope of the audit of the financial statements

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

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit



Pesh Framjee

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

London

Date 23 September 2015

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014
STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Statement)
Year ended 31 December 2014

| | Notes | Unrestricted Funds £ 000 | Restricted Funds £ 000 | Totals 2014 £ 000 | Totals 2013 £ 000 |
|---|-------|--------------------------------|------------------------------|-------------------------|-------------------------|
| INCOMING RESOURCES FROM GENERATED FUNDS | | | | | |
| Interest income | | - | - | - | - |
| Donations and similar incoming resources | 2 | 5 | - | 5 | 2 |
| INCOMING RESOURCES FROM CHARITABLE ACTIVITIES | | | | | |
| Resources from government and other public authorities | 3 | 2,076 | 7,976 | 10,052 | 8,652 |
| TOTAL INCOMING RESOURCES | | 2,081 | 7,976 | 10,057 | 8,654 |
| RESOURCES EXPENDED | | | | | |
| Charitable activities | 4 | 1,836 | 7,935 | 9,771 | 8,269 |
| Governance costs | 4 | 177 | 69 | 246 | 212 |
| | | 2,013 | 8,004 | 10,017 | 8,481 |
| Net Income (expenditure) for the year | | 68 | (28) | 40 | 173 |
| Fund balance at 1st January 2014 | | 1,058 | 544 | 1,602 | 1,429 |
| Fund Balance at 31 December 2014 | 5 | 1,126 | 516 | 1,642 | 1,602 |

All income and expenses arise from continuing activities.

There are no other gains or losses other than shown in statement of financial activity.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

BALANCE SHEET

AS AT 31 December 2014

| | Notes | 2014 £000 | 2013 £000 |
|-------------------------------------|-------|---------------------|---------------------|
| TANGIBLE FIXED ASSETS | 8 | <u>173</u> | <u>82</u> |
| CURRENT ASSETS | | | |
| Debtors | 9 | 2,174 | 1,876 |
| Cash at bank and in hand | 10 | <u>1,555</u> | <u>1,080</u> |
| | | 3,729 | 2,956 |
| CREDITORS | | | |
| Amounts falling due within one year | 11 | (2,260) | (1,436) |
| NET CURRENT ASSETS | | <u>1,469</u> | <u>1,520</u> |
| NET ASSETS | | <u>1,642</u> | <u>1,602</u> |
| FUNDS | | | |
| Net restricted funds | | 516 | 544 |
| Unrestricted funds | | <u>1,126</u> | <u>1,058</u> |
| | | <u>1,642</u> | <u>1,602</u> |


The accompanying notes on pages 28 to 41 are an integral part of the financial statements

Approved by the Board of Directors:

Sylli Gandega, Chair

Date:




Jacqueline Williams, Hon.
Treasurer

Date:

8/9/15.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

CASHFLOW STATEMENT

Year ended 31 December 2014

| | Notes | 2014 £000 | 2013 £000 |
|---|-------|--------------|--------------|
| Net cash inflow from operating activities | | 799 | 334 |
| Capital expenditure and financial investments | | | |
| Purchase of tangible fixed assets | 8 | (324) | (261) |
| Decrease in cash for the year | | 475 | 73 |

| | | 2014 £000 | 2013 £000 |
|--------------------------|----|--------------|--------------|
| Cash at bank and in hand | 10 | 1,555 | 1,080 |
| | | <u>1,555</u> | <u>1,080</u> |

| | | 2014 £000 | 2013 £000 |
|---|----|--------------|--------------|
| Net incoming/(outgoing) reserves | | 40 | 173 |
| Depreciation | 8 | 232 | 185 |
| (Increase)/Decrease in debtors | 9 | (298) | 272 |
| Increase/(Decrease) in creditors | 11 | 824 | (296) |
| Net cash inflow from operating activities | | <u>799</u> | <u>334</u> |

| | | 2014 £000 | 2013 £000 |
|-----------------------------|----|--------------|--------------|
| Increase/(Decrease) in cash | 10 | 475 | 73 |
| Net funds at 1 January | | <u>1,080</u> | <u>1,007</u> |
| Net funds at 31 December | | <u>1,555</u> | <u>1,080</u> |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and they comply with the requirements of the charity's governing document. Specifically, they have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and companies Act 2006.

