

**ANNUAL REPORT  
2023**



**Save the  
Children**



**MAKING A DIFFERENCE**

**THAT LASTS**

### BATTING FOR RIA

In 2023, we worked with local partners around the world to change the future for children. Children like Ria\*, in Nepal, who appears on the cover of this annual report.

Ria is 16 and lives in Nepal. When we started working with her community, more than one in three girls were married before their 18th birthday. With local partner Sabal Nepal, we formed the first girls' cricket team in Nepal to challenge stereotypes and combat child marriage.

Ria started playing cricket and also became the chairperson of the Child Club, a group of young campaigners set up by Save the Children. She began taking part in street dramas addressing the negative impact of child marriage.

"When we're playing cricket, we hit the ball away with our bat. Similarly... we can hit away the child marriage", says Ria. Now her area is child marriage free - and their approach is being used as a model for other parts of Nepal. We're helping children like Ria across the world to build the future they deserve. In the pages that follow, you'll read more about the progress we've made this year.

**"Everybody knows that child marriage**

**is not a small problem.**

**It is a big problem."**



PHOTO: SUZANNE LEE/  
SAVE THE CHILDREN

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## WHO WE ARE

Save the Children's ambition is a world in which every child has the right to survive, learn and be protected. We were founded on the belief that every child deserves the chance of a future. This belief underpins everything we do.

We support children to transform their lives. We put children's rights at the core of all our work. We also tackle big problems that hold children back – like poverty and inequality – while calling on leaders to stand up for them. We are committed to making a positive, lasting difference for and with children.

Save the Children works in partnership with local organisations and communities; volunteers and the public; social movements and civil society groups; governments and international institutions; private sector organisations; foundations and philanthropists; artists and ambassadors; and, above all, with children and families to create change that lasts a lifetime.

## IN MEMORY

We dedicate this report to the Save the Children staff and volunteers who lost their lives during the past year. We, their colleagues, will remember them, and the impact they had for children will live on. Our deepest condolences go to their families, friends and colleagues.

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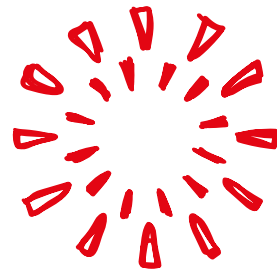
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# “Your country is your people”



**Our Young Peacemakers' Assembly was launched in 2023 and brings together 15 young people aged 14-17 from Afghan, Somali, Sudanese, Syrian, Ukrainian and Yemeni communities in England. They are passionate about campaigning for a better world for children and refugees affected by conflict. So far, the young people have received training and support to develop a campaign aimed at influencing decision-makers to improve the lives of refugee children and children in conflict.**

## **ARSENII, 15**

In presenting this year's Annual Report, I reflect on our collective journey of exploring a vision of a bright future. This journey helped me to develop my vision of the perfect future.

My dream is based on fostering positive cooperation among nations to reduce challenges that cause suffering for children worldwide.

I want to achieve a global environment where countries work together to address the vulnerabilities that affect our young citizens.

Globally, my concern is with the consequences of conflicts stemming from diplomatic failures, with devastating consequences. As advocates of peace, we emphasise the urgent need for a diplomatic solution to prevent humanitarian injuries in complex international relations.

At the national level, I advocate for prioritising life over states. My government is urged to focus on saving lives, recognising that real strength lies in preserving the public good.

I will find a way to deliver the fundamental truth to world leaders: “Your country is your people”. May this report inspire a commitment to a collaborative, compassionate world in which dreams of harmonious futures become shared realities in countries such as Ukraine and Russia, where I believe things would be different if the heads of the government had a similar approach to the conflict.



## **SAFIA, 18**

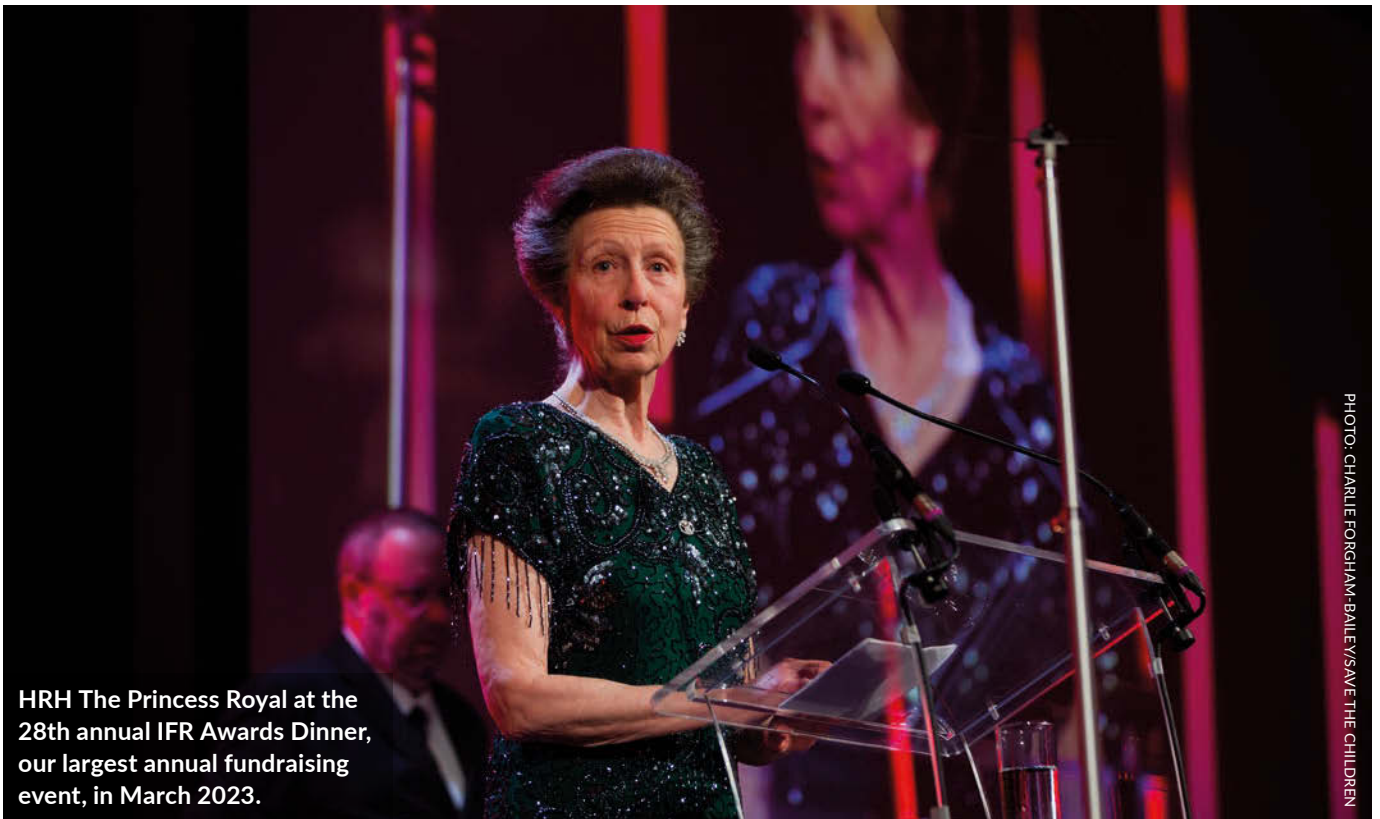
I joined the Young Peacemakers' Assembly because I am passionate about climate change and conflict and their effects in the global South. Currently I am campaigning on the impacts of climate change on indigenous and nomadic Zaghawa communities in Chad and Sudan. This issue affects me directly as I am from that community and have first hand experience of the impact.

Growing up with my grandma in a nomadic community I can see how climate change affected our daily lives, from our camels dying, increased droughts and difficulty accessing water. Which led to many people settling into towns and cities and forced them to abandon the nomadic lifestyle. I want to raise awareness of the Sudanese refugees in Adré, Chad, who haven't been getting the media attention that they deserve, so I would like to do my part.

The actions of world leaders on climate issues have real-life consequences on vulnerable indigenous communities like mine. I would like to see world leaders sitting with my community leaders and listening to what their needs are and what's the best way to help them adapt and mitigate the effects of climate change. I would like world leaders to work with international aid organisations to provide humanitarian support to people that need it.



# GIVING CHILDREN OPPORTUNITIES TO REACH THEIR POTENTIAL



HRH The Princess Royal at the 28th annual IFR Awards Dinner, our largest annual fundraising event, in March 2023.

PHOTO: CHARLIE FORGHAM-BAILEY/SAVE THE CHILDREN

**2023 was one of the most challenging years for children in Save the Children's history, although it demonstrated the importance of supporting children and families around the world, regardless of the emergencies they face. Thanks to the generosity of the public and through our partnership with the Disasters Emergency Committee, we are able to support emergencies around the world.**

Following the devastating earthquakes in Türkiye and Syria, Save the Children responded quickly to provide families with urgent food, water, and shelter, followed by longer-term support. We also responded in locations including Gaza, Ukraine, Pakistan, and Myanmar. Working with our networks and partners in these regions makes an enormous difference to our ability to support children whose lives are in danger and whose futures are under threat. We distributed hygiene products and recreational kits in Gaza through local partners, and we also started to provide mental health and psychosocial support to children and their families.

In the UK, we worked with over 300 organisations to support local communities and engage with children and parents. More than 30,000 people took part in our community

projects and events. Together, we are working to make sure all children get a fair chance to realise their dreams.

As we look ahead to 2024, Save the Children's work to protect children is more vital than ever. By strengthening our work with local communities, partners, supporters and young people, we can continue to drive change and support the health, learning and safety of children who need it most. When children are given fair opportunities, they can reach their potential and achieve a future where anything is possible. By working together, we can help children everywhere take their futures into their own hands. Thank you for your ongoing support.

A handwritten signature in black ink, appearing to read 'Anne', written over a white background.

**HRH The Princess Royal  
Patron, Save the Children UK**

# MESSAGE FROM THE CHIEF EXECUTIVE AND CHAIR

**In 2023, we faced unprecedented challenges in our mission to support children in crisis. From persistent conflicts to the global hunger crisis, climate instability, and rising living costs; the year truly tested our resolve.**

Our commitment to ensuring every child can survive, learn, and be protected has never been more crucial or felt more ambitious. Our dedication to this mission remains steadfast, driven by the resilience of children and their families that we witness every day.

The projects, case studies and stories in this report are a testament to the unwavering support of our donors, partners, volunteers, and staff. Their compassion, dedication, and generosity have been fundamental in advancing our mission. We acknowledge the risks our colleagues bravely confront in some of the countries where we operate. Our thoughts are with those we have lost this year, individuals who dedicated themselves to championing and safeguarding the rights of children in places where it is dangerous to simply be a child.

## DRIVING CHANGE IN 2023

Save the Children UK is a leading member of the Save the Children Movement. In 2023, we continued to support the Movement in responding swiftly to crises worldwide. Our joint emergency response work aided communities in 55 countries, reaching 28 million people (page 7). This included providing assistance during earthquakes in Türkiye and Syria, as well as conflicts in Sudan, Ukraine, Yemen and Gaza. The Movement's Humanitarian Fund played a crucial role in enabling rapid responses to escalating crises globally. By mobilising local partners and communities, the fund facilitated the delivery of life-saving interventions to address the most critical needs of children.

The latter part of the year was overshadowed by the conflict in Gaza, Israel, and the West Bank. During the initial two months of the conflict, our efforts assisted over 70,000 people, approximately half of whom were children. Working with the Country and Regional Offices alongside local partners, we provided crucial support. In the UK, our advocacy efforts included launching a public petition signed by over 200,000 individuals, urging the UK Government to pursue a definitive ceasefire and ensure full humanitarian access. The humanitarian needs are immense, and we anticipate this conflict will remain a priority in 2024.

As well as reacting to crises, we prioritised proactive measures to strengthen communities before disaster strikes. This year, our focus on resilience-building has included advocating for enhanced Anticipatory Action plans in Somalia (page 22) and implementing social protection programmes in Nigeria (page 22). At home, we have been campaigning for reduced childcare costs in the UK (page 25).

In our development work, we are committed to shifting power and resources to local and national organisations, communities and children, putting children's voices at the heart of all that we do. Whether that is by promoting a healthy start in life (page 12), fostering educational opportunities (page 15), and advocating for a childhood free from violence (page 18).

## THE JOURNEY AHEAD

We acknowledge the persistent challenges and the imperative work that lies ahead. As we look to the forthcoming year, commencing the recruitment process for our next CEO marks the beginning of a new chapter, coinciding with the return of our Chair of the Board, Tsitsi Chawatama-Kwambana, from maternity leave. Our sincere appreciation to Gwen Hines who stepped down as CEO in February 2024.

We extend heartfelt gratitude to everyone who has played a part in our journey. Together, we have had a lasting impact on the lives of many children, and together, we will continue in our efforts to create a brighter future for every child, everywhere.



**Gemma Sherrington**  
Interim CEO,  
Save the Children UK



**Richard Winter CBE**  
Interim Chair of Trustees,  
Save the Children UK



# A GLOBAL MOVEMENT

**Save the Children UK is one part of the Save the Children movement, a global membership organisation made up of Save the Children International and 30 national members. We share one name and one ambition: a world in which every child has the right to survive, learn and be protected.**

**In 2023, the Save the Children global movement directly supported 47.4 million children in 94 countries around the world.**

## MEMBER OF A GLOBAL MOVEMENT

In 2023, Save the Children UK supported the global movement in 49 countries. We provided technical expertise, funding, strategic and governance support, advocacy, programme management and humanitarian response work.

We also supported staff, partners and the wider humanitarian sector with capacity-strengthening programmes.

## OUR SHARED 2030 AMBITION

The Save the Children movement's long-term 2030 ambition, which is aligned with the UN's Sustainable Development Goals, focuses on three global breakthroughs:

- **SURVIVE:** By 2030, no child will die from preventable causes before their fifth birthday.
- **LEARN:** By 2030, all children will learn from a good-quality basic education.
- **BE PROTECTED:** By 2030, violence against children will no longer be tolerated.

Children take part in Catch-up Club activities at a school in a refugee settlement in Uganda.



PHOTO: ESTHER RUTH MBABAZI/  
SAVE THE CHILDREN

### 2022-24 STRATEGY

Over the final year of our 2022–24 strategy, we will continue to work with and for children to bring about lasting change in the UK and around the world. We have four global goals for children:

- A healthy start in life
- A safe return to school and access to quality learning
- A childhood free from violence
- Resilience to cope in tough times

We are tackling the triple threat of the climate crisis, conflict and the long-effects of COVID-19, prioritising the rights of those children worst affected by inequality and discrimination. In the UK, we are focusing on children's learning and practical support for families in poverty. We accelerate our ability to bring about lasting impact by:

- Advocating, campaigning and mobilising for child rights
- Shifting power and resources to children, communities and local partners

- Creating shared-value partnerships that contribute impact, influence, income, engagement and skills
- Building a kind, inclusive and agile organisation
- Optimising and futureproofing our resources
- Embedding data-driven and evidence-based decision-making and enhancing our digital and technology skills

With 2024 being the last year of our current strategy, we will develop our next strategy over the course of 2024.

### SHIFTING POWER AND RESOURCES

Integral to our drive to create lasting change for and with children, we are committed to shifting power and resources to local and national organisations, communities and children. This means sharing our experience, data, knowledge and skills to forge truly equitable partnerships. It also involves putting children's voices at the heart of all that we do.



Lilly, 8, practising Kobudo in her local park in Dundee. When life was tough for Lilly's family, we gave them a grant. Now, things look very different and they are thriving.



# OUR WORK AROUND THE WORLD

## OUR IMPACT IN 2023

In 2023, we worked, in partnership with others, to help realise children's rights at scale, improve equality and support children's power.

We work to bring about tangible, lasting change for and with children. We do this through:

- **Programmes and partnerships** that are led by Save the Children country offices, designed and delivered with local and national partners and financed by a range of Save the Children members and donors.



PHOTO: ADRIANA LOUREIRO FERNANDEZ/  
SAVE THE CHILDREN

Leydy, 6, at home in Bolivia. Save the Children helped her family to set up a baking business.

- **Generating and sharing data and evidence** about the situation for children and filling critical gaps in the knowledge of what works to realise children's rights to survival, learning and protection, and build resilience.
- **Improving global funding, policies and practices** for children through coalitions, campaigns, media, advocacy and partnerships. In this way we drive wider and longer-term change.

## LIFE SAVING IMPACT FOR CHILDREN THROUGH HUMANITARIAN ACTION

**In 2023, emergencies grew in scale and intensity, increasing pressure on all those who deliver humanitarian assistance. As the year began, we were providing emergency support with our partners in Afghanistan, Ukraine, and countries affected by the global hunger crisis – especially in the Horn of Africa. Since then, we responded to a deadly earthquake in Türkiye and Syria, urban warfare in Sudan and the horrific conflict in Gaza, Israel and the West Bank. All this is on top of protracted crises in Myanmar, Democratic Republic of Congo and Yemen, and the worsening situation in the Sahel.**

While Save the Children International's One Humanitarian Team leads operational responses to many emergencies, Save the Children UK plays a vital role, driving advocacy, media attention and fundraising – directly and through the Disasters Emergency Committee. Together, we reached 28 million people including more than 15 million children.

During 2023, we recognised £40 million of income from our supporters and through our partnership with the Disasters

Emergency Committee for our emergency response work. This included £4.5 million for our Emergency Fund, £5.1 million through our own appeals (£2.4 million for the Türkiye and Syria earthquake and £2.4 million for Gaza), and the rest from Disasters Emergency Committee appeals for the Ukraine conflict, the Türkiye and Syria earthquake, the Pakistan floods and the Afghanistan crisis.



PHOTO: JOHN OWENS/SAVE THE CHILDREN

*Eylül\* and her three-year-old granddaughter Fatima\* outside their tent in a small village in south-eastern Türkiye*

Eylül lost everything when her home was destroyed in February's devastating earthquake. When we met her in March, she was trying to stay strong, living in a tent with her daughter and three-year-old granddaughter Fatima\*.

Eylül told Save the Children she didn't know where they were going to get food to break their fast during Ramadan. She said: "For good or for bad, we'll keep on living. We'll fast even with just bread and water."

Eylül was grateful to receive essential shelter and hygiene items, which Save the Children delivered as part of the initial response. But she worried about how her children and grandchildren, like Fatima\*, could process the trauma of the past weeks.

### CALL FOR A CEASEFIRE IN GAZA

Save the Children values all children's lives – the children killed in Israel on 7 October 2023, those taken hostage, those killed in Gaza and those at risk of dying if we can't mount the humanitarian response needed. We launched a public petition and called on the UK government for the critical precursors for lasting change – a definitive ceasefire, full humanitarian access, and an end to the exploitation of all children for geopolitical ends. We projected our call for a ceasefire onto the Houses of Parliament.

Our teams and partners across the region have been working around the clock to get much-needed supplies into Gaza and support the most vulnerable children and families, despite the huge challenges. Thanks to our humanitarian experience and the team in Egypt, Save the Children was able to get supplies through the Rafah crossing. But so much more is needed, and this crisis will likely dominate our work in 2024.

### IMPROVING CASH ASSISTANCE

Providing cash and vouchers is an effective and transparent way of providing aid to vulnerable people – but systemic issues can hinder the growth and impact of cash assistance. In 2023, we led the Collaborative Cash Delivery Network consortia in Ukraine, Poland, Türkiye and North West Syria. We are pioneering new ways of distributing cash and vouchers, reducing the numbers of intermediaries, and promoting local leadership in cash and voucher assistance. In the mid and longer term, we will work to link cash and voucher assistance programmes to government social protection systems.

Our powerful message projected onto parliament called on the UK government to put lives above politics.



PHOTO: SAVE THE CHILDREN UK

# DEFENDING CHILDREN'S RIGHTS

As well as driving progress on the biggest issues facing children, we also work on cross-cutting issues that underpin progress on children's rights.

## ENSURING CHILDREN'S VOICES ARE HEARD

Young people know best what their main concerns and challenges are. They are often best placed to suggest solutions as well. It's vital that their voices are heard when matters affecting them are discussed and decided.

We are part of global efforts to help realise children's rights, by bringing the voices and perspectives of young people to the institutions, governments and policy forums where decisions are being taken. This year, there have been some brilliant and impactful examples of where we have done this.

### THE GLOBAL REFUGEE FORUM

In December 2023, world leaders met at the second Global Refugee Forum, the largest international gathering focused on refugees. Through the Initiative for Child Rights in the Global Compacts – a partnership of over 30 organisations – we worked to ensure that children's voices were at the centre of the Forum process. This included a consultation with 434 refugee children from 11 countries before the Forum to capture their views and ensure these were highlighted. The feedback shows refugee children globally



PHOTO: MAURO BEDONI/SAVE THE CHILDREN

Larissa\*, 7, plays in a child-friendly space in a temporary shelter for Ukrainian refugees in Germany.

fear discrimination, exclusion from schooling, violence in camps and the community, and they want a say in their future. We supported young people to attend the Forum and to participate meaningfully, including as part of the official Somali delegation. They included Naya, a 16-year-old Syrian girl, who played an active role during the Forum. She spoke on behalf of herself and elevated the voices of the refugee children in the consultations by speaking eloquently in five events, and giving numerous interviews.

### SUPPORTING LOCAL HUMANITARIAN LEADERSHIP

Save the Children UK set up the Humanitarian Leadership Academy in 2015 to enable people to prepare for and respond to crises in their own countries, by offering high-quality learning opportunities.

Strengthening locally led action has been a key priority for the Academy in 2023. It delivered live training for 2,415 humanitarians in Eastern Europe working on the Ukraine response. It established relationships with 81 NGOs, government bodies and volunteer groups to build a network responding to the crisis and set up a capacity-strengthening fund to provide grants to local humanitarians.

When massive earthquakes hit southern Türkiye and northern Syria in February, the Academy trained local responders in humanitarian operations, staff wellbeing, safeguarding, and coaching and mentoring.

The Academy compiled free training resources to support the Ukraine and Türkiye–Syria responses on its learning



Umut\*, 10, in Türkiye, loves playing games when Save the Children's support team visits his earthquake-damaged village.

platform. The cumulative number of humanitarians using the platform increased from 517,000 to 716,000 in 2023 and 923,247 courses were completed since the launch of the platform. Most learners come from disaster-prone and disaster-affected areas.

# GLOBAL DATA AND EVIDENCE TO DRIVE THE GREATEST IMPACT

We are working to generate and share data and evidence at the global level about the situations children face, and to fill critical gaps in the knowledge of what works to realise children's rights to survival, learning and protection over the long term.

### CHILD ATLAS

The [Child Atlas](#), Save the Children's exciting new data platform, can be used to visualise, compare, analyse and understand children's lives around the world. It lays an important foundation for lasting change by allowing anyone to explore the different ways inequality affects children's lives, understand the relationship between different topics, like poverty, education and the climate crisis, and hear how children describe the problems they are facing. The Child Atlas puts high-quality, publicly available data at the fingertips of policy-makers, local and national organisations

and children, covering child outcomes, risks and crises, and public policy decisions. Blogs and explainers help to make sense of the data.

This fantastic resource allows global and local organisations, communities and children themselves to:

- Describe and highlight the situation of children through data, with a particular focus on those affected by inequality and discrimination.
- Hold decision-makers to account: data in the Atlas helps us to monitor the advancement of children's rights and keep decision-makers accountable for it.
- Empower children and young people: the Atlas gives children access to information and tools that can help them to understand their own situation, express their views, participate in decision-making, and hold duty bearers accountable for their actions.

# IMPROVING GLOBAL FUNDING, POLICY AND PRACTICE FOR WIDER IMPACT

Save the Children UK is working to improve global funding, policies and practices for children through coalitions, campaigns, advocacy and partnerships.

## CAMPAIGN ON REMITTANCES

One in nine people worldwide are supported by remittances – money that people working abroad send home to support their families. Remittances are a lifeline for millions, amounting to three times global aid and foreign direct investment, but the costs to remit are very high. If UK remittances to Ethiopia, Kenya and Somalia were free from costs for one year, £63 million more would go directly to the individuals and families living there. The potential to create greater lasting impact is huge. That's why we launched a campaign in 2023 to address the barriers that increase the cost to remit. We're bringing together money transfer companies, diaspora communities, governments, regulators, banks and development partners to address this issue.

## RESTORING THE UK'S AID BUDGET

In 2020 the government cut the UK's aid budget from 0.7% of gross national income to 0.5%, triggering uncertainty and threats to the funding of some of our

programmes, to the detriment of lasting change for and with children. This was compounded by the government's approach on including costs of hosting refugees in the UK as aid, which means that around a third of the aid budget is in fact spent in the UK.

We worked with partners to create a media campaign at the time and have continued to keep the aid cuts high on the political agenda. Evidence we provided led the House of Commons International Development Committee to conduct an inquiry into the issue, and shaped their agenda. This year, the Committee published its assessment of the real-world impacts of the aid cuts, which warned that huge numbers of children would die, and many others would be affected, particularly women and girls. We issued a robust statement which became the headline on the front page of *The Guardian*. We are quoted throughout the International Development Committee's report.

We were also deeply engaged in the development of the government's new International Development White Paper, published in November 2023, to ensure that the aid which the UK does continue to give is spent with the maximum impact for children.



PHOTO: MUSTAFA SAIED/SAVE THE CHILDREN

Omar\*, 7, lives in a camp for displaced people in Somalia. He comes to our children's centre every day to learn and play.

# A HEALTHY START IN LIFE

A healthy start in life begins in pregnancy and a safe delivery, through a child's first five years of life. We tackle the greatest barriers to children's health, focusing on childhood illnesses and adequate nutrition. Together with our global, regional, and national partners and local civil society groups, we have continued to work on behalf of those most affected by inequality and discrimination to bring about lasting change from the very start of a child's life.

## PROGRAMMES AND PARTNERSHIPS TO DELIVER LASTING CHANGE

Our programmes and partnerships to promote a healthy start in life are designed to meet goals set in country office-led strategic plans, designed and delivered with local and national partners, and financed by a range of Save the Children members and donors.

### **SUCHANA - SUSTAINING IMPACT IN BANGLADESH**

In 2023 we completed our seven-year Suchana programme in Sylhet, northern Bangladesh. The programme aimed to improve the nutrition of children under two and reduce high

rates of stunting in two districts. Working with partners, communities and government, we supported vulnerable households to reach a more secure status, where they could afford a nutritious diet and feed themselves and their children well. The programme included a wide range of activities, including advice and breastfeeding counselling, vitamin A distribution, growth monitoring and treatment of malnutrition. We promoted new farming and fishing methods to improve food production, including technologies to help farmers adapt to the effects of the climate crisis.



### *Nafiz, 14 months, Taiyeba, 10, and their mother Rohima in Sylhet, Bangladesh*

After three years of support from Save the Children's Suchana programme in Bangladesh, Rohima has turned her family's situation around.

The mother of three learned new tools and advice on how to give her children the healthiest start in life and improve their nutrition. This was especially important in her latest pregnancy with her son Nafiz, where she was encouraged to go for regular ante-natal and post-natal check ups. "It was a relief for me that both me and my baby are fine," Rohima told us.

Now she uses what she learned from Suchana, to grow fruit and vegetables at home, rear ducks and make sure her children Noor, Taiyeba and Nafiz are eating balanced meals throughout the day. With the surplus money she makes from her food production, she pays her children's school fees and buys them the books and materials they need.

In recent years Rohima has seen floods in her area become more frequent and more severe. In 2021, the family were forced to leave their home to safety. Fortunately, Rohima had learned some tips from Suchana's sessions which helped her prepare for the flood. She took a clay oven with her so she could continue to cook nutritious food for her family during the disaster. She also used money from the Village Savings and Loans scheme to replace her poultry and get the family back on their feet once they returned home.

The programme has been rigorously monitored and evaluated across the years and, despite disruption from the COVID-19 pandemic, has far exceeded its targets for lasting change. An independent evaluation of Suchana conducted in 2023 was overwhelmingly positive about the impact that has been achieved and whether it will be sustained. It found strong evidence that the programme had effectively addressed many of the immediate and underlying drivers of stunting in children. The proportion of food secure households had more than doubled (from 14% to 31%), as had the proportion of women able to access a diet diverse enough to meet their nutritional needs (from 26% at baseline to 51%).

The evidence and learning on good practice are now being used and replicated in more districts, and supporting policy change at the national level. This means that the gains from Suchana can be sustained and scaled up right across Bangladesh, ensuring long-term impact for children.

### IMPROVING PNEUMONIA TREATMENT IN NIGERIA

Pneumonia is still the single biggest cause of child deaths through infectious disease worldwide. In Nigeria, it's the cause of every fifth death in children under five, claiming 162,000 young lives every year. 2023 saw the conclusion of

our five-year INSPIRING project in Nigeria to speed up the progress towards ending child deaths from pneumonia and other infectious diseases.

We worked with GSK and research partners, as well as government and community stakeholders, in two very different areas of Nigeria – Lagos and Jigawa. COVID-19 posed a real challenge, and the programme was adapted to help respond to the immediate needs caused by the pandemic.

The project recorded some hugely significant achievements, including providing life-saving equipment to health facilities, training hundreds of health workers, and establishing women's and men's groups to learn and take community action. Through Save the Children's leadership role in the Every Breath Counts Coalition, Nigeria's first ever National Pneumonia Control Strategy has been developed and adopted in Jigawa State.

We generated important evidence about the potential of new approaches to managing pneumonia and other infectious diseases. Some 15 peer-reviewed papers were published on different aspects of the project. These will inform future work and possible scale-up across Nigeria and beyond.

*Amina, 14, with her sister Saratou, who has recently recovered from pneumonia, outside their home in Jigawa State, Nigeria*

As baby Saratou lay struggling for breath, her mother Hafsat sat by her bedside night after night holding the oxygen mask to her face.

"They put her on oxygen," says Hafsat. "She tried to remove the oxygen [mask]. That's why I stayed with her every night, holding her hand as she slept so that she didn't remove it. I was very unhappy. I cried and cried. I was so tired. We had many nights without sleeping."

While Hafsat was at the hospital, Saratou's 14-year-old sister Amina waited anxiously for news at home. The pair share a special bond. "Right from childhood, we loved each other so much. I love her because of the way she smiles and is always happy and this also makes me happy. I am not always happy at this time, because I won't be able to see her."

That would soon change though. Saratou finally began responding to her treatment – treatment that was made possible by our partnership with GSK. Our joint INSPIRING programme has equipped dozens of health centres in Nigeria with essential oxygen supplies and trained hundreds of health workers how to identify and treat cases of pneumonia – cases like Saratou's. She was soon recovering well and was able to return home to her loving family.



# DATA AND EVIDENCE TO DRIVE THE GREATEST IMPACT

We are working to generate and share data and evidence about the situations children face, and to fill critical gaps in the knowledge of what works to realise children's right to have a healthy start in life.

## COMMUNITY HEALTH WORKERS

In 2023, we shared findings from the largest ever systematic review of the evidence about the effects of community health workers on health equity, which we conducted with

GSK, Durham University, CARE International, and Amref Health Africa.

At events in Kathmandu, Nepal and Nairobi, we invited stakeholders from Ministries of Health, regional governments, NGOs, academia and professional associations, who learned how to make community health worker programmes impactful and equitable. The primary messages were also captured in a short animation, which global stakeholders and other organisations are sharing.

# IMPROVING GLOBAL FUNDING, POLICY AND PRACTICE FOR WIDER IMPACT

Save the Children UK is working to improve global funding, policies and practices through coalitions, campaigns, advocacy and partnerships to ensure children have a healthy start in life.

## TACKLING BARRIERS TO VACCINATION COVERAGE

Save the Children UK has strengthened our collaboration with GAVI, the Vaccine Alliance. We attended their Mid-Term Review conference in June 2023, which was designed to keep world leaders focused on equitable access to vaccines.

We organised a side-event to highlight our work to reduce inequities in access to immunisation in Ethiopia and Somalia. Three excellent speakers from our movement discussed our findings on the social and behavioural factors that lead to children not being vaccinated.

## INFORMING GLOBAL HEALTH POLICY

In September 2023, the World Health Organisation's Civil Society Commission was launched. The Commission will strengthen collaboration between the World Health Organisation and civil society. It aims to have a broad and diverse membership of networks and organisations

representing grassroots communities, civil society, faith-based organisations, children and young people, professional and patient groups. Save the Children UK has a representative on the Steering Group – an excellent opportunity to strengthen the involvement of civil society, children and young people in global health policy-making.

## ADVOCATING FOR VITAL FUNDING

This year, the UK Government committed £80 million for the next five years to the Global Financing Facility for Women, Children and Adolescents (GFF), to help them deliver their new strategy which aims to save 18 million lives. This is the biggest sum the UK has pledged to the GFF, and for the longest time period, and is in part due to our dedicated advocacy.

We mobilised civil society networks to ask the UK government to commit additional resources to the GFF, and we backed our advocacy with up-to-date research, showing how the GFF model works in practice. During the GFF's pledging event, Save the Children International's CEO, Inger Ashing, drove home the message that limited funding for social services is preventing women and girls from fulfilling their most basic rights.



# A RIGHT TO LEARN

**Education is every child's route to change the rest of their life for the better. Education allows children to learn and develop, and can protect them from poverty, violence and abuse. But too many children continue to miss out.**

**Even before the COVID-19 pandemic, 258 million school-aged children were denied their right to education. And even when children are in school, they can't learn basic skills like literacy and numeracy if their teachers aren't trained and equipped to teach them. Children in low-income and conflict-affected countries are the most likely not to be in school or learning. We keep a particular focus on those most affected by inequality and discrimination – including girls, children with disabilities, refugees, migrating and displaced children, and those from the lowest-income households.**

## PROGRAMMES AND PARTNERSHIPS TO DELIVER LASTING CHANGE

Our programmes and partnerships to support children's learning are designed to meet goals set in country office-led strategic plans, designed and delivered with local and national partners, and financed by a range of Save the Children members and donors.



Porcha, 3, at her pre-school in Malawi.

PHOTO: SAM VOX / SAVE THE CHILDREN

### RADIO IMPROVES EARLY EDUCATION IN MALAWI

We are working with the Government of Malawi and local partners to improve the quality of early education for three- to five-year-olds as a basis of lasting change.

The government identified that volunteers in community-based childcare centres lacked access to professional training, and as a result children were starting primary school without the skills they need.

Radio was chosen as a cost-effective way both to boost volunteers' skills and to deliver quality, standardised teaching at the centres. The project exceeded its targets, with 31 radio stations and an average of 75 community-based childcare centres per district in 12 districts taking part.

92% of community facilitators said their ability to deliver quality teaching had improved. 67% reported increased enrolment and attendance of children in their centres. This is paving the way for radio to be embedded in national education plans and provided free across Malawi.

### SCHOOL MEALS IN ETHIOPIA

Ongoing drought in some regions of Ethiopia, compounded by recent conflict in the north, have had a devastating impact on people's livelihoods. School meals have helped ease the challenges of food insecurity and kept children in school amid crises.

Save the Children UK supported a school feeding project, implemented in partnership with the Government of Ethiopia in the five regions most affected by food insecurity, which ended in 2023. Nearly a quarter of a million children

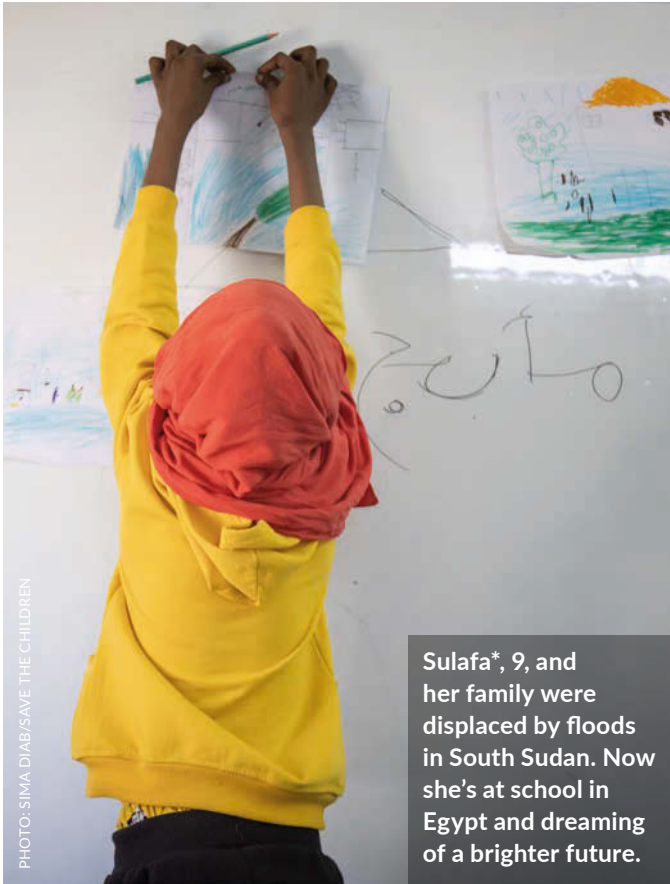


PHOTO: SIMA DIAB/SAVE THE CHILDREN

Sulafa\*, 9, and her family were displaced by floods in South Sudan. Now she's at school in Egypt and dreaming of a brighter future.

reported that they 'miss school rarely' after the school meal provision started.

With our local partner, Ethiopia School Meal Initiative (ESMI) we supported the Ministry of Education to develop a new School Feeding Policy and Strategy. As a result, some regional governments are now implementing school meals programmes, ensuring long-term change is embedded.

### IMPROVING EDUCATION IN SIERRA LEONE

In Sierra Leone, despite strong political will to transform education, many primary age children are not mastering the basic literacy and numeracy skills they need to progress. Teacher workforce issues and the poor quality of teaching are significant factors holding them back.

The Sierra Leone Education Innovation Challenge aims to change this. Save the Children is one of five organisations piloting different models that the government could take to scale.

Our model focuses on building teachers' competencies in literacy and numeracy instruction, as well as gender and inclusion. We aim to strengthen the support that school leaders and supervisors provide to teachers, and to improve children's access to teaching materials. Alongside increasing out-of-school learning opportunities, through reading and numeracy clubs, we are also engaging parents in supporting their children's learning.

The early results are promising. An independent evaluation found some initial gains in children's numeracy outcomes in the schools where we worked compared to the control schools. Our own internal evaluations also showed some small literacy gains. Findings from the programme will inform the government's uptake of cost-effective models that work.

received school meals through the project – well beyond our initial targets.