Since the Statement of Financial Activities provides the information required by the Companies Act 2006, no separate statement of income and expenditure has been provided.

The charity, in common with other international non-governmental organisations is dependent on the support of key funders, some of whom have not yet committed to future funding. The directors having considered cash flow, income streams and operations believe that the charity has adequate resources to continue operational existence for the foreseeable future and the accounts have been prepared on a going concern basis.

Fund accounting

General unrestricted funds comprise accumulated surpluses and deficits on general funds and are available for use at the discretion of the trustees in furtherance of the objects of the charity.

Restricted funds are funds subject to specific restrictions imposed by the donors. The purpose of the restricted funds is set out in the notes to the financial statements.

Incoming resources

All income is accounted for when the charity is legally entitled to such income, there is reasonable certainty of receipt and the amounts can be quantified. Incoming resources are all reported gross and the Statement of Financial Activities recognises all incoming resources becoming available to the charity during the year.

Where a grant for expenditure in a future accounting period is received in advance its recognition has been deferred. Deferred income is shown separately in creditors. Where only part of the grant is restricted to future accounting periods, the grant is apportioned over time on a pro rata basis.

Resources expended

The reported amount of resources expended represents total amount spent in the year on an accrual basis after adjustment has been made for all known liabilities at the year-end.

Expenditure on overseas programmes comprises all direct programme expenditure, and all the staff and related costs of country and regional offices.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (Continued)

Programme support costs comprise expenditure incurred in respect of the secretariat based staff responsible for management and supervision of, and support to, overseas programmes and an appropriate allocation of central overheads.

Central overheads are allocated to programme support and programme research only on the basis of their use of central support services.

Governance costs comprise central management and administration costs not allocated to other activities, that is the costs of management of the charity's assets, organisational (as opposed to programme) management and administration, financing and compliance with constitutional and statutory requirements. All expenditure in negotiating grants and contracts is charged to charitable expenditure.

Tangible fixed assets and depreciation

Fixed assets are any assets land and building, improvements to buildings, vehicles, furniture and equipment with a cost in excess of £200. Tangible fixed assets are stated at cost. Depreciation is calculated to write off the cost of tangible fixed assets on a straight line basis over their expected useful lives as follows:

| | |
|--------------------------------|------------------------------|
| Vehicle and Office equipment | 25% |
| Computer equipment | 33% |
| Leasehold premises | over the period of the lease |
| Assets held in Area programmes | 100% |

The directors depreciate fully equipment and motor vehicles purchased or donated for use overseas in the year of their acquisition, since their anticipated lives cannot be readily determined due to the uncertainty and diversity of conditions overseas. However, those assets continue to be monitored through a memorandum account for a period of three years after which, it is the charity's policy to write these assets out of the accounting records. Those assets continue to be monitored after this period by means of fixed asset inventories.

Foreign currencies

Transactions in foreign currencies during the year are translated into sterling at the rates prevailing in the country at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the year-end exchange rate. All transaction differences arising are dealt with in the statement of financial activities.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (Continued)

Pension costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity.

Credit funds

All investments in microcredit funds are treated as expenditure in the year of the input. When such microcredit schemes are managed directly by ACORD, the net assets held in credit funds are recognised in the balance sheet as part of assets. Those credit schemes where grant funds are transferred to intermediary organisations that manage the loans outside of ACORD's books of accounts are not consolidated in the balance sheet. However ACORD continues to monitor the operation of such schemes until phase out of the programme and related grant reporting. During the year under review, there were no microcredit schedules with funds directly managed by ACORD.