Our evaluation found that pre-primary attendance increased from 58% to an astonishing 95.3%. At primary school level, attendance rose from 69% to 90.8%. These benefits were seen equally for girls and boys. A third of the children

## BUILDING AND SHARING DATA AND EVIDENCE TO ENSURE THE GREATEST POSSIBLE IMPACT

We are working to generate and share data and evidence of the situation for children, and to fill critical gaps in the knowledge of what works to realise children's right to learn.

### TEACHERS AND WELLBEING

Through our programmes around the world, we are building evidence of what works to improve teachers' wellbeing, which directly affects their performance. This can include professional development, ensuring a safe and inclusive working environment, support, supervision, and coaching.

In September, we shared evidence from four countries at a symposium we organised at the UKFIET Conference,

an important forum for those working in education and development.

### RISKS TO EDUCATION INDEX

2023 was another devastating year for children's education around the world. Natural disasters, conflict, climate change, food crises, forced displacement and the aftermath of COVID-19 continued to strain education systems, denying millions of children the opportunity to learn and thrive.

For the third consecutive year, we published our [Risks to Education Index](#), ranking 182 countries by the vulnerability of their school system to hazards and levels of preparedness to

those hazards. The good news is that the number of countries ranked at 'extreme' and 'high' risk has fallen since 2022, largely due to the reduced risk of COVID-19-related school closures and improvements in vaccine coverage. However,

seven countries – Somalia, Afghanistan, Sudan, Syria, Yemen, Mali and Nigeria – have been in the top ten most at-risk countries every year. They urgently need increased resources and action to cope with existing and future crises.

## IMPROVING GLOBAL FUNDING, POLICIES AND PRACTICE TO DELIVER WIDER IMPACT

Save the Children UK is working to improve global funding, policies and practices to ensure children learn, through coalitions, campaigns, advocacy and partnerships.

### ADVOCACY FOR MORE EDUCATION FUNDING

When donor countries met at the Education Cannot Wait financing conference in February, they heard from children who told them they must prioritise funding so that all children have access to safe, quality education. Save the Children supported four children from Colombia and Nigeria to participate in the conference – we were the only organisation to support delegates under 18.

The Conference raised just over half of the \$1.5 billion target for the 2023–26 strategic period, with pledges from 16 donors. The UK pledged £80 million, the second largest donor after Germany.

Later in the year, we published [The Price of Hope: Funding education for the world's refugee children](#). The report explores the state of education for refugees in 2023, examining the progress that has been made since the 2019 Global Refugee Forum, and the impact that events such as the COVID-19 pandemic and the rising debt crisis have had. Among key findings are:

- Four of the 14 top low- and middle-income refugee-hosting countries spent more on servicing external debt than they did on education in 2020.
- Low- and middle-income countries in the top 20 refugee-hosting countries paid more than US\$23 billion in interest payments on external debt alone in 2020 – enough to send every refugee child in those countries to school for nearly five years.



Mamata\*, 13, attends a Save the Children supported school in Nepal. She aspires to be a social worker.

# A CHILDHOOD FREE FROM VIOLENCE

**Every child should grow up safe and supported. Yet many children's lives are blighted by violence and abuse. Save the Children research released in June 2023 found that 468 million children lived in areas affected by armed conflict. We work with partners and communities to protect children who are being bombed, shot, starved, raped and often left with no escape from violence – and to enforce the global standard that children should always be off-limits in war.**

**Around the world, girls are at risk of early marriage and other forms of gender-based violence. We are supporting girls and working with them to build their agency to stand against violence in their communities. And we make sure children's own voices are heard by those in power.**

## PROGRAMMES AND PARTNERSHIPS TO DELIVER LASTING CHANGE

Our programmes and partnerships to support children's lives to be free from violence are designed to meet goals set in country office-led strategic plans, designed and delivered with local and national partners, and financed by a range of Save the Children members and donors.

### **FOOTBALL SKILLS FOR REFUGEES**

Our Coaching for Life programme continues to provide life-changing support to children aged 10 to 18 in Za'atari refugee camp in Jordan through football coaching. More than 900 children took part in football and resilience sessions in 2023, the fifth year of the programme, which we co-created with The Arsenal Foundation.

The economic downturn is putting further pressures on families in the camp, leading children to drop out of school to work and girls facing child marriage. We listened to the communities' concerns and provided tailored support for affected children. We also adapted the programme to the community's changing needs. The delivery of the sessions is now more flexible and allows children to stay engaged

after the initial 20-week cycle. In 2023, we put further emphasis on addressing the significant barriers that girls face through countering harmful gender norms and promoting gender equality in the programme. Female coaches serve as powerful role models for girls in the camp and the continued participation and equal graduation of girls are among the programme's great successes.

### **INNOVATING TO HELP CHILDREN INJURED IN CONFLICT**

In March, we launched the world's first Centre for Paediatric Blast Injury Studies in partnership with Imperial College London and a host of medical and operational experts. The Centre, based at Imperial College London, is carrying out research into the impact of conflict trauma on children and developing and delivering technology to address the challenges faced by those caring for children with blast trauma injuries. The Centre's initial focus is treating injured children in Ukraine and improving access to prosthetic limbs.

### Girls playing football in a Coaching for Life session

In 2018, The Arsenal Foundation and Save the Children combined our expertise to design and implement Coaching for Life.

Coaching for Life uses the power of football to improve children's physical, mental, and emotional wellbeing. We launched the programme in Za'atari refugee camp with a focus on supporting children and their families who had been affected by the Syrian war.

At our fifth anniversary, we are making huge breakthroughs. From tackling gender stereotypes so that girls have equal opportunities to play football, to proving sport can play a crucial role in improving children's mental health and wellbeing.

We are incredibly proud that through our dedication and passion to make a difference, we have helped over 3,200 children living in Za'atari to have a brighter future.



PHOTO: CHARLIE FORGHAM-BAILEY / SAVE THE CHILDREN

## BUILDING AND SHARING EVIDENCE TO ENSURE THE GREATEST POSSIBLE IMPACT

We are working to generate and share data and evidence of the situation for children, and to fill critical gaps in the knowledge of what works to realise children's right to live free from violence.

### GIRLS DECIDE

Our research showed us that migrant and displaced girls face unacceptable levels of discrimination, racism and violence – yet they were falling between the cracks in our programmes. In 2023, we plugged this gap with [Girls Decide](#), a life skills curriculum for migrant and displaced girls.

This unique and flexible resource is designed for use in girls' clubs and girl-friendly spaces and is tailored to the concerns, issues and challenges that adolescent girls on the move face. It covers issues such as making good decisions, protection from trafficking and smuggling, healthy relationships, and growing networks of support, and enables girls to develop knowledge, skills and confidence to undertake safer journeys and make more informed decisions for their future.

The curriculum was piloted by groups of girls and young women aged 10–24 in South Africa, Zambia and Colombia. They told us they had learned about themselves, gained more confidence, enjoyed better communication leading to improved relationships, particularly with their families, established new connections and strong peer-to-peer bonds, and experienced an increased sense of wellbeing. One girl in South Africa said the sessions had “created an unbreakable bond of sisterhood”.

Girls Decide has been translated into French and Spanish, and is being used in countries from Vietnam to Mexico.

“The sessions helped me to connect with other girls. I was able to share my challenges with other girls who went through the same thing and were able to give me advice.”

Participant in South Africa

# IMPROVING GLOBAL FUNDING, POLICIES AND PRACTICE TO DELIVER WIDER IMPACT

Save the Children UK is working to improve global funding, policies and practices to ensure children have a life free from violence through coalitions, campaigns, advocacy and partnerships.

## PROTECTING YEMEN'S CHILDREN FROM LANDMINES

2023 marked the eighth anniversary of the conflict in Yemen. Eight years of war, on top of decades of historical conflict, have left a deadly legacy of explosive ordnance, including landmines, across the country, threatening children's lives, childhoods, and their futures. Our report *Watching Our Every Step*, published in 2023, highlights the impacts of explosive ordnance, including landmines, for children, their unique vulnerabilities, and what must be done to better protect them from harm. It reveals that landmines and other explosive devices caused more than half of child deaths and injuries from armed violence in 2022. One child was killed or injured by such devices every two days. We are calling on the UK government to fully fund the Yemen Humanitarian Response Plan, hold perpetrators to account, and put greater pressure on parties to conflict to prioritise the protection of children and uphold international laws and norms.

## A WORLD THAT'S HOME TO EVERYONE

To mark the anniversary of the escalation of violence in Ukraine, we released an animated short film called *'Home'* inspired by the real-life stories of children we've worked with from Ukraine, Afghanistan, Yemen and Syria. The film, created with leading animation studio Aardman, featured on BBC's Newsround and was seen by millions.

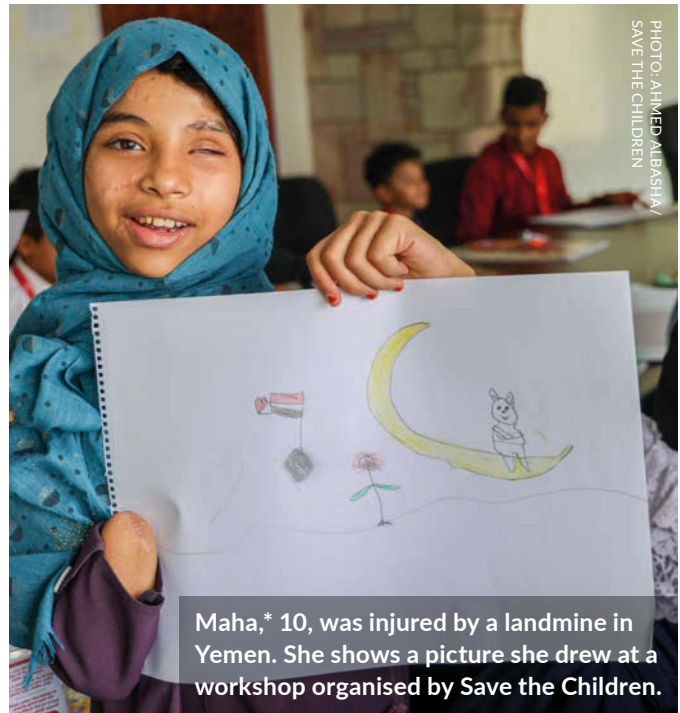


PHOTO: AHMED ALBASHA / SAVE THE CHILDREN

Maha,\* 10, was injured by a landmine in Yemen. She shows a picture she drew at a workshop organised by Save the Children.

An installation designed by Save the Children's Ukraine country office was launched at the NATO headquarters in Brussels in May. Titled *Childhood under fire: Growing up in Ukraine today*, it gives a picture of children's everyday life in Ukraine since the beginning of the war. Our CEO Gwen Hines travelled to Brussels for the launch and meetings to advocate for an ambitious new NATO policy on children and armed conflict.

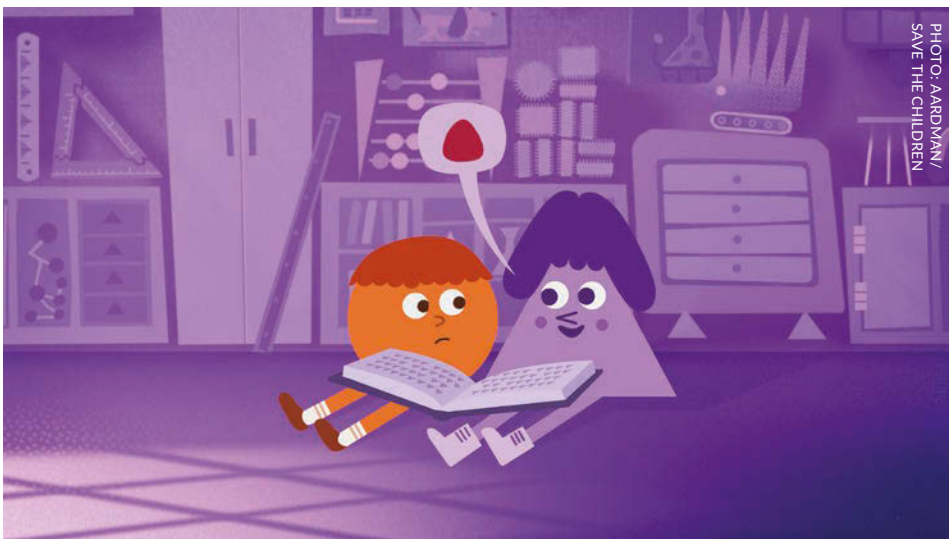


PHOTO: AARDMAN / SAVE THE CHILDREN

'Home', our short film made with Aardman, was inspired by children's real-life stories.

# RESILIENCE IN TOUGH TIMES

**Around the world, children are facing more extreme weather – from harsher droughts in Somalia to heavy flooding in Pakistan. These climate-related shocks are destroying livelihoods, decimating farming and livestock, disrupting water sources, causing food price spikes and driving people from their homes. Countries like the Solomon Islands that have contributed least to this crisis are being worst affected.**

Meanwhile, a rise in conflict is uprooting families from their homes and destroying critical infrastructure and livelihoods. Globally, one in six children now live in conflict zones – they are more than twice as likely to suffer from malnutrition as children living in a peaceful setting.

Economic turmoil has driven up prices, creating a cost-of-living crisis across the world – pushing food beyond the reach of many families. The conflict in Ukraine has exacerbated an already fragile food system, as Ukraine and Russia supply around 30% of the world's wheat.

The combination of these threats is driving the worst global food crisis in decades. 258 million people were facing high levels of food insecurity in 2023. Already, 13.7 million children are facing severe acute malnutrition. Severely acutely malnourished children have weakened immune systems and are 11 times more likely to die from common illnesses than well-nourished children. Hunger not only threatens a child's survival, it drains their energy, silences play and disrupts learning.

PHOTO: CONOR ASHLEIGH/SAVE THE CHILDREN



Junior, 16, inspecting taro plants he's growing in a community garden in the Solomon Islands.

# PROGRAMMES AND PARTNERSHIPS TO DELIVER LASTING CHANGE

Our programmes and partnerships to support resilience in the context of conflict and the climate emergency are designed to meet goals set in country office-led strategic plans, designed and delivered with local and national partners, and financed by a range of Save the Children members and donors.

## SUSTAINING IMPACT IN NIGERIA

Our work on social protection in Nigeria is an excellent example of where long-term involvement, working alongside government and civil society partners, can

deliver sustainable change at scale. Three of the four states we have been working with to establish the building blocks for social protection have now passed social protection bills and have policies in place. Our support is helping to ensure vulnerable and marginalised citizens benefit from the payments. We have also helped the federal government digitalise the social protection payment systems to enable nearly 20,000 parents to receive cash via debit cards.

# BUILDING AND SHARING EVIDENCE TO ENSURE THE GREATEST POSSIBLE IMPACT

We are working to generate and share data and evidence of the situation for children, and to fill critical gaps in the knowledge of what works to build resilience in the context of conflict and the climate emergency.

## ANTICIPATORY ACTION TO LIMIT SUFFERING

Every month, new climate records are broken and the communities we work with face mounting weather shocks, exacerbated by the El Niño effect. In Somalia, after the worst



Salma\*, 13, campaigns against early marriage in her community in Ethiopia's Somali Region. Portrait by Maheder Haileselassie Tadesse.



drought in 40 years, 2023 saw massive floods affecting more than two million people, of whom over 899,000 have been displaced.

The good news is the country team took action ahead of time, using the Anticipatory Action plan they had developed based on forecasts, which included cash transfers and livestock treatment. The bad news is the scale of the crisis is so massive that the funding available wasn't enough. We continue to push all donors to fund anticipatory action at scale. We have generated robust evidence to demonstrate that it is effective at preventing suffering and saves money. In 2023, 19% of all allocations from our Emergency Fund went to anticipatory action and preparedness. We formed new partnerships and channeled 18% of funds from our Emergency Fund – more than ever before – to local and national partners, as they know their communities best.

### HIGHLIGHTING THE RISKS OF CLIMATE CHANGE TO GIRLS

In October we published new analysis showing that almost 9 million girls face extreme risk of climate disasters and child marriage every year. The number of girls living in the ten countries with the highest combined risk of climate change and child marriage is expected to reach almost 40 million by 2050.

Our report, [Girls at the centre of the storm – Her planet, her future, her solutions](#), is designed as an adolescent-friendly resource for girl advocates. To launch the report, we commissioned photography from Mahader Haileselassie Tadese, winner of the 2023 Contemporary African Photography prize. The photos, which featured girls who had avoided increased pressure to marry as a result of the ongoing hunger crisis in Ethiopia, were published in the *Guardian*.

## IMPROVING GLOBAL FUNDING, POLICIES AND PRACTICE TO DELIVER WIDER IMPACT

### CALLING FOR FUNDS TO TACKLE HUNGER

In the Horn of Africa, five back-to-back failed rainy seasons have decimated crops and livestock, leaving millions without enough food or water. Severe flooding across Ethiopia and Somalia deepened the food crisis further. We responded – but international funding still falls far short of the \$7 billion required to meet the needs of over 40 million people in the region. We continue to advocate strongly for sustained support to the crisis to bring about long-term change that lasts.

In November, when the UK hosted a Global Food Security Summit, we worked with others in the [Hungry for Action](#) coalition to help shape the outcomes, through media work, a global youth call to action and a joint statement on child wasting. The government committed to double their funding for child wasting (the most dangerous form of malnutrition) and to provide an additional £100 million to respond to food security crises in the worst hit areas.

**Jamila\*, 40, prepares fortified milk for her newborn daughter, Kamila\*, who's being held by her 13-year-old sister Ramla\***

Jamila is at a stabilisation centre in Somalia with her daughter Kamila, who is suffering from malnutrition.

Jamila remains hopeful for her daughter's recovery and is taking the necessary steps by seeking medical assistance at the centre.



PHOTO: MUSTAFA SAIEDY  
SAVE THE CHILDREN

# OUR WORK IN THE UK

*The Office of the Scottish Charities Regulator requires us to report separately on our activities in Scotland. Our work in Scotland is laid out on page 28.*

**All children in the UK should grow up in families that have enough money to live with dignity so they can play and learn and have the best start in life. Yet an estimated 4.2 million children are now living in poverty across England, Northern Ireland, Scotland, and Wales. Poverty affects children's education too: there is a 20% difference in expected development and learning outcomes between five-year-olds living in poverty in England and their better-off peers.**

**This year, we worked with families living in poverty to make sure they have what they need to keep their children safe, healthy, and learning. We developed partnerships with over 300 organisations across the UK, and built evidence and worked with families to make sure their voices are heard. We have given parents and children a range of opportunities to engage with decision-makers. Together we secured government support for families, feeding into national policy-making on issues such as the inadequacy of social security payments, the two-child limit on child payments in universal credit and the cost of childcare.**

## CHILD POVERTY

Parents should be able to provide their children with what they need for a full and happy life. Many families entered the COVID-19 pandemic, and then the cost-of-living crisis, already in hardship. These crises have pushed families to the brink. One in four children in the UK is now living in poverty – a problem that has grown over the last decade.

Through our Early Years Grants programme, we work with local partners to support families with the cost of buying

food and basic goods, while building relationships with families to help them find more sustainable ways out of poverty. This year we delivered much-needed support to over 6,000 households, reaching over 13,000 children across the UK. As well as providing immediate help when it is needed, the grants also provide headspace and relieve stress which means that families can access other support services.



Richard plays with twins Charlie and George, 2, at home in Sheffield. When they moved home, the family received an Early Years Grant to help buy furniture and other essential items.

PHOTO: LAURA PANNACK/SAVE THE CHILDREN

### PARENT CAMPAIGNERS

Our network of parent and community champions, including a newly formed community group in Smallshaw-Hurst, continued to influence decision-making this year. The Voices for Bettws parent group gave feedback on the Welsh government's child poverty strategy; parents in Sheffield worked as community researchers; parents were a key part of roundtables in the Westminster parliament, and parents also met policy-makers in Northern Ireland. They discussed their experience of issues including the welfare system, the cost of living, childcare and barriers to work.

### CAMPAIGNING WORKS

We celebrated a campaign win in March when the Chancellor of the Exchequer announced that families on Universal Credit will receive upfront support with childcare costs. This means that parents moving into work or increasing their hours will receive the childcare payment upfront, rather than in arrears – removing a major barrier to work for parents on benefits. The maximum costs parents can claim was also increased by around half. We have worked tirelessly on this issue for over five years, with our amazing parent campaigners.

We have amplified the voices of children and their families across Wales this year. Our *Starting Strong* report provided insights on best practice approaches to make the transition into primary school as happy as possible for children and their families. We have been outspoken in the media on what matters to children, and challenged the Welsh

Government to provide free meals for children during the school holidays.

The years of political instability in Northern Ireland have contributed to persistent poverty and seen Northern Ireland fall behind the rest of the UK in terms of public policy. However, a strong civil society has in part managed to plug the policy gap. Working with children, parents and our partners, we have been campaigning to ensure decision-makers hear firsthand the challenges families are facing. In September we launched our report *We don't just want to survive* and invited decision-makers to meet parents at the launch. The Northern Ireland Executive was restored in early 2024 and we hope they will bring what they learned into policy decisions.

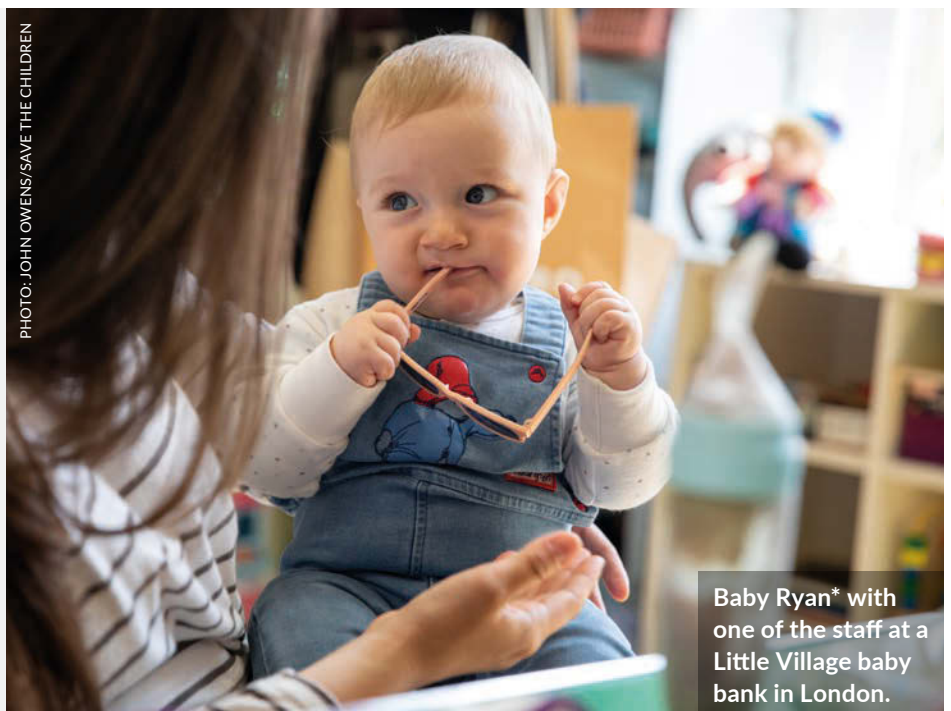
We work with all parties across the UK to campaign against child poverty. We took a van to Labour's Policy Forum in Nottingham, urging Labour to scrap the two-child limit on child benefit payments if they got into government. As a result of this, and other initiatives, Labour leader Keir Starmer has committed the Labour Party to developing a child poverty strategy which will be a crucial route to creating lasting change.

In October we co-hosted a panel discussion at the Conservative Party Conference and highlighted the number of children still living in poverty and the progress that has been made in recent years, including shared parental leave, and the biggest ever expansion of childcare. We stressed that government decisions should be rooted in the experiences of families, particularly those who are struggling, to bring real meaningful policy change for families.

### BABY, BANK ON US

In May, we launched the Baby, Bank on Us campaign with *The Sun* newspaper. The campaign shared powerful stories of how baby banks have supported families across the UK. It also raised almost £100,000 for baby banks so far. Generous businesses – IKEA, Amazon and Sainsbury's Tu – donated products such as baby wipes, pyjamas and hygiene kits worth some £45,000. The Princess of Wales, who is also backing baby banks through her work with The Royal Foundation Centre for Early Childhood, used her influence to encourage members of the public to donate funds, products and pre-loved items or to volunteer at a baby bank.

PHOTO: JOHN OWENS/SAVE THE CHILDREN



Baby Ryan\* with one of the staff at a Little Village baby bank in London.

### POTENTIAL NOT POVERTY

We put children's voices at the heart of everything we do. In 2023, we worked with a group of young people with experience of poverty from the Wallsend and Smallshaw-Hurst Children's Communities, and creative agency Effervescent, to produce a powerful short film, 'Potential not Poverty'.

We brought the young people to Westminster to meet MPs and talk about their experiences and ideas about how to change things for the better. The MPs told us this had a big impact on them. The project also had a huge impact on the young people's confidence and passion for making change happen, as well as building their skills in storytelling, film design and production, media interviews and interpersonal skills.

### COVID-19 INQUIRY

In October 2022, we were selected as a core participant in the UK government's official COVID-19 inquiry, together with Just for Kids Law and the Children's Rights Alliance for England.

This year we published *What about the children?*, a report on the pandemic's impacts on babies, children and young people. It highlights how the experiences of the pandemic were not uniform. Children and babies living in poverty, young people from minoritised communities and those with special educational and mental health needs suffered disproportionately. Children's rights enshrined in UK and international law were not sufficiently considered by decision-makers over two years of pandemic policy-making.



Young creative Maddison, 16, on the set of Potential not Poverty.

We also heard from our Youth Advisory Board, who gave their perspectives on how lockdown affected their lives.

In the media (including two front page articles in *The Telegraph*) we emphasised the lack of focus on the wellbeing of young people and children. For example, we cited how the government gave guidance about how adults could do yoga in the park but didn't say that kids could play there, and prioritised the reopening of venues like pubs before schools.

The experience of COVID-19 must inform the government's response to any future pandemic. We want to make sure that protection and support for children and young people are central to decision-making.

## OUR WORK IN COMMUNITIES

We believe all children growing up in the UK should have access to quality services and support, regardless of their family income. We work directly with communities to help achieve this.

We work with children, families and professionals to test out new and innovative approaches to identify not just 'what works' but 'what works here'. We then use our experience to influence national practice.

In 2023 we worked in our five Early Learning Communities in Sheffield, Margate, Feltham, Bettws in Newport and Eastside in Belfast; in our two Children's Communities in Smallshaw-Hurst and Wallsend; and in Tower Hamlets and Manchester.



### BRINGING COMMUNITIES TOGETHER

All our work starts with listening to children and families. This year we conducted research with our partner Beyond the Page to learn from the experiences of migrant mothers in Margate in accessing early years' services; we listened to families' experiences of the welfare state in Northern Ireland; and we worked with Poetic Unity, a charity that supports young people from Black and Black Mixed backgrounds, to bring together a group of young people to write a poem about how the cost of living crisis is affecting them. All these stories informed our policy and practice right across the UK.

We also bring communities together to discuss and learn from each other. The Early Years Community in Margate now includes more than 40 organisations. It funded and supported 11 partners to deliver 12 co-designed projects focused on outdoor play, supporting families to get access to services, and family wellbeing. In Sheffield our ongoing partnership with Sheffield Hallam University has enabled a greater influence and reach right across South Yorkshire. We hosted a Family Fun Day which featured partners such as health visitors, immunisation teams and community workers to offer families crucial information along with play packs for children, who were entertained with arts and circus skills, face painting and appearances by superheroes. The East Belfast Early Learning Community is a collaboration with nursery staff, health visitors, department representatives, teachers and other members of the community all committed to finding innovative ways to create systems change for children. Over the summer we held a play day event focused on supporting parents to play and learn with their children.

Since 2018, the Parent Power Advisory Group in Tower Hamlets has brought together disparate parts of the local community, with representatives from local organisations, services and families. This group has become a strong networking force, working together to devise promising solutions to locally defined issues. This year, they supported toy libraries, carried out 185 health visiting reviews to support babies born during the pandemic; and shaped creative play sessions in schools with Half Moon Theatre

In Manchester, we ran a story-gathering project to create a picture of what it is like for families with children aged three and under – the challenges they face, and the gaps that need plugging. *Our Story - Not Just a Mum* highlighted issues including isolation, low self-confidence and a lack of summer activities and safe spaces to play

This year we ran 100 Families Connect courses. Over eight weekly workshops, parents built their skills and knowledge to support their child's learning at home. They discussed their children's learning, were introduced to activities, techniques and games that they can do with their children to support their social and emotional development, literacy, language and numeracy skills, and gained confidence and friendships.

### SUMMER OF PLAY

The summer holidays should be a brilliant time for all children; yet many parents dread them because of the extra costs involved in feeding their children and keeping them busy. This year, our Summer of Play programme gave more than 10,000 children living in disadvantaged communities opportunities to play during the holidays.

We collaborated with 26 community partners, providing grants for activities and events, and we worked with In Kind Direct to distribute play and back-to-school packs.

### WONDERPACKS INSPIRE POSITIVE PLAY

Positive interactions and play between a parent and child over the first few years of life are the biggest influence on a child's early development and a key foundation for lasting change. Yet many children living in poverty have limited access to books and toys, and parents may have limited time and space for play.

This year, with social enterprise Boromi, we created Wonderpacks: five packs spanning newborn to primary, designed to inspire play through the resources provided and to highlight the play potential of everyday moments and objects. Wonderpacks were delivered to thousands of families experiencing hardship through our Early Years Grant programme.



PHOTO: HANNA ADCOCK/SAVE THE CHILDREN

Sureya, 3, at a Family Fun Day hosted by the Sheffield Early Learning Community.

# SAVE THE CHILDREN IN SCOTLAND

Save the Children's activities during 2023 addressed issues faced by children in Scotland, as well as contributing to the global aims of Save the Children.

## SUPPORTING FAMILIES

In partnership with the Scottish government, we have continued to deliver our Families Connect programme with professionals in nurseries and schools across Scotland. The programme helps parents play with children in a way that boosts their learning and accelerates their social and emotional development.

In 2023, we delivered Families Connect in 24 schools across nine different local authorities. We also trained 56 new facilitators from six local authorities to deliver Families Connect in their settings. Our partnership with Glasgow Life has enabled us to scale and improve delivery in Glasgow, with training taking place each school term this year.

We have developed a practical guide for practitioners on how to embed and sustain parental engagement in their practice. We are currently testing the guide by delivering workshops in schools and with community partners.

### EARLY YEARS GRANTS

We worked in partnership with community organisations across eight local authorities to provide grants to 326 families with young children. The grants are worth up to £340 and are used to pay for food and other essentials.

As part of the Summer of Play, we distributed over 100 packs of toys and interactive materials at Home Start Clackmannanshire's Play in the Park days for families with children under five. Delivered through our community

**“I am so grateful for the help and support that this grant has given my son. I've been able to buy fresh food and not have the stress of having to choose between heating my home or eating.”**

Parent

partners, our Winter of Play programme supported just under 1,000 children, providing money over Christmas for activities, toys and play materials.

### CHALLENGING POVERTY

Throughout 2023, we engaged 150 children and young people and 137 parents to challenge poverty by providing opportunities to share their views on key issues and meet with decision-makers including Scottish Government Cabinet members and Scottish Labour leader, Anas Sarwar MSP. Hearing from those with lived experience helps accelerate the policy changes that will lead to lasting change. We held several focus groups with parents, and hosted visits to our programmes and partnerships work, including one with actor Isla Fisher.

We supported parents to meet with members of the [Scottish Parliament Social Justice and Social Security Committee](#) and share their deepening experiences of poverty. Many discussed how the stress and worry are taking a toll on their mental health and are directly affecting their children.



Aayat, 1, plays in a park in Edinburgh. Her family received our Early Years Grant to buy food and other essentials.

PHOTO: ANNA GORDON/  
SAVE THE CHILDREN

Isla Fisher reads to Ornaith and Grace at a Families Connect programme in Glasgow.

In partnership with Aberlour, we held an event for children and young people to enable them to share their experiences of living in a low-income family. They also had the opportunity to share their views with, and ask questions of, the Cabinet Secretary for Social Justice, Shirley-Anne Somerville MSP.

In June, we published [Tipping the Scales](#) with the Joseph Rowntree Foundation and IPPR Scotland. This highlights the social and economic harm of poverty in Scotland and was widely covered in national press.

We also published [Better For Babies](#), which highlights recommendations on how to sustainably reduce poverty among families with a baby. We held a focus group with parents to gather insights and received cross-party support for our calls to do better for babies in Scotland.

Along with [The Lines Between](#), we published a report exploring parents' experiences and views on [supporting early learning and development at home](#). We will use our findings to engage key decision-makers and stakeholders on how to improve support for families.

As part of the End Child Poverty coalition, we campaigned for a further increase to the Scottish Child Payment to a minimum £30 per week in the Scottish government's Budget. We briefed MSPs on the importance of this and worked throughout the year to engage the First Minister and his government on child poverty. During the first days of the new Scottish government, we secured cross-party support for a recommitment to the 2030 targets to reduce child poverty.

### PUBLIC ATTITUDES PROJECT

In collaboration with the Joseph Rowntree Foundation, we launched a two-year project, funded by The Robertson Trust, to understand public attitudes on child poverty in Scotland. Through a national survey and citizens' panel, we aim to identify widely supported policy changes to effectively reduce child poverty and create a Scotland where every child has the childhood they deserve.

### FUNDRAISING

We are grateful for continued support from our partners in Scotland, including the Scottish government and The Robertson Trust, along with support from our UK corporate partnerships. We are also thankful to Andrew Doig for his valuable contribution, to those who engage in our fundraising campaigns such as Christmas Jumper Day and, of course, to the Scottish public who give so generously throughout the year. These vital funds are essential to help us create lasting change for and with children.

### OUR GLOBAL ROLE

We continue to play an active role on the Scottish Government's Humanitarian Emergency Fund panel. Through this work, we secured funding towards the Cyclone Freddy response in Malawi. The funding helped provide immediate relief for affected families. We've continued to work to secure media coverage on the conflict in Ukraine and the war in the occupied Palestinian territory.

# WORKING IN PARTNERSHIP

**We are only able to have the impact that we do through working in partnership. The work of our partners underpins the scale and impact of our programmes. It deepens our knowledge, skills and expertise. It gives us the opportunity to innovate and amplifies children's voices and influence.**

We are incredibly grateful to all our partners and supporters and have celebrated them and the impact they have had throughout this report. Here are some other standout examples from 2023.

## Engaging with our stakeholders

We believe that to have the greatest impact for children, today and in the future, we must take account of what is important to our stakeholders – the individuals, groups, organisations and institutions listed in this section. This list is not exhaustive.

That's why we proactively engage with each of our key stakeholders in a way best suited to them. We consider their needs and concerns at all levels of decision-making, in accordance with s172 of the Companies Act 2006.

## LOCAL ORGANISATIONS

We support our teams across the world to rebalance power and transfer decision-making to the local organisations, communities, and children with whom they work. This is a core strategy in delivering lasting change for and with children. In 2023, we advanced our equitable partnerships

through hiring a dedicated Equitable Partnership Lead, revised our direction of travel and increased our engagement on this with the global Save the Children movement. Additionally, we have worked with peers across the international NGO sector on how we can localise partnerships while we make them more equitable. Some highlights include:

- increasing the total amount of programme funding to local and national organisations: in 2023, 13% of Save the Children UK's programme spend was delivered through local and national partners.
- strengthening how we co-create with local and national partners by developing the Partnership Quality Marker: a guidance tool on how to design more equitable funding proposals that promote locally led solutions which are informed by the expertise of local and national actors.
- developing new ways of providing flexible funding to local and national partners which cover the basic costs they need to operate and sustain impact for children.

In **Uganda**, through collaboration with Street Child Uganda and with funding from Education Can't Wait, we supported the formation of a Localisation Unit. This platform created separate funding windows that can only be accessed by local partners in Uganda, without competition from international organisations. As a result, seven local and national partners – two of them women-led organisations – received funding they would not have had access to previously.

As **Iraq** transitions from receiving humanitarian assistance to meeting the needs of its population through government services, we supported local and national organisations to



Haïdar\*, 10, and his friends playing in their village in Iraq.



improve basic education access and quality for all children. With funding raised by players of [People's Postcode Lottery](#), awarded by Postcode Education Trust, and together with our local partners, we developed an Education in Emergency fund. This was administered through a joint committee with local and national organisations. The fund supported five national NGOs to ensure they can play their part in bringing about lasting change in the country's education sector. The programme has brought education to 5,000 boys and girls in hard-to-reach communities thanks to collaboration with: Mercy Hands, Darya, Public Aid Organization, Voice of Older People and Family, and Sorouh for Sustainable Development Foundation. We supported these local partners to develop their capacity to deliver quality programmes for children and access funding in the future. We also created opportunities for local partners to work with the Ministry of Education and key donors funding education in Iraq.

### Engaging with local organisations

Through our equitable partnership initiative, we are improving the way we work with local and national actors so that they are at the forefront of our partnership, advocacy, programme design, and implementation. We are working towards transformative partnerships built on equity and respect.

### CORPORATE PARTNERS, FOUNDATIONS AND PHILANTHROPISTS

In 2023, our partners supported our programmes, shared their expertise, and helped children's voices to be heard, amplifying our impact and ability to create lasting change for and with children – such as our Coaching for Life partnership with Arsenal Foundation (page 19).

- We began a strategic partnership with Amazon, tackling the cost-of-living crisis and helping over 16,000 vulnerable families with financial grants and essential items.
- Our decade-long partnership with the Bill & Melinda Gates Foundation continues to support the Save the Children movement's child survival advocacy strategy. The Foundation's contribution in 2023 has helped us make the case in 11 countries for ambitious, equitable and effective global health funding to strengthen health systems and progress towards universal health coverage. We are renegotiating our partnership agreement for the next four years.
- In the UK, Bulgari supported our Early Learning Communities programme in Margate and Sheffield, helping over 1,000 families with outdoor play, accessing support, family wellbeing and two family fun days.
- We celebrated ten years of partnership with GSK and launched the next five-year phase: working together towards a world where no child suffers from

a vaccine-preventable disease. We designed our new immunisation programme, working in Ethiopia and Nigeria. Our partnership continued to support vulnerable communities by responding to humanitarian disasters and enabling our Emergency Health Unit to better prepare for potential humanitarian crisis.