Operating leases

Rental income and expenditure applicable to the operating leases are charged to the statement of financial activity in the period to which the cost relate.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014
NOTES TO THE ACCOUNTS

INCOMING RESOURCES:

2. DONATION AND OTHER SIMILAR INCOMING RESOURCES

| | Unrestricted Funds £ 000 | Restricted Funds £ 000 | Total 2014 £ 000 | Total 2013 £ 000 |
|--------------------------|---|---------------------------------------|---------------------------------|---------------------------------|
| Notes | | | | |
| Membership Subscriptions | 0 | 0 | 0 | 0 |
| Interest income | 0 | 0 | 0 | 0 |
| Donations | 5 | 0 | 5 | 2 |
| Sub- total | 5 | 0 | 5 | 2 |

3. ACTIVITIES IN FURTHERANCE OF CHARITABLE ACTIVITIES

RESOURCES FROM GOVERNMENT AND OTHER PUBLIC INSTITUTIONS

| | Unrestricted Funds £ 000 | Restricted Funds £ 000 | Total 2014 £ 000 | Total 2013 £ 000 |
|-----------------------------------|---|---------------------------------------|---------------------------------|---------------------------------|
| Members | 208 | 229 | 437 | 684 |
| Other private institutions | 336 | 3,921 | 4,257 | 3,669 |
| Multilateral funding institutions | 15 | 2,893 | 2,908 | 2,046 |
| Bilateral funding institutions | 1,517 | 933 | 2,450 | 2,253 |
| sub- total | 2,076 | 7,976 | 10,052 | 8,652 |
| Grand Total | 2,081 | 7,976 | 10,057 | 8,654 |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014
NOTES TO THE ACCOUNTS

4. ANALYSIS OF RESOURCES EXPENDED

Resources expended

| | Unrestricted Funds £ 000 | Restricted Funds £ 000 | Support cost allocation £000 | 2014 £000 | 2013 £000 |
|---------------------------------|--------------------------------|------------------------------|---------------------------------|---------------|--------------|
| Charitable activities | | | | | |
| SUSTAINABLE LIVELIHOOD | 79 | 4,830 | 447 | 5,356 | 5,427 |
| HEALTH RIGHTS | 56 | 412 | 38 | 507 | 564 |
| PEACE BUILDING | 551 | 1,830 | 161 | 2,542 | 1,304 |
| GENDER | 688 | 619 | 60 | 1,367 | 974 |
| | 1,374 | 7,691 | 706 | 9,771 | 8,269 |
| Governance costs | | | | | |
| Board and Assembly | 29 | - | - | 29 | 48 |
| Statutory reporting | 68 | - | - | 68 | 64 |
| Auditing | 80 | - | - | 80 | 35 |
| Management | | - | 69 | 69 | 65 |
| Total | 177 | | 69 | 246 | 212 |
| Total Resources Expended | 1,551 | 7,691 | 775 | 10,017 | 8,481 |

Support costs and the basis of their allocation

| | 2014 £000 | 2013 £000 |
|--|--------------|--------------|
| Directorate | 161 | 138 |
| Financial and HR Management | 224 | 161 |
| Information technology and communication | 23 | 23 |
| Programme & Partnership development | 191 | 132 |
| Programme support | 107 | 71 |
| Governance costs | 69 | 65 |
| TOTAL | 775 | 590 |

Support costs are allocated across the expenditure categories on the basis of an estimate of time spent.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014
NOTES TO THE ACCOUNTS
5. FUNDS MOVEMENT

| Programme | Balance | Movement | Movement | Balance |
|-------------------------------|--------------------------|---------------|-----------------|--------------|
| | 1 st Jan 2014 | Incoming | Outgoing | 31 Dec 2014 |
| | £000s | £000s | £000s | £000s |
| Angola | 1 | 0 | (0) | 1 |
| Burundi | 397 | 667 | (921) | 143 |
| Congo (D.R.C) | (34) | 73 | (247) | (208) |
| Ethiopia | 238 | 659 | (686) | 211 |
| Kenya | (48) | 96 | (79) | (31) |
| Tanzania | (56) | 409 | (345) | 8 |
| Mozambique | (41) | 0 | (133) | (174) |
| Uganda | 105 | 2,029 | (1,863) | 271 |
| Rwanda | 227 | 292 | (212) | 307 |
| Burkina Faso | (36) | 116 | (177) | (97) |
| Mali | 67 | 132 | (175) | 24 |
| Mauritania | (125) | 1,123 | (1,179) | (181) |
| Guinea | (24) | 291 | (281) | (14) |
| CAR | 108 | 400 | (236) | 272 |
| Chad | (231) | 615 | (453) | (69) |
| South Sudan | 88 | 1,074 | (1,017) | 145 |
| Sudan | (92) | 0 | (0) | (92) |
| Total Restricted funds | 544 | 7,976 | (8,004) | 516 |
| General fund | 1,058 | 2,081 | (2,013) | 1,126 |
| Total fund balance | 1,602 | 10,057 | (10,017) | 1,642 |