- Our Breadth of Skills programme with LEGO Foundation saw significant success integrating skills-based learning into the education systems of five countries.
- The Morgan Stanley International Foundation continued to back our Parent Power project, which has now supported more than 800 children in Tower Hamlets with their early learning and development.
- Norton Rose Fulbright LLP continued their support of education projects and emergency appeals, as well as providing invaluable expertise through over 4,136 hours of pro bono support, including a secondee initiative and providing support with the COVID-19 Inquiry.
- We continued to collaborate with Prudence Foundation to enhance school safety for over 540,000 people across the Philippines. The partnership supported the revision of the Comprehensive School Safety Framework; and Prudence Foundation continues to be a critical partner of our Emergency Fund.
- We're working with Unilever to support vanilla farming communities in Madagascar, promoting child rights and increasing livelihood opportunities. In Indonesia we're working together to promote handwashing to stop the spread of disease, and in Somalia to support remote communities with access to clean water.

We're grateful for the continued support of other corporate partners and foundations: AXA XL, Burberry Foundation, Clifford Chance, Collinson, CVC Capital Partners, EY, IHS Towers, Innocent Foundation, Kingsmill, Markel International, QBE European Operations, Revolut, Twinings, Virgin Atlantic, VolkerFitzpatrick, Warner Brothers Discovery, and wilko.

We would like to extend our thanks to the individuals, trusts and foundations who so generously supported our work in 2023: Alwaleed Philanthropies, Andrew Sibbald and the Feltham Funding Circle, Four Acre Trust, Jersey Overseas Aid Commission, Martin Lynch, Moondance Foundation, Paterson Logan Charitable Trust, Stavros Niarchos Foundation, Suliman S. Olayan Foundation (Liechtenstein), The Big Heart Foundation, The Karlsson Játiva Charitable Foundation, This Day Capital and the Wanderer Trust.

A special mention to:

- His Excellency Sheikh Thani Bin Abdullah Bin Thani Al-Thani and the Al-Thani Fund
- Community Jameel, for our strategic partnership with Jameel Observatory, Ejada and our ongoing work in response to the conflict in Gaza

- Florence ‘Cuppy’ Otedola and the Cuppy Foundation for our integrated health and nutrition work in Nigeria
- Abdirashid Duale and the Dahabshil Foundation for their support on our Global Remittance campaign
- People’s Postcode Lottery for our ongoing transformational and flexible partnership, including supporting our impact in the UK
- The valued members of our networks driving strategic change for children: the Africa Advisory Board; the Vice Presidents; and the Women’s Network, led by our Ambassador Natasha Kaplinsky OBE.

Finally, our appreciation to our Special Event supporters and gala committees for their continued support, with special thanks to Billable Hour, the IFR Awards series, International Arbitration Charity Ball Committee and the Winter Gala Committee.

### Engaging with corporate partners, foundations, philanthropists, governments and multilateral donors

We engage with governments, multilateral donors, companies and philanthropists through in-person and virtual meetings, roundtable discussions and at annual global events – for example, the UN General Assembly and the COP28 climate summit.

We convene roundtables on topics of mutual interest to share learning and bring key stakeholders together on issues we’re collectively working to tackle. For example, we convened a multi-stakeholder event in May 2023, co-hosted with our partner Norton Rose Fulbright LLP, to introduce our results-based finance work and impact investment funds.

### GOVERNMENTS AND MULTILATERAL PARTNERS

Save the Children works in collaboration with governments and international organisations to deliver life-changing programmes for children all over the world. Together with our country offices, we design impactful programmes to deliver our mutual goals.

- In 2023, we signed a new programme with the UK Foreign, Commonwealth & Development Office to improve learning outcomes for children in the Democratic Republic of Congo. Girls and boys (including 60,000 girls) in Kasai province will be empowered through quality formal and informal education and skills development for productive livelihoods.
- We continue to work with Irish Aid across their partner countries in Africa and began a new project in Zambia, working with national youth groups on climate change.
- In support of children in North West Syria, we are grateful to the French Ministry of Foreign Affairs for renewing

their humanitarian funding to ensure conflict- and earthquake-affected girls and boys have access to safe, quality, and inclusive learning services.

- At the 2023 UN Climate Change Conference (COP 28) we announced our new partnership with the Green Climate Fund and the Global Partnership for Education for a new climate-smart education approach in three countries.
- We continued to progress our work with GAVI, the Vaccine Alliance in Sudan and agreed a new project in Somalia to strengthen routine immunisation rates and reach children who have never had a vaccination in 16 regions across the country.
- We received a grant from the Global Partnership for Education for our work with partners in Afghanistan. The project will increase access of children aged 10 to 18 to an improved education.
- We are indebted to the UN Office for the Coordination of Humanitarian Affairs (OCHA) and UNICEF for working with us to ensure life-saving support for children and their families in Gaza and many other crises.
- We continued to participate in the World Bank flagship meetings, including the first in-person Annual Meetings since the COVID-19 pandemic. Our CEO Gwen Hines spoke about collective action to support children in increasingly fragile settings at the opening plenary meeting.
- This year, Save the Children became an alternate civil society board representative to the Global Partnership for Education, enabling us to bring a children’s perspective to the board.

### YOUNG PEOPLE

It’s vital that we continue to give children and young people the space and power to make decisions on issues that affect them.

- Alongside our partner Effervescent, and with funding from the National Lottery Communities Fund, we teamed up with a group of teenagers to challenge perceptions of poverty in the UK. The young people scripted and produced a powerful film, [‘Potential not Poverty’](#), influenced by their own experiences of poverty. The film was launched on Sky News and screened in Parliament to call on the government to end child poverty.
- We launched our first ‘Children and Young People Climate Fund’ and made 11 awards to support community groups and grassroots organisations to organise child- and youth-focused local events and activities related to tackling the climate crisis. These projects were selected by the Youth Advisory Board.
- Our Youth Advisory Board worked on a variety of projects in 2023, from discussing Save the Children’s strategy to shaping our COVID-19 inquiry submission and speaking to the media and politicians about the climate crisis.

A huge thank you to all the young people involved: the young peacemakers, youth advisors, and those involved in the Potential not Poverty project, for their time, commitment, energy, and for engaging with us so we can work together on what matters to them.

### Engaging with young people

Our engagement with young people ensures that our work is in line with what they are demanding, so that we can more effectively be their ally and bring about lasting change that's meaningful and relevant.

- In 2023, young people with experience of conflict from Afghan, Somali, South Sudanese, Sudanese, Syrian, Ukrainian and Yemeni diaspora communities in England came together to form the Young Peacemakers' Assembly. The group has prioritised campaigning for the rights of refugee children and children in conflict.
- Our Youth Advisory Board is made up of 18 young people aged 12–18 from across the UK. It works closely with our leadership team and with staff from across the organisation. It's aim is to ensure we amplify young voices and hold children's rights at the heart of everything we do.

### AMBASSADORS AND HIGH-PROFILE SUPPORTERS

Our high-profile supporters enable us to share our purpose of lasting change for and with children more widely. When a deadly earthquake struck Türkiye and Syria in February, Adil Ray, Jon Snow, Laura Bailey, Poppy Delevingne, Luke Evans, Myleene Klass and many other high-profile individuals were quick to help promote our appeal. We marked the first anniversary of the Ukraine conflict with Dom Joly and Natasha Kaplinsky conducting interviews to promote our film 'Home' (see page 20), which was amplified by several other ambassadors on social media.

In March, Misan Harriman, Joely Richardson and several digital first creators promoted our Wonderbooks subscription series. We worked with more digital first creators on our Together Through This Crisis petition and Kingsmill Toast Talk campaign.

In the summer, Leona Lewis and Arlene Phillips helped kick off our Baby, Bank on Us campaign with *The Sun*. As well as travelling to the front line in Ukraine to raise awareness of our work there, Dom Joly dressed as Mickey Mouse to lead a protest against the government's Illegal Migration Bill. Several VIPs attended a screening of the Barbie movie to celebrate our partnership with Warner Brothers. Misan Harriman also worked tirelessly to draw attention to the Horn of Africa famine, including speaking with James O'Brien on LBC.

When conflict escalated in Gaza and Israel, Misan Harriman again used Instagram Live to give a voice to those affected and since then, support from ambassadors and other high-profile supporters has continued to grow. Our baby bank campaign won more coverage with the help of Shetland star Ashley Jensen and England rugby legend Courtney Lawes. Isla Fisher secured the cover of *You* magazine following a visit to Scotland to highlight our work there. A host of stars attended the Winter Gala, which was hosted by Lauren Laverne and for which ambassadors Poppy Delevingne and Misan Harriman led the pledges, helping to secure almost £750,000. Christmas Jumper Day proved a huge success once again, with new stars like Fats Timbo and India Amarteifio joining more than 20 other celebrities involved in the campaign.

### Engaging with ambassadors and high-profile supporters

We engage with our ambassadors and high-profile supporters via texts, calls, emails and in regular face-to-face meetings. This provides an opportunity for them to communicate their needs, concerns or ideas, and an opportunity for us to listen to what they wish to get out of their experience with Save the Children UK.



Leona Lewis meets six-month-old Amelia\* at a Little Village baby bank in London.

PHOTO: JONATHAN HYAMS/SAVE THE CHILDREN

### PUBLIC SUPPORT

In 2023, our incredible supporters gave monthly gifts, organised events, took on fundraising challenges and backed our campaigns. More than 2.5 million people took part in our twelfth Christmas Jumper Day, raising £2.5 million so far to help us create lasting change for and with children in the UK and around the world.

By the end of 2023, supporters had raised over £2.4 million for our Gaza Emergency Appeal. The Disasters Emergency Committee Türkiye–Syria Appeal generated over £150 million, of which approximately 18% is allocated to Save the Children to be spent in 2023 and over the coming years. Our supporters raised a further £2.4 million for our response. Supporters continued to donate to our live appeals, including the Ukraine and East Africa Hunger Crisis Appeals. Our Emergency Fund raised £4.5 million and allowed us to respond to less widely covered crises.

Our campaigns are embedded in communities and powered by the UK public. Following the escalation of conflict in Gaza and Israel, we worked in coalition to demand a ceasefire – projecting our message onto the Houses of Parliament and raising the voices of the UK public with a petition with over 200,000 signatures.

We're extremely grateful that 930 generous supporters remembered us with legacies in 2023, totalling £19 million. These legacies highlighted the creativity as well as generosity of our supporters. One individual left us royalties from their literary works, another gifted their original illustrations from a storybook series. Many had been valued volunteers, including a supporter who played a pivotal role in setting up their local Save the Children fundraising committee in the 1970s. We

also worked with hundreds of professional and personal executors whose assistance made sure that each person's special gift reached the children who needed it most.

### Engaging with supporters

We engage with our supporters through a regular supporter survey, participatory research and by monitoring supporter calls.

We also engage directly with them via social media, phone calls and stewardship contact. We use our understanding of our audiences and supporters to keep their needs at the heart of all our communications and products, striving to deliver an experience that is meaningful and rewarding for them. Audience insight has led to us clarifying our purpose to create lasting change for and with children.

### VOLUNTEERS

Our 3,230 volunteers contributed enormously in 2023: as community fundraisers, shop volunteers, campaigners, researchers and speakers. Our shop teams gave over 250,000 volunteer hours and our community groups raised more than £670,000. We continue to develop new volunteering opportunities that engage new audiences, including children and young people.

A massive thank you to all our volunteers, whose commitment, passion and energy are instrumental in the success of so many of our fundraising and campaigning activities.



Francisco, Ashleigh and Rachel volunteer at the Save the Children Nicolson shop in Edinburgh

PHOTO: HANNA ADCOCK/SAVE THE CHILDREN

### Engaging with volunteers

We engage with our volunteers regularly to ensure they have the necessary support and so their opinions can help shape our decisions. We conduct an annual volunteer motivation and satisfaction survey: in 2023, 94% of survey respondents were satisfied with their volunteering experience. Their feedback informed how we run our shops, campaigns, regional fundraising, and our approach to recognising volunteer achievements.

### OUR PATRON

For more than five decades, Her Royal Highness The Princess Royal has devoted her time to visit Save the Children's programmes, meeting with children and their families, as well as colleagues. In the UK, she values every opportunity to talk with our committed supporters and volunteers, and throughout her long association with the organisation she has continued to be a powerful advocate of our work. We are honoured to have had The Princess Royal as our President since 1970 and our Patron since 2017, and are thankful for her unwavering support.

## A VIBRANT MOVEMENT OF SUPPORT

**We seek to be a dynamic and vibrant cause that is supported by a diverse mix of individuals, communities and partners who contribute in rich and varied ways to our mission to create lasting change for and with children. In 2023 we made important progress on several fronts.**

- We evolved our core fundraising and marketing programme. We tested a promising brand-building TV campaign which will roll out in 2024; we significantly enhanced the effectiveness of our supporter recruitment programme with new materials and using new channels; our relaunched face-to-face fundraising approach went from strength to strength; and a series of refits and relaunches across our retail stores are showing impressive results.
- We have continued to galvanise significant financial support for a wide range of humanitarian crises around the world, thanks to the outstanding generosity of the public and through our partnerships, in particular with the Disasters Emergency Committee. Furthermore, to mark the first anniversary of conflict in Ukraine we launched a short film with Aardman, which secured over 400 pieces of media coverage in its first week; we pushed the UK government to do more on the global hunger crisis through our presence at the Food Security Summit; and in response to the conflict in Gaza and Israel, we took a ceasefire petition with over 200,000 signatures to Parliament.
- We put children and people with lived experience at the heart of our public engagement work. We worked with UK teenagers to produce the film 'Potential Not Poverty' (see page 26), which they took to Parliament; our parent campaigners secured a huge win on childcare as the government committed to removing upfront costs for families on Universal Credit and announced £4 billion investment in the childcare sector; we recruited eight new members to our Youth Advisory Board; and we have put in place the measures needed to enable 16- and 17-year-olds to volunteer in our shops starting in 2024.

- We have continued to build partnerships and secure new alliances that can advance our mission. Notably we celebrated the tenth anniversary of our transformational partnership with GSK, which has reached 3.5 million children across 51 countries and raised over £5.6 million from employee fundraising alone; we supported pregnant women and newborn babies evacuated from Gaza thanks to an initiative funded by Community Jameel and partners in Egypt; and we continued to build the foundations for a bold and ambitious relationship with LEGO. We have also built a partnership with the National Trust, and hosted Youth Advisory Board-created activities across ten of their sites in Great Big Green Week to engage families and children on the climate crisis.
- We made big strides on some key initiatives to enhance our effectiveness in building public support. The replacement of our customer relationship management system is almost complete and a go-live date is set for 2024. We secured a new media agency relationship for 2024 that promises to enhance the effectiveness and integration of our media spend.

### CHALLENGES AND LESSONS

Many factors combine to make the environment for fundraising and engagement tough, whether it's the challenge of navigating an uncertain and sometimes polarised social and political landscape, securing donations when the ongoing cost-of-living crisis continues to stifle charitable giving, or standing out from the many competing ways that people and partners can choose from to 'do good'.

To be a powerful force for children over the long term, we know we will need to focus on securing support from people and partners who can help us have the greatest impact; to create experiences that make us their first choice cause and make them want to stick with us for the long term; and to balance activities that can have an impact today with those that can keep making change long into the future.

# PEOPLE AND CULTURE

**Save the Children UK is dedicated to making a lasting, positive impact for and with children. We can only achieve this ambition by empowering and supporting our extraordinary people, enabling them to contribute their best work throughout their careers with us.**

## OUR PEOPLE

As of 31 December 2023, we had 907 active employees at Save the Children UK and 3,230 people were working in a formal volunteering role.

## OUR CULTURE

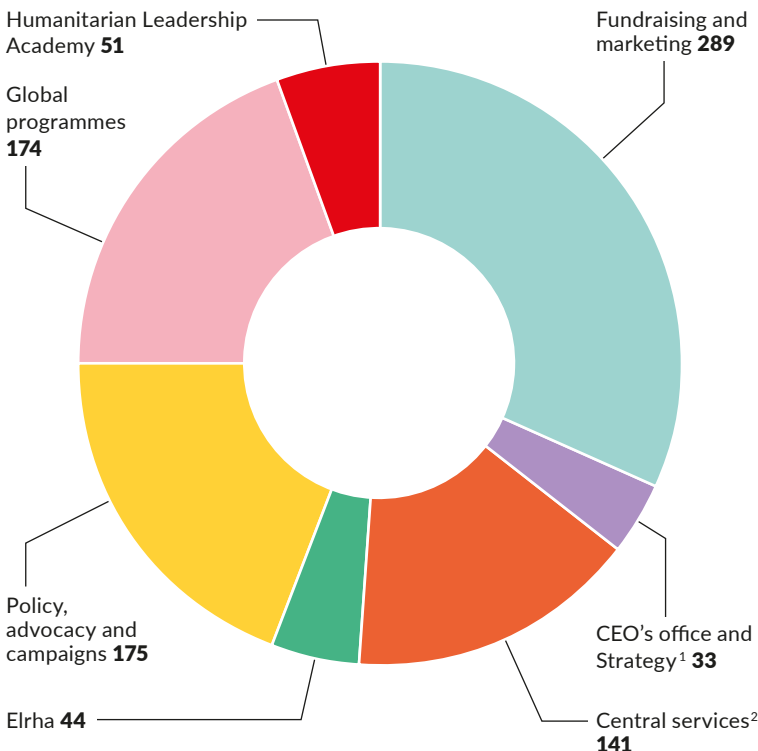
Our culture transformation programme, Organisation of the Future, was launched in 2022, and designed to bring about deep change across our organisation. We are aiming to bolster our impact and increase our organisational resilience against unforeseen challenges by becoming truly agile in our mindset and practices. This involves introducing an adult to adult mindset across the organisation, which is about

increasing autonomy and responsibility, releasing potential at individual level, and fostering more collaboration and learning across the organisation. We are supporting teams towards higher performance, and the development of a new way to manage and lead, including by piloting flatter structures with self-managed teams.

We are also focusing on increasing psychological safety in teams and groups, to increase belonging, learning and innovation. To do so, we have started introducing a new performance enablement approach across all teams. This involves connecting all teams to a clear purpose, aligned to our wider vision and strategy, and supporting them to continuously learn and assess their performance, as well as build on their strengths.

Additionally, we are preparing for the digital future by fostering collaboration among our workforce, refining processes, and leveraging technology to establish a workplace that is not only digitally ready but also data enabled.

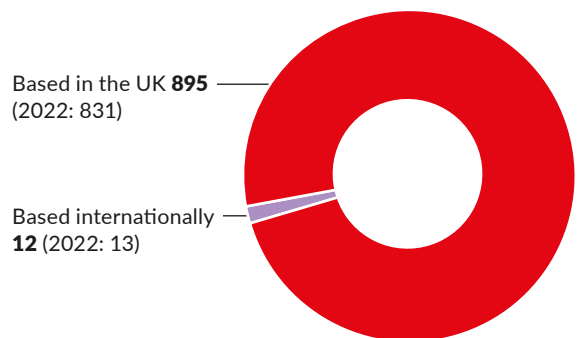
## SAVE THE CHILDREN UK STAFF BY DIVISION IN 2023



<sup>1</sup> CEO team, strategy and general counsel

<sup>2</sup> Finance, workplace, technology and people

## SAVE THE CHILDREN UK STAFF BY LOCATION



## SAVE THE CHILDREN UK ACTIVE EMPLOYED STAFF AND VOLUNTEERS

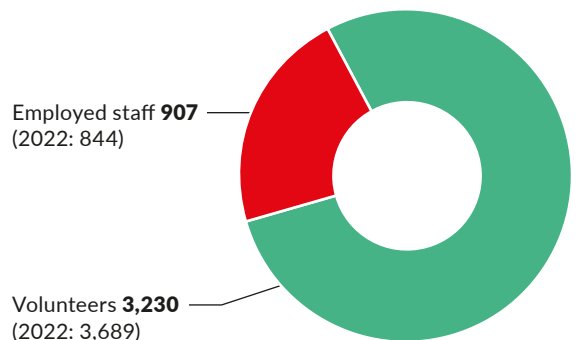




PHOTO: TOM MAGUIRE/SAVE THE CHILDREN

Save the Children staff take part in Christmas Jumper Day.