Deficit balances are created by expenditure which has been incurred in anticipation of income. The trustees anticipate that any deficit balance above will be covered by future income in excess of expenditure. Hence the trustees have decided to carry forward those deficits into the future years.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014
NOTES TO THE ACCOUNTS

6. STAFF NUMBERS AND EMOLUMENTS

| | 2014 | 2013 |
|---------------------------------|-------------|-------------|
| Functional categories | N° | N° |
| Management | 30 | 29 |
| Administration and Finance | 178 | 144 |
| Funding and communication | 15 | 14 |
| Programming | 189 | 146 |
| The average number of employees | 412 | 333 |

throughout the year was:

| | 2014 | 2013 |
|-----------------------------|--------------|--------------|
| Aggregate emoluments | £000s | £000s |
| Salaries | 2,465 | 2,390 |
| Social security costs | 195 | 85 |
| Pension costs | 86 | 87 |
| Total | 2,746 | 2,562 |

There were no employees whose emoluments exceeded £60,000 (2013: Nil).

7. NET OUTGOING RESOURCES ARE AFTER CHARGING:

| | 2014 | 2013 |
|----------------------------|--------------|--------------|
| | £000s | £000s |
| Audit fees head office | 53 | 35 |
| Audit fees area programmes | 52 | 40 |
| Other non-audit services | 27 | 18 |
| Depreciation | 232 | 186 |
| | 364 | 279 |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014
NOTES TO THE ACCOUNTS

8. TANGIBLE FIXED ASSETS

| | Leasehold Property £ 000 | Office Equipment £ 000 | Vehicles £ 000 | Assets held in Area Programmes £ 000 | Total £ 000 |
|-----------------------------------|---|---------------------------------------|---------------------------|---|------------------------|
| At 1 January 2014 | 49 | 216 | 97 | 631 | 993 |
| Additions | 59 | 63 | 35 | 166 | 323 |
| Disposals | <u>0</u> | <u>0</u> | <u>0</u> | <u>(288)</u> | <u>(288)</u> |
| At 31st December 2014 | <u>108</u> | <u>279</u> | <u>132</u> | <u>509</u> | <u>1,028</u> |
| Accumulated Depreciation | | | | | |
| At 1 January 2014 | 49 | 205 | 26 | 631 | 911 |
| Charge for the year | 12 | 22 | 32 | 166 | 232 |
| Disposals | <u>0</u> | <u>0</u> | <u>0</u> | <u>(288)</u> | <u>(288)</u> |
| At 31 st December 2014 | <u>61</u> | <u>227</u> | <u>59</u> | <u>509</u> | <u>855</u> |
| NET BOOK VALUE | <u>47</u> | <u>52</u> | <u>74</u> | <u>0</u> | <u>173</u> |
| At 31st December 2014 | 47 | 52 | 74 | 0 | 173 |
| At 31st December 2013 | 0 | 11 | 71 | 0 | 82 |

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014
NOTES TO THE ACCOUNTS

9. DEBTORS

| | 2014 £000s | 2013 £000s |
|-------------------|-----------------------------|-----------------------------|
| Programme debtors | 1,360 | 1,531 |
| Other debtors | 796 | 266 |
| Prepayments | 18 | 79 |
| | <hr/> 2,174 | <hr/> 1,876 |

10. CASH AT BANK AND IN HAND

| | 2014 £000s | 2013 £000s |
|--------------------|-----------------------------|-----------------------------|
| Cash held in UK | 330 | 268 |
| Cash held overseas | 1,225 | 812 |
| | <hr/> 1,555 | <hr/> 1,080 |

11. CREDITORS: amounts falling due within one year

| | 2014 £000s | 2013 £000s |
|-------------------------------|-----------------------------|-----------------------------|
| Accruals | 188 | 196 |
| Other creditors | 299 | 212 |
| Bank overdraft balance | 147 | 399 |
| Deferred income (see note 18) | 1,626 | 629 |
| | <hr/> 2,260 | <hr/> 1,436 |

Deferred income relates to grants received in the year but relating to future periods.

All balances brought forward have been utilised during the year.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014
NOTES TO THE ACCOUNTS

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2014 are represented by:

| | Unrestricted funds £000s | Restricted funds £000s | Total funds £000s |
|-----------------------|--------------------------------|------------------------------|-------------------------|
| Tangible fixed assets | 173 | 0 | 173 |
| Current assets | 1,713 | 2,016 | 3,729 |
| Current liabilities | (760) | (1500) | (2,260) |
| Total net assets | <u>1,126</u> | <u>516</u> | <u>1,642</u> |

13. TRUSTEES' REMUNERATION

| | 2014 £000s | 2013 £000s |
|--|---------------|---------------|
| Travel and related expenses reimbursed to 12 trustees | 47 | 42 |
| Indemnity insurance is provided for all trustees of ACORD. | | |
| | 2014 £000s | 2013 £000s |
| Premiums paid were | 6 | 6 |

No trustees received any remuneration in the year (2013: nil).

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 **NOTES TO THE ACCOUNTS**

14. TAXATION

ACORD is a registered charity and is potentially not liable for corporation tax on its income and gains under sections 466 – 517 of The Corporation Tax Act 2010 to the extent that is applied to the charitable activities. The charity has borne VAT on its expenditure where appropriate.

15. STATUS

The charity is a company limited by guarantee and has no share capital. The maximum liability of its members is £1.

16 OPERATING LEASE COMMITMENTS

| | Land and Buildings | others | Total | Total |
|----------------------------|-----------------------|----------|---------------|---------------|
| | £000s | £000s | 2014 £000s | 2013 £000s |
| On leases which expires in | | | | |
| In year two to five | 47 | 0 | 47 | 0 |
| Total | 47 | 0 | 47 | 0 |

17. RESOURCES FROM GOVERNMENT AND OTHER PUBLIC INSTITUTIONS

| | 2014 £000s | 2013 £000s |
|-----------------------------|---------------|---------------|
| MEMBER ORGANISATIONS | | |
| CCFD | 403 | 626 |
| INTER PARES | 55 | 61 |
| MANI TESE | (21) | (4) |
| Sub total | 437 | 683 |

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2014
NOTES TO THE ACCOUNTS**

**17. RESOURCES FROM GOVERNMENT AND OTHER PUBLIC AND
PRIVATE INSTITUTIONS (CONT...)**

| | 2014 | 2013 |
|------------------------------------|--------------|--------------|
| OTHER PRIVATE INSTITUTIONS | | |
| AMERICAN JEWISH WORLD SERVICE | 96 | 86 |
| AMNESTY INTERNATIONAL | 304 | 350 |
| BIG LOTTERY FUND ^{1*} | 260 | 51 |
| BROT FUR DIE WELT | 103 | 109 |
| CARE INTERNATIONAL | 0 | 12 |
| CARITAS SUISSE | 340 | 380 |
| DAN CHURCH AID | 43 | 68 |
| COMIC RELIEF | 330 | 29 |
| CORDAID | 258 | 333 |
| CITIZENS ELECTION WATCH IT | 32 | 12 |
| CUTS INTERNATIONAL | 0 | 19 |
| FOUNDATION OPEN SOCIETY INST | 172 | 72 |
| GEZA – GEMEINNUETZIGE GMBH | 2 | 27 |
| HEKS (SWISS INTERCHURCH AID) | 272 | 197 |
| HIVOS PEOPLE UNLIMITED | 0 | (8) |
| INT. HIV/AIDS ALLIANCE | 125 | 29 |
| OTHERS | 116 | 100 |
| OXFAM G.B | (26) | 48 |
| OXFAM HONG KONG | 81 | 63 |
| OXFAM INTERMON | 279 | 184 |
| OXFAM IRELAND | (14) | (30) |
| OXFAM NOVIB | 1,147 | 942 |
| FOUNDATION ROI BAUDOUIN | 8 | 23 |
| STOP AIDS NOW | 29 | 0 |
| TRANS-CULTURAL PSYCO SOCIAL ORGAN. | 43 | 38 |
| SAMARITAN AUSTRIA | 0 | 100 |
| TROCAIRE | 135 | 345 |
| MACARTHUR FOUNDATION | 127 | 0 |
| SUB TOTAL | 4,262 | 3,578 |