### EMBEDDING DIVERSITY, EQUITY AND INCLUSION

We are committed to making our organisation more inclusive, equitable and anti-racist. We now have a well-founded Diversity, Equity and Inclusion (DEI) ecosystem that consists of our DEI team, Wellbeing Team, a staff member with a specific inclusive programming role, DEI representatives and Staff Equality Networks.

Here are some examples of the progress we made towards implementing our *Free to Be Me* diversity and inclusion strategy in 2023:

- Successfully delivered training sessions on disability awareness, anti-racism, power and privilege, and inclusive resourcing, along with e-learning modules specific to our organisation. Along with this we designed dignity and respect in the workplace training sessions, offered to staff across the organisation.
- Launched a representative panels pool to ensure we have representative interview panels across the organisation.
- Introduced a guaranteed interview scheme for candidates with disability in our recruitment process.
- Increased ethnic minority representation at senior levels from 21% to 23.6%. This is proportionate to our overall ethnic minority population, which also increased by 3.2%.
- Women in senior grades now make up 71%, which is proportionate to our female population.
- Worked on getting diversity data from our staff by raising awareness of how this affects inclusion. We have

run information sessions, provided written guidance, and made it easier to complete the questions in our HR information systems. We also introduced new questions that cover social mobility, refugee and carer status.

Please see information on our ethnicity and gender pay gaps on page 53.

### WELLBEING

Between December 2021 and December 2023, we saw a 36% reduction in stress-related staff absences. While we've made significant strides, there's still room for improvement in further reducing stress levels among our teams.

We introduced specialised support for staff diagnosed with a neurodivergent difference, ensuring they receive the support they need. We are working collaboratively with our Diversity, Equity and Inclusion and People teams to facilitate appropriate workplace adjustments.

We enhanced our support programme by introducing team workshops focused on establishing psychological safety as a cornerstone of workplace wellbeing.

We conduct annual stress risk assessments, to provide insights into the overall wellbeing of our staff and guide our strategies to prevent stress from escalating into mental ill health or burnout.

We have increased the number of staff trained as mental health first aiders to 10% of our organisation. We've established robust governance to support them, along with a comprehensive protocol for providing peer support.

Our volunteers and partner organisations work tirelessly, often in difficult circumstances. To ensure they have the best support available, we extended our Employee Assistance Programme to them as well.

Recognising the importance of physical health, we have partnered with our insurance provider to offer employees telehealth resources this year.

Throughout the year, we conducted workshops on budgeting, pensions, and financial health. These are part of our holistic approach to employee wellbeing, addressing financial as well as physical and mental health aspects.

In 2024 we will refresh our cross-organisational wellbeing working group. This group has been instrumental as a sounding board for staff concerns, allowing us to deliver timely and effective support.

### ENGAGEMENT WITH STAFF

We are committed to understanding and empowering our workforce. This year, we partnered with an employee-engagement platform to create a personalised, efficient and confidential survey experience, gathering real-time feedback from colleagues across the employee lifecycle. This new approach involves using technology to ensure we ask the right questions at the right time, reducing survey fatigue, and ensuring colleagues have an anonymous route to voice their thoughts. Instead of relying on manual analysis, the platform provides us with insights into employee engagement, wellbeing, diversity, equity and inclusion, where we can quickly identify focus areas and take targeted actions more regularly throughout the year.

The People team is dedicated to improving every aspect of our employees' journey with Save the Children UK. From onboarding to leaving the organisation, and every step in between, we're focused on ensuring a seamless and positive

experience at every turn. This commitment drives us to constantly reassess and refine our process with the needs of our employees front and centre. Our goal is to make each interaction as enriching as possible, empowering our teams to thrive and support the organisation's broader mission to create meaningful impact for and with children and their communities. Our new starter induction, onboarding experience, maternity leave policy, and recruitment process are all examples of this much more personalised, streamlined and enhanced offering.

### BECOMING A STRONGER, MORE EFFECTIVE ORGANISATION

We continue to invest in making sure that our technology is fit for the long term. In 2023, we moved into the build phase of implementing our new customer relationship management system, which will enable us to be more supporter-centric and conduct supporter engagement activities. But we know that we need to do significantly more. In 2024 we will develop and implement a Digital, Data and Technology Strategy and roadmap to ensure that we achieve our strategic goals.

We're building on our successes, which include testing 'outcomes contracts' projects in Sierra Leone, where programmes are paid for based on the outcomes for children that they have delivered. Other successes include supporting local impact-focused start-ups in Rwanda and Save the Children Global Ventures – Save the Children's global impact investment arm. We refocused our innovation strategy to maximise the impact of our existing and potential resources, and generate new resources directed towards Save the Children's goals, by continuing to experiment, test and learn in new, innovative spaces. This includes continuing to build our organisational skills and capacity to support new models to fund impact for children such as 'impact funds', as well as influencing the sector and beyond to transform the way they invest with a child focus.



PHOTO: SACHA MYERS/SAVE THE CHILDREN

Sarah Aguti is Water, Sanitation and Hygiene Manager with our Emergency Health Unit in Zambia.



# REDUCING OUR ECOLOGICAL IMPACT

**We are embarking on an ambitious journey to transform Save the Children UK into an ecologically smart organisation, one that not only minimises our environmental footprint, but actively contributes to protecting nature and ecological justice through our work.**

Our approach seeks to drive three outcomes vital for our evolution:

## **Outcome 1: reduced ecological harm**

We have committed to reducing our 'direct' greenhouse gas emissions by 50% by the end of 2024 (compared to 2019) and are on track to meet this commitment.<sup>†</sup> We will go further by 2030. We will also drive initiatives to assess and/or reduce wider impacts including waste, water, paper, employee commuting, working from home emissions, and supply chain purchases. We are analysing our financial engagements – including pensions, banking, and investments. We are actively engaging with our peers, partners, and suppliers to propagate greener practices and avoid complicity in greenwashing ventures.

## **Outcome 2: internal confidence**

Central to our ecological transformation is the empowerment and upskilling of our people. We are fostering an environment where staff can deepen their understanding of ecological breakdown, justice, and their impact on children and our mission.

## **Outcome 3: sustainable processes and risk management**

We are fortifying our ways of working to be better equipped to respond to these crises for children and manage changing implications on us as an organisation. In 2023, for example, we launched our mandatory Environmental Social Screening (ESS) tool to identify whether new programme activities may have any negative environmental or social impacts. The tool provides an action template to mitigate any potential risks highlighted in the screening process.

## **PROGRESS IN 2023**

With the support of sustainability consulting firm ZeroBees we further strengthened both our understanding of our negative impact on the environment and the solutions to reduce this harm.

## **PENSIONS AND INVESTMENTS**

In 2023, we undertook an analysis of the likely scale of our financed emissions to better understand the broader impact of our operations. We have identified this as an area to work further on with our investment partners to understand our decarbonisation options, given the significance of this indirect source of emissions.

We also supported the National Council for Voluntary Organisations with their #FuellingPositiveChange campaign to end indirect financing of fossil fuels from the voluntary sector. We are committed to continuing to review our default pension fund and are supporting our staff to make informed decisions regarding their pensions – including providing guidance on how to switch to a fossil fuel free pension if they wish to do so. We are using our relationship with our pension provider and banks to make clear our expectations of them as a supplier, particularly when it comes to their ecological credentials.

## **WORK-RELATED TRAVEL**

To deliver our mission for children across the world, travel remains essential. Nevertheless, we committed to reducing our air travel emissions to 70% less in 2023 than in 2019.

In 2023, our emissions from air travel were 990 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) (1.15 tonnes per employee) – a 71% reduction from our 2019 baseline. While we are pleased to remain within our reduction commitment for a second year running, our 2023 air travel emissions were higher than in 2022 (549 tCO<sub>2</sub>e – 0.65 tonnes per employee). An increase was expected post-COVID-19, however we must remain vigilant. In 2024 we are reconsidering our definition of 'essential travel' and our travel policy.

<sup>†</sup> The Greenhouse Gas Protocol uses 'direct' to refer to Scope 1 emissions only. However, in carbon commitments 'direct' is commonly used to refer to the emissions we are most able to control and connected to our impact on the environment. At Save the Children UK, our reduction commitment includes our Scope 1 emissions from sources we directly own or control (fuel used to power our sites and vehicles), Scope 2 emissions from energy generated elsewhere and supplied to us (electricity used in our offices and shops) and elements of our Scope 3 emissions created by our supply chain and via the goods and services we buy, notably the flights we take and hotel stays.

**FLEET**

We replaced our leased fleet of 18 diesel engine cars used by our regional teams and community fundraisers in the UK with hybrid engine vehicles.

**EMISSIONS REDUCTION PROGRESS**

Save the Children UK has measured the carbon emissions of our UK operations since 2011.

In 2023, most of our direct emissions come from our business travel and the use of our head office, four regional offices, and retail premises across the UK.

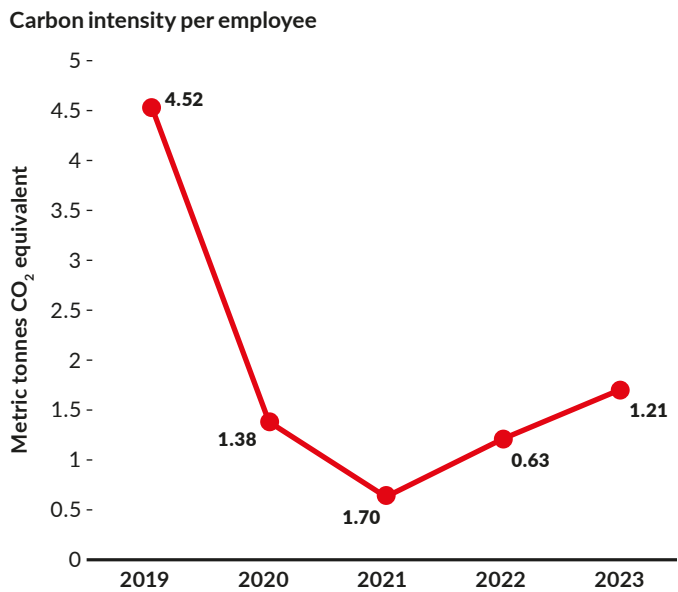
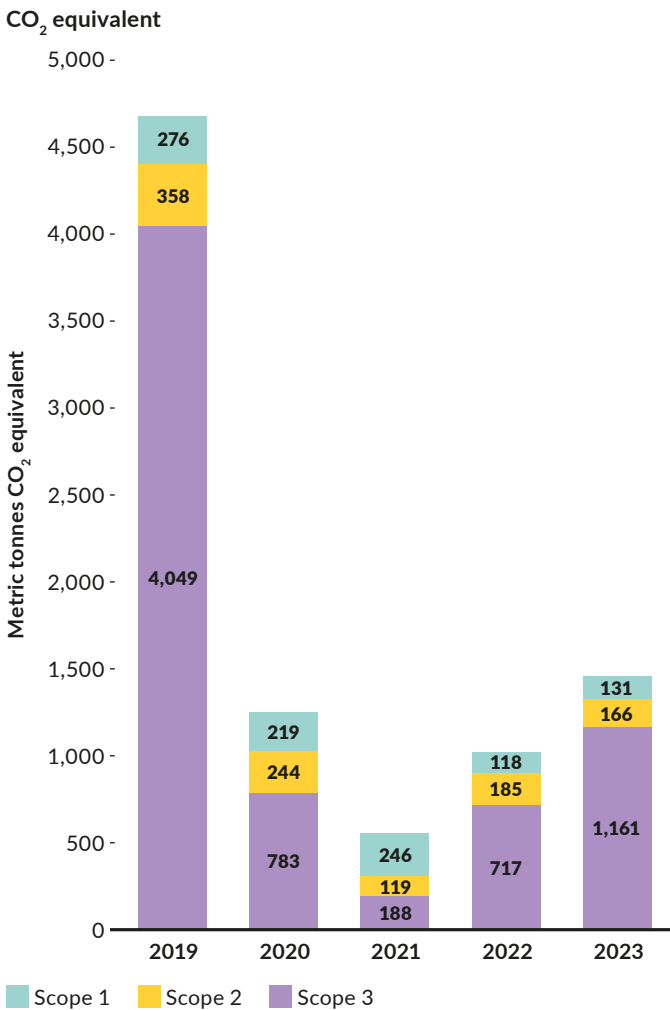
**OUR EMISSIONS**

Our analysis with ZeroBees estimates that Save the Children UK's 'direct' emissions were 1,458 tonnes of CO<sub>2</sub>e in 2023 (Scope 1, Scope 2, and included sources

of Scope 3).<sup>†</sup> This represents an intensity measure of 1.7 tonnes CO<sub>2</sub>e per employee. See page 55 for our mandatory Streamlined Energy and Carbon Reporting (SECR) data. The required scope of SECR is limited compared to the more comprehensive discretionary analysis presented here.

We also conducted a comprehensive assessment of a broader scope of emissions. This included emissions from remote working, employee and volunteer commuting, and emissions associated with our pensions and investments. However, we have identified a high margin of error in these estimates, rendering them unreliable for inclusion in our final figures presented here. Despite their omission from this report, this deeper analysis reflects our commitment to thorough data scrutiny and emissions reduction efforts beyond the immediate scope of the figures reported in our Annual Report.

**OUR DIRECT CARBON EMISSIONS**



Note 1: This data differs from SECR data (page 55) and the figures we share with the Save the Children movement, which are both more limited in scope, but are nonetheless mandatory for us to report.

Note 2: Scope 3 emissions included in this 'direct' emissions graphic include those from business-related travel (excluding commuting) and hotel stays and Scope 3 electricity, natural gas, and other fuel types. The Scope 3 emissions sources that are currently excluded from our commitments and measurements are in some cases still being targeted internally for reduction interventions.

Note 3: Data for 2019–2022 have been adjusted in 2024, following methodology updates and efforts to improve our data quality. For example, we have revised our 2022 total down from a previously estimated 1,218 tCO<sub>2</sub>e to 1,020 tCO<sub>2</sub>e – mostly due to improved data on our Scope 1 gas use in 2022. Totals may not add up exactly due to rounding.

<sup>†</sup> The Greenhouse Gas Protocol uses 'direct' to refer to Scope 1 emissions only. However, in carbon commitments 'direct' is commonly used to refer to the emissions we are most able to control and connected to our impact on the environment. At Save the Children UK, our reduction commitment includes our Scope 1 emissions from sources we directly own or control (fuel used to power our sites and vehicles), Scope 2 emissions from energy generated elsewhere and supplied to us (electricity used in our offices and shops) and elements of our Scope 3 emissions created by our supply chain and via the goods and services we buy, notably the flights we take and hotel stays.

# FINANCIAL PERFORMANCE

**We are extremely grateful to all our supporters for their continued generosity across all areas of our work despite the challenging economic times, and we are committed to ensuring our income is used efficiently, effectively, and responsibly by making every pound count.**

## HEADLINES

Our total income in 2023 was £296 million and our total spend was £295 million, an increase of £2 million and £9 million respectively on the previous year.

	2023 (£m)	2022 (£m)	Increase
Restricted income	215	215	-
Unrestricted income	81	79	2
<b>Total income</b>	<b>296</b>	<b>294</b>	<b>2</b>
Restricted spend	216	216	-
Unrestricted spend	79	70	9
<b>Total spend</b>	<b>295</b>	<b>286</b>	<b>9</b>

## INCOME

At a total level, our 2023 income was broadly flat compared to 2022. However, in the last two years we have seen extraordinarily high levels of emergency appeal income, through our own fundraising and funds raised through the Disasters Emergency Committee (DEC). (Total emergency appeal income 2023: £40 million and 2022: £57 million) Excluding emergency appeal income, our underlying financial performance in 2023 has seen growth mainly through our institutional donors as we continue to grow and diversify our income streams.

### INSTITUTIONAL DONORS: £176 MILLION (2022: £165 MILLION)

The income we receive from our institutional partners is primarily restricted income given in grant form for specific in-year or multi-year programmes across the world, with our largest funders being the Foreign, Commonwealth & Development Office (FCDO), the World Bank and the United Nations. Our overall income in the year from institutional partners increased by £11 million compared with 2022. This was mainly driven by growth in our FCDO portfolio, having commenced a number of new programmes in 2023 (for example, a £25 million education programme in the

Democratic Republic of Congo (DRC)) and strong spend on World Bank programmes in Ethiopia, DRC and Yemen. This was offset by a reduction of income from the United Nations, as large programmes in Ethiopia came to an end, and lower DEC income.

### INDIVIDUALS, LEGACIES AND COMMUNITIES: £66 MILLION (2022: £68 MILLION)

Income from individuals and communities was £47 million, down £4 million on 2022. Regular donations from individuals remained flat at £32 million compared with 2022. One-off donations were £4 million lower than 2022, however 2022 was exceptionally high due to the Ukraine and Pakistan emergency appeals. We received £19 million legacy income in 2023, an increase of £2 million on 2022.

### CORPORATES, MAJOR DONORS AND TRUSTS: £34 MILLION (2022: £45 MILLION)

Income from major donors and trusts was £18 million, an £8 million decrease on 2022 driven by lower emergency appeal income in 2023. Income for the Ukraine appeal and our Emergency Fund were exceptionally high in 2022. Strong relationships with our corporate partners generated £16 million in 2023 which is down £3 million compared to 2022, which was particularly high due to our corporate partners' generous response to the Ukraine appeal.

### TRADING: £9 MILLION (2022: £9 MILLION)

Our shop income was £9 million, in line with 2022. Despite having fewer shops open and trading than in 2022, income held strong as revenue grew to offset the income lost from the shops we closed which were making a lower contribution.

## EXPENDITURE

Our total expenditure in 2023 was £295 million, an increase of £9 million on the previous year.

### CHARITABLE ACTIVITIES: £256 MILLION (2022: £251 MILLION)

Our charitable expenditure includes £211 million directly on programmes internationally and in the UK; £10 million directly on advocacy and awareness; and £35 million on support costs for our programme, advocacy and campaigning work. The diagram on page 42 shows our charitable expenditure broken down by thematic areas.

## 2023 INCOME AND EXPENDITURE

## Income £296 million

<b>Institutional donors £176m</b>				<b>Individuals and legacies £66m</b>			
<b>DEC and other institutional £55m (2022: £57m)</b>	<b>UK central government £47m (2022: £35m)</b>	<b>World Bank £33m (2022: £17m)</b>	<b>United Nations £25m (2022: £33m)</b>	<b>Individuals £47m (2022: £51m)</b>		<b>Corporate partnerships, major donors and trusts £34m (2022: £45m)</b>	
		<b>Irish and other national governments £11m (2022: £14m)</b>		<b>European Commission £5m (2022: £9m)</b>	<b>Legacies £19m (2022: £17m)</b>		<b>Trading £9m (2022: £9m)</b>

## Expenditure £295 million

<b>Charitable activities £256m</b>				<b>Raising funds £27m (2022: £24m)</b>			
<b>Emergencies £79m (2022: £76m)</b>	<b>Education £67m (2022: £56m)</b>	<b>Health £38m (2022: £44m)</b>	<b>Protection and rights £13m (2022: £12m)</b>	<b>Livelihoods £28m (2022: £31m)</b>	<b>Nutrition £19m (2022: £21m)</b>	<b>Trading £9m (2022: £8m)</b>	
				<b>Advocacy and awareness £12m (2022: £11m)</b>	<b>Other £3m (2022: £3m)</b>		

We spent £79 million responding to emergencies in 2023, which includes grant expenditure of £31 million through the Start Network, and £12 million through our humanitarian entity Elrha. This was £3 million higher than in 2022 as we continued to respond to existing crises such as Ukraine, while also responding to new crises in 2023 including the earthquake in Türkiye and Syria.