* all funds from BIG (£185,650 for project ID 10061520 and £111,715 for ID 10108011) were treated as restricted

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2014
NOTES TO THE ACCOUNTS**

**17, RESOURCES FROM GOVERNEMENT AND OTHER PUBLIC AND
PRIVATE INSITITUTIONS
OTHER PRIVATE INSITITUTIONS (CONT...)**

| MULTILATERAL FUNDING INSTITUTIONS | 2014 | 2013 |
|--|---------------|--------------|
| EUROPEAN COMMUNITY | 1,584 | 683 |
| IFAD | 261 | 766 |
| UN FAO | 35 | 32 |
| UNDP | 120 | 56 |
| UNICEF | 43 | 22 |
| UN WOMEN | 14 | 43 |
| UNHCR | 168 | 283 |
| COMMUNITY LAND INITIATIVE | 0 | (22) |
| DEMOCRATIC GOVERNANCE FACILITY | 237 | 94 |
| WORLD FOOD PROGRAMME | 16 | 0 |
| UN MILLENIUM CHALLENGE FUND | 0 | 96 |
| UNFPA | 430 | 87 |
| Sub total | 2,908 | 2,140 |
| BILATERAL FUNDING INSTITUTIONS | | |
| DFID (UK) ** | 184 | 245 |
| STATES OF JERSEY | 269 | 276 |
| USAID | 56 | 0 |
| NETHERLANDS GOVERNMENT | 1,519 | 1,427 |
| GOVERNMENT OF SOUTH SUDAN | 349 | 109 |
| GOVERNMENT OF CHAD | 34 | 0 |
| GUERNSEY OVERSEAS AID COMMISSION | 38 | 40 |
| AGENCE FRANCAISE DE DEVELOPPEMENT | 0 | 156 |
| | 2,450 | 2,253 |
| GRAND TOTAL | 10,057 | 8,654 |

**Amount received in the financial year 2014 for CSCF 549 is £67,567 and for GPAF-IMP-083 is £130,708. All CSCF and GPAF grant income and expenditure was treated as restricted and the grant expended in accordance with the terms of the grant agreement

NOTES TO THE ACCOUNTS

18. ANALYSIS OF DEFERRED INCOME AS AT DECEMBER 31, 2014

| Donor | 2014 £000s | 2013 £000s |
|-------------------------------|---------------|---------------|
| OXFAM NOVIB | 164 | 72 |
| Amnesty international | 28 | 0 |
| CCFD | 5 | 50 |
| Comic Relief | 51 | 85 |
| BIG LOTTERY FUND | 30 | 0 |
| MacArthur Foundation | 0 | 33 |
| EUROPEAN COMMISSION | 625 | 0 |
| American Jewish World Service | 11 | 24 |
| Citizen Election Watch Int | 0 | 12 |
| INT. HIV/AIDS Alliance | 78 | 49 |
| Netherlands Government | 312 | 87 |
| Trocaire | 16 | 0 |
| Caritas Suisse | 74 | 134 |
| Dan Church Aid | 0 | 6 |
| Others | 5 | 6 |
| HEKS Foundation | 19 | 21 |
| TPO | 5 | 17 |
| OXFAM Intermon | 203 | 32 |
| | 1,626 | 628 |

Deferred income relates to grants received in the year but relating to future periods. All balances brought forward have been utilised during the year.

19. RELATED PARTY TRANSACTIONS

During the financial year, there were no related party transactions.