Our expenditure on education increased by £11 million to £67 million, driven by a World Bank programme in Yemen which aims to improve access to basic education, improve conditions for learning and strengthen the capacity of the education sector in selected districts, and an Education Cannot Wait programme focused on educating refugee and host community children in Uganda. Our health spending decreased by £6 million to £38 million following a reduction of DEC Ukraine spend compared to 2022 and the end of the EU resilience programme in Yobe, Nigeria. Spending

on livelihoods decreased by £3 million to £28 million as spending on the Somalia drought response and our Bangladesh Suchana programme tailed off.

Our spending on advocacy and awareness in 2023 was £12 million, £1 million higher than in 2022. Included within our health spend in 2023 is £1.8 million on our multi-year global health advocacy programme from the Bill & Melinda Gates Foundation.

**RAISING FUNDS: £36 MILLION (2022: £32 MILLION)**

Our spend on raising funds has increased in 2023 as we invest in future sustainable growth. We stepped up investment in a programme to replace our aging customer relationship management system and we scaled up our face-to-face fundraising activity. We spent £23 million (£21 million in 2022) on the direct costs of running our

diverse fundraising channels and activities. We are continuing to increase our investment as our financial outlook recovers, to try and bring spend back toward our pre-pandemic levels to drive income growth.

Direct spend on our retail shops was £8 million (£7 million in 2022). This increase was driven by one-off benefits in 2022, one-off spend in 2023, inflation and increasing the number of paid shop managers. In 2023, our shops delivered £0.1 million profit compared to £1.1 million in 2022, partly due to the impact of higher overhead allocated costs. Profit is expected to improve in 2024 as investment pays back and the impact of one-off costs and benefits is lower year on year.

**SUPPORT COSTS**

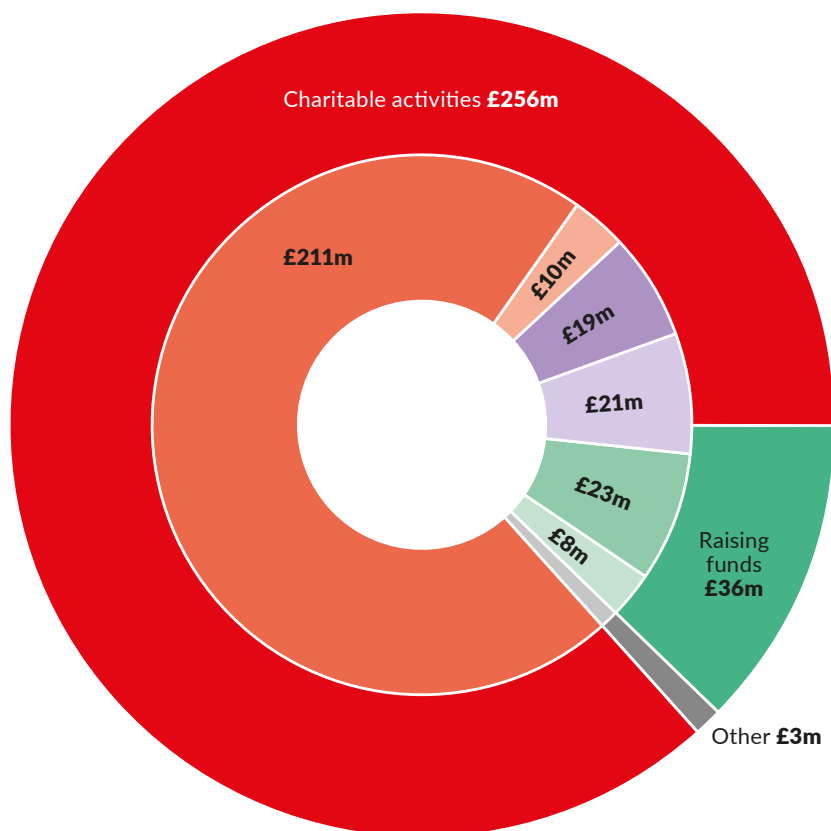
In accordance with the statement of recommended practice for charities' accounting and reporting, our support costs are allocated over the functional areas they relate to, as shown in the pie chart below.

Management and administration support costs excluding pro-bono professional and legal services were £19 million in 2023, an increase of £1 million on the previous year. This is driven by inflationary and wage pressures. Pro-bono professional and legal services received were £2 million in 2023, £1 million higher than 2022. Total management and administration support costs include spending on finance, human resources, technology, legal and governance activities (such as child safeguarding), protection against fraud, and audit costs. While these costs are a necessary part of running the organisation, we continually look for efficiencies.

Programme support costs – those incurred in designing and monitoring programmes, and by Save the Children International in delivering programmes – were £19 million in 2023, a £3 million increase on the previous year. The increase is due to providing additional strategic investment funding to Save the Children International and salary increases in the year.

**2023 EXPENDITURE**

**Total expenditure £295 million**



**Charitable activities – £256m** includes £211m on global programming £10m on advocacy and awareness £19m on programme support costs £16m allocation of management and administration support costs

**Raising funds – £36m** includes £23m fundraising costs £8m trading costs £5m allocation of management and administration support costs

**Other – £3m**  
Costs relating to the sub-let of certain floors of the HQ building. Rental income is received to offset this.

- Global programming
- Management and administration
- Trading
- Advocacy and awareness
- Fundraising
- Other

## TOTAL FUNDS

As at the end of 2023, the closing funds are made up of the following balances.

	2023 (£m)	2022 (£m)
General reserve	46.3	42.5
Revaluation reserve	5.3	3.3
Designated funds	4.4	4.4
Pension reserve	(0.1)	(0.1)
<b>Total unrestricted funds</b>	<b>55.8</b>	<b>50.2</b>
Restricted funds	12.5	14.7
Endowment funds	5.3	4.8
<b>Total restricted funds</b>	<b>17.8</b>	<b>19.5</b>

## UNRESTRICTED FUNDS

General reserves of £46.3 million are the part of the charity's funds that are not restricted or designated to any particular purpose. (See reserves policy below for further details.) The balance on the revaluation reserve is the unrealised gain on our investment portfolio. Designated funds are funds that have been invested in fixed assets, associates or programme-related investments or have been allocated for a specific purpose by the Trustees (further details in note 21 of the financial statements). Along with the revaluation reserve and pension reserve these funds are not readily available so are not included in the calculation of general reserves.

## RESTRICTED FUNDS

Restricted funds of £12.5 million represent funds that have been given for a particular purpose. The trustees have no discretion to reallocate them for other use. See restricted funds note 22 of the financial statements for further details of how this balance is split by region or specific appeal. These balances will be spent on programmes in these areas in future years. The endowment fund represents the value of a donated asset, the fund is permanent and only the income generated by the fund can be expended.

## RESERVES POLICY

Our reserves policy enables management of general reserves to ensure we hold an appropriate level of accessible funds to mitigate against identified financial risks while ensuring we are making timely and strategic use of our funds. The policy focuses purely on the general reserves, as outlined above, as these are the funds at the discretion of the trustees.

We hold general reserves to provide cover for unexpected changes in income and expenditure, allowing us to continue activities in the event of:

- a temporary loss of income
- a permanent fall in income; allowing time to adjust our cost base or business model
- incurring one-off costs that are not covered from donor funds.

General reserves also allow us to implement new strategic priorities or invest in new opportunities to achieve our goals. Our general reserves are matched by highly liquid investments so that we can draw on them quickly if necessary. See further details in the Investments section below.

The Board assesses the reserve range annually and ahead of approving the annual financial budget the Board reviews a detailed risk assessment to determine the level of general reserves appropriate for the charity to maintain. When setting the level of general reserves, the Board also considers the potential liability relating to the Save the Children Defined Benefit Pension Scheme benefit review (see note 25h of the financial statements). In the event of an adverse ruling, this would primarily be funded through a multi-year payment plan that would be agreed with TPT Retirement Solutions Limited. We estimate that any annual payment plan could be up to a similar level to Scheme deficit reduction payments made in previous years when the Scheme was in deficit. The trustees have determined to increase general reserves annually until 2025 (when a court ruling is anticipated to be made).

Having considered both the detailed risk assessment and an increase appropriate for this potential liability, the Board considered that a general reserves target range of £30–£40 million was appropriate for 2023. Our closing 2023 reserves of £46 million are above the range because of strong financial performance in 2023, lower than expected award costs, and the release of financial provisions that are no longer required. The Board considers that a range of £38.5–£43.5 million is appropriate for 2024.

## INVESTMENTS

The trustees have the authority conferred by our Memorandum and Articles of Association to invest as they think fit any of Save the Children's money that is not immediately required.

Newton Investment Management Limited manages our portfolio of equity and fixed-interest investments in accordance with our ethical investment policy. We match part of our reserves with investments that are not subject to market volatility in case we need to draw on our long-term reserves at short notice when markets are weak. We maintain the majority of our investments in equities and bonds to have the opportunity of long-term growth. The

portfolio reported a gain of £1.8 million in 2023, following a loss of £3 million in 2022. Across all our investments the current market value is £5.3 million higher than their book cost in 2023.

### PENSION SCHEME

The valuation of Save the Children's Defined Benefit scheme (a scheme in the TPT Retirement Solutions Limited umbrella trust), for the purposes of Financial Reporting Standard (FRS) 102, showed a funding surplus of £2.8 million at the end of 2023 (2022: surplus of £5.6 million). This surplus has not been recognised on the balance sheet as the charity is unable to recover the surplus through either reduced contributions or refunds from the scheme. The FRS102 valuation is different from the triennial actuarial valuation which assesses the level of pension contributions required to meet future obligations of the scheme. The actuary's last triennial actuarial valuation was performed in September 2020 with a funding update in September 2021. The September 2021 valuation showed a surplus of £12.1 million and it was therefore agreed with TPT that we would stop making deficit contributions in October 2021. The actuary is currently performing an updated triennial valuation as at 30 September 2023 with a final report due later in 2024. As detailed in note 25h of the financial statements, a review of scheme benefit changes is currently being undertaken.

We also have a Defined Benefit Growth Plan Scheme in the TPT, which had a deficit of £0.03 million at the end of 2023 (2022: deficit of £0.06 million). See note 25 of the financial statements for further details on both schemes.

### GRANT-MAKING POLICY

Save the Children UK works in partnership with many organisations and during the year we provided grants to the value of £181 million. The largest amount of grant money was given to Save the Children International. Grant-funded partnerships may involve our staff working in joint operations, supporting and monitoring work, or funding local partners to deliver services, including immediate emergency relief. Such grants help local organisations provide sustainable benefits for communities and so further our own objectives. We carefully consider the experience, reach and governance of potential partners, as well as the value they will add to our work with children. Grants are managed through specific agreements with partners, which set out the conditions of the grant, including disbursement arrangements and reporting requirements to monitor spend.

### FINANCIAL RISK MANAGEMENT

We closely monitor our financial performance throughout the year. The executive directors review regular reporting on income, spend, reserves, debt and cash flow positions to achieve Board-approved targets. On a quarterly basis

we provide financial analysis for review by the Finance Committee and Board. We also undertake two in-year reforecasts to enable us to review and respond to changing financial circumstances as and when they arise.

Amounts due from donors mainly relate to major institutional and corporate donors, and the associated credit risk is therefore considered to be low. The risk of disallowances arising from donor audits is also considered to be low. There are no external borrowings, and processes are in place to monitor cash flows in order to minimise liquidity risk. Goods and services purchased are subject to contracts with suppliers based on market prices. Appropriate action is taken to mitigate foreign exchange risk. Our arrangements with donors allow for some flexibility in grant budgets if there are changes in foreign exchange rates. In addition, we review assets and liabilities by currency on a monthly basis and if required reduce net exposures to agreed targets. Save the Children UK does not enter into foreign exchange contracts for speculative purposes.

### GOING CONCERN

We have set out above a review of Save the Children's financial performance and the General Reserves position for 2023. The financial statements have been prepared on a going concern basis which the trustees consider to be appropriate for the following reasons.

The trustees have prepared cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements ('the going concern period'), which considered the inherent risks to the group's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

These forecasts assume that there will be increased pressures on the economy, in particular inflationary pressure, increasing costs. Our planning process, including financial and cash flow projections, has taken into consideration the current and forecast economic climate and its potential impact on our various sources of income and planned expenditure. Under alternate scenarios we expect to be able to match potential shortfalls of income with a reduction in costs. But if this is not possible, as detailed in our General Reserves policy, we hold General Reserves to provide cover for unexpected changes in income and expenditure to allow us time to adjust our cost base and continue activities. We will continue to monitor the situation as it unfolds and manage our finances accordingly.

Consequently, the trustees have concluded that there are no material uncertainties that could cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements, and therefore have prepared the financial statements on a going concern basis.

# ANNUAL TRUSTEE RISK STATEMENT

## HOW WE MANAGE RISK

At Save the Children UK, risk management principles are embedded in everything we do – from how we set strategic priorities to how we deliver successful initiatives with children and families. Our approach is to take informed risks while being clear about the need to protect people and assets and ensuring we comply with relevant legal and regulatory frameworks.

The Board of Trustees, supported by our Head of Enterprise Risk Management and Executive Leadership Team, identifies the principal risks that have the potential to jeopardise achievement of our strategic goals. The management of these risks is monitored regularly throughout the year in relation to the Board's risk appetite. Members of the Executive Leadership Team are accountable to the Board for managing the principal risks.

Having in place a sound system of internal control equips us to be agile and responsive to changing threats and priorities. The Audit and Risk Committee (a committee of the Board of Trustees) regularly monitors and scrutinises information about the effectiveness of key risk controls and reports its findings to the Board of Trustees.

## WORKING TOGETHER TO MANAGE SHARED RISKS

The Save the Children movement operates through a networked structure, and members share exposure to financial, operational and reputational risks. We work closely with Save the Children International and other Save the Children members to ensure that, in our challenging operating environments, we identify and manage shared risks. In 2023, a new and dynamic dashboard was launched to facilitate the sharing of risk assurance information relating to our international programming work. We also started working across the Save the Children movement to align around a common risk management framework which will further strengthen our approach to risk sharing.

## INTERNAL AUDIT

The Internal Audit function is an important part of how we assess the effectiveness of the policies and processes in place to manage key risks. The findings and recommendations from audits help us to identify areas for improvement. In 2023, our internal audit function was delivered by Save the Children International's Global Assurance function. Risk-based audits were conducted across key areas such as Diversity and Inclusion, Subsidiaries and Managed Entities Governance, Customer Relationship Management, and Strategy. Internal audit reports were shared with the relevant Executive Directors, as well as the Audit and Risk Committee of the Board. Progress on agreed audit actions was monitored by the Audit and Risk Committee.

## CONTINUOUS IMPROVEMENT IN HOW WE MANAGE RISK

Building on the work started in 2022 to refresh our risk management framework, we have been strengthening accountability through the 'three lines' model (see diagram on page 47). The intention is to empower managers to incorporate risk management in a dynamic way to make effective decisions and meet their objectives. We will continue integrating risk management in organisational development work to ensure that our culture, processes and practices are fit for purpose and fit for the future.



## ROLES AND RESPONSIBILITIES FOR MANAGING RISK

Role	Responsibilities									
<b>Board of Trustees</b>	<ul style="list-style-type: none"> <li>Responsible for management and control of the charity</li> <li>Sets mandate and commitment for risk management and appetite</li> <li>Leads risk management culture</li> </ul>									
<b>Audit and Risk Committee of the Board</b>	<ul style="list-style-type: none"> <li>Oversight of financial control and risk management, assurance and control effectiveness</li> </ul>									
<b>Executive Leadership Team</b>	<ul style="list-style-type: none"> <li>Implementation of the risk management framework to ensure effective management of risks in relation to Save the Children UK's objectives</li> </ul>									
<b>Thematic management groups</b>	<ul style="list-style-type: none"> <li>Drive for continuous improvement in risk management</li> </ul>									
<table border="1"> <thead> <tr> <th>1</th> <th>2</th> <th>3</th> </tr> </thead> <tbody> <tr> <td>Day-to-day risk systems and controls</td> <td>Management assurance</td> <td>Independent audit and assurance</td> </tr> <tr> <td>Management, staff, volunteers, partners</td> <td>Subject-matter experts and risk team</td> <td>Internal and external audit</td> </tr> </tbody> </table>	1	2	3	Day-to-day risk systems and controls	Management assurance	Independent audit and assurance	Management, staff, volunteers, partners	Subject-matter experts and risk team	Internal and external audit	<b>'Three lines' model</b> <ul style="list-style-type: none"> <li>Line 1: risk ownership and control: maintaining an effective risk management and control environment as part of day-to-day operations</li> <li>Line 2: central monitoring of key risks by subject-matter experts and divisional functions</li> <li>Line 3: independent internal and external audits to test design and operating effectiveness of systems and controls</li> </ul>
1	2	3								
Day-to-day risk systems and controls	Management assurance	Independent audit and assurance								
Management, staff, volunteers, partners	Subject-matter experts and risk team	Internal and external audit								
	<ul style="list-style-type: none"> <li>Risk process: all employees, partners and volunteers contribute to managing risk within their division or area of subject-matter expertise</li> </ul>									
<b>Enterprise Risk Management Team</b>	<ul style="list-style-type: none"> <li>Provide tools and methodology to support effective risk management</li> </ul>									

## PRINCIPAL RISKS AND UNCERTAINTIES IN 2023

The global uncertainties and volatility witnessed in 2022 continued throughout 2023. New and ongoing conflicts, natural disasters and rising costs drove up the need for our support and presented a challenging operating environment. We have continued to monitor the effects of economic turbulence on our own finances, kept our expenditure under close control and increased our fundraising activities.

Save the Children's strategy and international operating environment expose us to a range of risks. Our commitment

to reach the most marginalised and disadvantaged children requires us to work in conflict-affected and fragile states, and in humanitarian emergencies. During 2023, we continued to work closely with the Save the Children movement and our funding partners to monitor and manage the risks to our international programmes.

The table on pages 48–49 sets out the principal risks monitored by the Board of Trustees during 2023, and how the risks were addressed over the course of the year.

## MANAGEMENT OF PRINCIPAL RISKS IN 2023

Principal risk	Risk mitigation strategy
<p><b>Demand for our services</b></p> <p>We can't keep up with the demand for our services and our impact is diluted as a result.</p>	<p>COVID-19, conflict, climate change and the cost-of-living crisis have created conditions where we are witnessing a reversal of progress on child rights globally and in the UK. During 2023, we increased investment in fundraising and innovation to maximise our impact and we evaluated our programmes to keep learning and improving. Across the movement we strengthened our collaboration through a commitment to global priorities and systemic solutions.</p>
<p><b>Shifting the power</b></p> <p>We fail to deliver impact because we have concentrated power and resources in our own hands and not the hands of those best placed to realise children's rights.</p>	<p>Shifting the power is an ambitious goal for the Save the Children movement and we continued to contribute to this important transition through three key workstreams: equitable partnerships to boost and empower local capacity, child voice and participation to increase the influence and agency of children, and decolonising our communications to amplify children's stories from within their communities.</p>
<p><b>Global political climate</b></p> <p>Political issues/developments cause major rupture or undermine the Save the Children movement's relationship with a country, affecting key funding sources or our ability to speak out.</p>	<p>Many countries where we work are increasingly restrictive of civil activity. We work in coalition with other organisations to speak out in the UK on the restrictions we are witnessing. Across the Save the Children movement we continuously assess changes within individual countries and review our position accordingly to ensure we safeguard our ability to deliver programmes for children and their families.</p>
<p><b>Safeguarding children and families</b></p> <p>Children or adults may be harmed as a result of involvement with our activities and/or people.</p>	<p>In 2023, we continued to strengthen our approach to safeguarding by ensuring staff are adequately trained and by using our network of safeguarding leads to raise awareness and support teams across the organisation. We have been promoting a culture where people feel safe and confident to raise concerns and report appropriately. This means we are likely to see reporting increase, which is a measure of the strengthened control framework rather than safeguarding incidents increasing. Our incident reporting and case management system enables us to analyse and detect trends and specific issues. We have also improved our arrangements to facilitate reporting by external organisations and individuals we work with.</p>
<p><b>Programming in complex environments</b></p> <p>We face a range of risks to staff safety and security in the complex environments where we work.</p> <p>Such environments also bring risks of fraud, bribery, corruption and inadvertently working with (or assisting) prohibited parties.</p>	<p>Save the Children International delivers most of our overseas programmes and is responsible for managing operational risks in the challenging environments where we work. We work closely with Save the Children International to monitor and mitigate those risks.</p> <p>We take great care to ensure that staff and volunteers travelling to carry out work for us are well supported to deal with the risks that they may face. Our procedures, staff training and tailored briefings are informed by country-specific risk assessments that are continuously updated by Save the Children International. This means that we can make decisions about travel safety based on comprehensive information about the risk level. We have in place systems that enable us to keep in touch with our people and track them as they travel, and we will be strengthening these systems during 2024.</p> <p>Ensuring that resources are protected from fraud and corruption is becoming more and more complex as the number of proscribed terrorist groups and sanctioned entities has increased. Across the Save the Children movement, we have strengthened our anti-terrorism and sanctions compliance controls, including our ability to monitor these risks.</p>

*continued on next page*

MANAGEMENT OF PRINCIPAL RISKS IN 2023 *continued*

Principal risk	Risk mitigation strategy
<p><b>Meeting regulator, donor and supporter expectations</b></p> <p>Failure to meet the compliance expectations set by our regulators and donors would affect our ability to fundraise and operate in the UK.</p>	<p>We have dedicated professionals working in central functions as well as within our divisions to ensure that we understand our legal and regulatory obligations and are compliant across all our activities. Our policies and procedures are applied to guide decision-making and relevant training is provided to ensure all staff are aware of their responsibilities. Compliance is monitored and reported regularly to the Audit and Risk Committee of the Board.</p>
<p><b>Staff calibre</b></p> <p>We can't recruit, retain or motivate the calibre of staff we need to do our work well.</p>	<p>Our people are our biggest asset, and we are constantly evolving the way we create the conditions for staff to feel connected, valued and motivated. We seek feedback regularly to stay alert to how staff are feeling, and we continue to provide a programme of wellbeing support and flexible ways of working. In 2023, we increased access to psychological support.</p> <p>Towards the end of the year, we were pleased to announce the launch of a new compensation framework to ensure that we remain competitive as an employer to attract and retain the best people. A key part of our ongoing work will be to ensure that we have the right culture, structures, systems and processes in place to enable staff to work efficiently, effectively and autonomously towards meaningful goals.</p>
<p><b>Information security</b></p> <p>We suffer a catastrophic information or cyber security incident/breach.</p>	<p>Malicious cyber threats continue to increase in number and sophistication. This means that we have to keep adapting our cyber security arrangements. Over the course of the year, we renewed our Cyber Essentials certification, conducted independent security vulnerability assessments, carried out all-staff phishing simulations and had an externally coordinated cyber event simulation as a learning exercise to test and strengthen our incident response plans as we continued to evolve our maturity. Over the coming year, we will continue to invest in our cyber capabilities, carry out more cyber event simulations to test and strengthen our incident response plans, and continue to evolve our strategy and roadmap of enhancements.</p>
<p><b>Financial sustainability</b></p> <p>Our net income is insufficient to cover rising core costs or we face a major financial shock and can't maintain a viable budget.</p>	<p>We monitor our forecast and actual financial performance continuously and reports are provided quarterly to both the Finance Committee of the Board and the Board of Trustees so that we can take appropriate measures in good time.</p> <p>In 2023, we increased fundraising investment to drive income growth, while maintaining a strong level of general reserves. This gives us a degree of resilience and protection in light of uncertainty around the calculation of our defined benefit pension liability.</p> <p>See page 45 for more detail on financial risk management and performance.</p>
<p><b>Reputational damage</b></p> <p>Unfavourable media coverage has a knock-on effect on our impact, influence and income, with potential regulatory consequences.</p>	<p>We remain conscious of the intense scrutiny of charities and recognise that this can help drive accountability within the sector. We acknowledge that we may suffer reputational damage because our work is high profile, because of mistakes we make or because of incidents relating to other charities. This can undermine our mission and reduce the impact we are able to deliver for children and their communities. For these reasons, we invest in proactive media outreach, corporate communications, and stakeholder engagement.</p>

# HOW WE WORK

## OUR COMMITMENT TO ACCOUNTABILITY AND TRANSPARENCY

At Save the Children UK, accountability is one of our organisational values and a thread that runs through our [2022-24 strategy](#). It is essential for building and maintaining the trust of our stakeholders, ensuring donor confidence and supporting our people to achieve our objectives. Every individual and team has a role to play in ensuring:

- **Dynamic accountability** – building meaningful relationships with children, supporters, staff and partners to understand their needs and establish and build on shared values.
- **Strategic accountability** – doing what we say we will do by having the greatest impact for children.
- **Responsible behaviour** – putting safeguarding, financial accountability and environmental responsibility at the heart of our decision-making and governance.

Our 2022-24 strategy calls on us to work more closely with children – listening more intently to them and further amplifying their voices. We are shifting power and resources to children, communities and our local partners, in the UK and globally. We are being bolder in speaking out and building the power of children and our allies to do so themselves too. Our [Youth Advisory Board](#) helps us hold true to putting children's rights at the heart of everything we do. We are also developing more strategic, shared-value partnerships to co-create lasting impact, and reinventing our relationships with our supporters, making them more meaningful and long-term.

We strive for the highest level of transparency in our reporting so our supporters can hold us to account. Since 2012, we have voluntarily published timely, detailed and comparable information on our programme spend through the [International Aid Transparency Initiative](#), which is accessible to all our donors and supporters.

In terms of our work alongside and with Save the Children International and other Save the Children entities, in 2023 we completed a self-assessment against 55 accountability-related standards as part of the Save the Children Association's Mutual Accountability Protocol. The Mutual Accountability Protocol is a mechanism to ensure that all Save the Children entities meet essential minimum operating standards in areas such as governance, safeguarding, risk, finance, strategy delivery, resource mobilisation and people, as we challenge ourselves to continuously improve on our

commitments to children, staff, donors and the public and the ways in which we collect, use and communicate our data. We use the Protocol to hold each other to account and to monitor our overall health as a Movement.

Please visit the [accountability page](#) on our website for further details on how we ensure accountability to our stakeholders.

## GLOBAL STANDARDS, REGULATIONS AND CONVENTIONS

As we work for children all over the world, we need to make sure we live up to the international standards and regulations relevant to our work. It's for this reason that we are signed up to numerous different platforms, movements and conventions that encourage the creation of a fairer, more equal and more sustainable world. For example, we are signed up as a participating organisation of the United Nations (UN) Global Compact – an initiative that aims to mobilise a global movement of sustainable companies taking steps to support the UN Sustainable Development Goals. Participants in the Global Compact seek to do this by aligning their strategies and operations with the Compact's [Ten Principles](#) covering human rights, labour practices, the environment and anti-corruption. We also endorse other initiatives focused on promoting inclusive and sustainable practices, such as [Make My Money Matter](#), a campaign for more ethical pensions, and the [Principles for Digital Development](#), a set of community-owned standards stewarded by DIAL, the Digital Impact Alliance at the UN Foundation.

In addition, we are committed to supporting the implementation of internationally recognised conventions aimed at promoting the rights, and improving the lives, of children and families. These include: the UN Convention on the Rights of the Child, the UN Convention on the Elimination of All Forms of Discrimination Against Women, the Geneva Conventions, the UN Refugee Convention and the UN Convention on the Rights of Persons with Disabilities. For example, given that fragile states have consistently had some of the highest rates of child marriage, we decided in 2023 to conduct some research to better understand how to address child marriage and the gaps in existing guidance and governance processes in fragile contexts. As crises that increase the risk of child marriage become more common, understanding how best to achieve progress in these contexts is even more critical.

## SAFEGUARDING

We do everything we can to make sure everyone who comes into contact with us or our partners has a safe, supportive and empowering experience, free from all forms of abuse, harm and harassment. We are particularly vigilant when it comes to safeguarding children. We recognise the collective effort of all staff, volunteers and partners to ensure a healthy safeguarding culture.

Following significant progress in 2022 to strengthen our safeguarding systems, we have worked throughout 2023 to test and learn from our safeguarding practices and to build an evidence-based approach. We have also embedded robust and effective survivor-centred practices. This work included:

- The successful launch of our organisation-wide strategy and implementation plan 2023–24, and continual monitoring of key performance indicators to measure its success.
- Increasing awareness of our reporting mechanisms across the organisation while tackling potential barriers to reporting. Our success in this area is evidenced by the increased reporting in 2023 compared to 2022.
- Extending our online incident reporting webform to be accessible externally (including but not limited to volunteers, suppliers, partners and members of the public).
- Building on existing practices to enable safe and secure volunteering opportunities for 16–18-year-olds.
- Continued strengthening of our safeguarding leads model, increasing the number of leads across the organisation and supporting the identification of safeguarding risk and the improvement of safeguarding practices.
- Implementing and improving key processes and practices to improve and strengthen our work through partners in the UK.
- Tailoring training for staff responsible for direct delivery of our work in the UK on identifying risk and managing effective measures.
- Working internationally and across the Save the Children movement to ensure assurance of safeguarding across all areas of our funded work.

## SAFEGUARDING INCIDENT REPORTS IN 2023

We take all safeguarding reports seriously and investigate all allegations of potential abuse and harm in accordance with our procedures. We are committed to taking a survivor-centred approach and to offering support to those affected. In 2023 we worked hard to identify and then remove potential barriers to reporting safeguarding concerns. Families who use our services often contact us for general safeguarding advice, unrelated to our work. In 2023, we received 54 of these types of concerns, which required support or referral (for example, to social services)

but were not connected to our work. Of the 54 reports, one report alleged harm and this concerned sexual harassment by an adult volunteer towards another adult volunteer. The investigation is ongoing. Another 35 reports identified very low-level safeguarding concerns, including potential ‘near misses’ and development areas for our safeguarding system. None of these 35 reports alleged any harm. None of our reports in 2023 met the threshold for a serious incident reportable to the Charity Commission and none required reporting to the police.

## INTERNATIONAL PROGRAMMING

We work with Save the Children International to deliver our internationally funded programmes. Together, we strive to ensure that the most rigorous safeguarding practices are in place. Save the Children International reports total safeguarding figures associated with international programmes in its own trustees’ report.

## DIVERSITY, EQUITY AND INCLUSION

Save the Children UK was founded to defend the universal rights of children, including the right to equity, respect, and dignity. This is what we stand for as an organisation and a global movement – and it is the standard we must hold ourselves to, both in our organisational culture and in the work we do with and for children and communities around the world.

Our Diversity, Equity and Inclusion (DEI) strategy aims to build equity and inclusion for, and improve the experience of, our colleagues from marginalised communities. It will address deeply ingrained attitudes, practices, and power relationships, including the beliefs and behaviours that perpetuate systemic oppression, discrimination and inequity.

We want to embed diversity, equity and inclusion into everything we do, both internally and externally. We launched and implemented our DEI strategy in 2020 and since then we have worked systematically on building an inclusive and equitable workplace, tackling underrepresentation of marginalised groups and decolonising development and the way we work. We have made positive strides in these areas but we know we still have much more to do.

## FUNDRAISING COMPLIANCE

We comply with all relevant statutes and regulations, including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 2018 and the Privacy and Electronic Communications Regulations 2003. We also comply with the Telephone Preference Service. We strive for best practice in fundraising by complying with a range of codes of practice and standards. This includes being a member of the Chartered Institute of Fundraising, being registered with

the Fundraising Regulator, and adhering to the Fundraising Regulator's Code of Fundraising Practice, Fundraising Promise and Fundraising Preference Service. Our Whistleblowing Policy covers how staff, volunteers or those representing Save the Children UK can report a concern about any of our fundraising activities.

We continue to use a wide range of approaches to raise money. This includes working with philanthropists and corporate supporters, through our chain of charity shops, via volunteer community fundraising groups, using advertising on television and social media, through mass events such as Christmas Jumper Day, and by talking to our existing supporters. Our staff team conducts most of this activity, but we also engage professional fundraising agencies to speak to supporters on the phone, door to door, on the street and on private sites.

### **DONATION ACCEPTANCE AND REFUSAL**

We are committed to making decisions that are in the best interests of the charity and, ultimately, children. Our Donation Acceptance and Refusal Policy ensures that we do not compromise our mission and values when it comes to raising income and that we make decisions on whether or not to accept donations in view of relevant Charity Commission guidance. The Donation Acceptance Committee considers potential high-risk donations to Save the Children UK (see page 58). In 2023, we identified 64 potential high-risk funding opportunities from a variety of individuals, companies and trusts, across different sectors. We proceeded with 59 of these opportunities and turned down five due to concerns that the nature of the potential donors' activities conflicted with our work, values and commitment to children. The Donation Acceptance and Refusal Policy is reviewed formally every two years. The Policy and our External Statement, which are on our website, were reviewed, updated and approved by our Trustees in 2023.

### **TREATING SUPPORTERS FAIRLY**

We have continued to ensure that supporters and members of the public are afforded the highest levels of support, respect and protection. Guidance for fundraisers on treating our supporters fairly, including protecting supporters in vulnerable circumstances, is followed across all our fundraising activities, and we train supporter-facing teams and our fundraising agencies on this. It is also a key consideration when we monitor our fundraising.

### **THIRD PARTIES FUNDRAISING ON OUR BEHALF**

Save the Children UK engages professional fundraising agencies to undertake fundraising on our behalf through telephone and face-to-face fundraising, which are conducted on the street, door to door and at private sites. We continue to use robust oversight and monitoring procedures, in line with Fundraising Regulator standards. We ensure fundraising conducted on our behalf meets the highest standards, complies with all relevant regulations, and embodies Save the Children UK's supporter-centric approach. We monitor our agencies through a combination of mystery shopping, site visits, call monitoring, contract monitoring and regular meetings, and we train fundraisers on our expectations. We report our findings to the Audit and Risk Committee of our Board on a regular basis.

### **COMMERCIAL PARTICIPATORS**

Save the Children UK works with corporations that sell goods or services and donate a proportion of the proceeds to us – they are called commercial participators. In 2023, we benefited from 15 new commercial participator agreements and seven ongoing multi-year partnerships. This year, as in previous years, we have worked with companies in various sectors.

### **RAISING A COMPLAINT OR CONCERN**

We know there are times when we do not meet the high standards we set ourselves as an organisation. When this happens, we ensure that the problem is investigated and steps are taken to prevent it from happening again.

We are continuously improving our fundraising and marketing practices, ensuring our supporters are at the heart of decisions about our fundraising. Nevertheless, we do receive complaints. We classify a 'complaint' as an expression of dissatisfaction in a specific aspect of our activities, addressed directly to us via email, letter, telephone or instant messaging services.

In 2023, our supporter-facing teams received 348 public complaints (465 in 2022). In the final quarter of 2023, we received 44 complaints in response to our messaging around the escalation of conflict in Gaza and Israel. The overall increase in fundraising complaints is proportionate to the increase in our face-to-face activity; this channel now brings in more than 50% of our new supporters.

Save the Children UK reports annually on fundraising complaints to the Fundraising Regulator. As well as adhering to the Regulator's complaints reporting guidelines, we are committed to fair, honest and open fundraising practice. No complaints were investigated by the Fundraising Regulator in 2023. For further details on our complaints procedure, [please see our website](#).

## COMPLAINTS BY CATEGORY

Subject of complaint	Number
Governance, strategy and policy	7
Fundraising (gift administration)	111
Fundraising (methodology and solicitation)	222
Trading	4
Our work	3
Advocacy and campaigns	1
<b>Total</b>	<b>348</b>

## OUR APPROACH TO PAY AND OVERHEADS

We are committed to being a kind, agile and inclusive organisation so that we can be the best version of ourselves to deliver for and with children. Securing the right people is key to delivering our strategy. One of the ways we do this is by paying our colleagues a fair salary that is competitive within the charity sector, proportionate to the complexity and responsibilities of each role, and in line with our charitable objectives. We have also signed the pledge to Show the Salary, are accredited by the Living Wage Foundation, and have committed to three key principles for pay:

- equality/fairness
- responsible financial management
- market competitiveness in line with the wider charity sector.

We pay all colleagues a living wage of at least £13.15 per hour in London and £12 per hour in the rest of the UK. From October 2022 to March 2023, we provided a £500 cost of living allowance to all staff below Executive Director level. Subsequently, in April 2023, a pay review took place and in agreement with Unite the union, colleagues earning more than £40,000 received a 5% increase, while those earning less than £40,000 received a 7% increase. Colleagues earning slightly above £40,000 received a staggered increase ranging from 5–7%. The Executive Leadership Team were exempt from these adjustments.

This year we've delivered specific recruitment training to promote fair and bias-free recruitment practices as well as encouraging colleagues to update equality and monitoring information. This has resulted in a reduction from 11% to 5% of people not declaring their ethnicity, as of April 2023. We publish our approach to pay, including details on our gender pay gap and ethnicity pay gap, in detail on our website. We're committed to closing both pay gaps and publishing our data every year.

## GENDER PAY GAP

Save the Children UK is committed to achieving gender equality in pay. Through our programme, policy and campaigning work, we strive to support gender equality around the world. We are working towards ensuring that our organisation reflects the commitment to equality we demand of others.

The gender pay gap is the difference between the average hourly pay of female colleagues and male colleagues, expressed as both median and mean. In comparison to 2022, there was an increase in the gender pay gap for April 2023 for both median and mean pay. It is important to note that this is not related to unequal pay for equal work, but due to the composition of our workforce, particularly the disproportionate representation of males in senior grades compared to junior grades. As of 5 April 2023, our workforce was 72% female and 28% male. However, females make up almost 80% of the lowest paid quartile and only 66% of the highest paid quartile.

- The median pay for males was 5.4% higher than for females (3% in 2022). The national median gender pay gap (including both full and part time) is 14.3% according to figures from the Office for National Statistics.
- Mean pay for males was 7% higher than for females (4.9% in 2022).

## ETHNICITY PAY GAP

The ethnicity pay gap is the difference between the average hourly pay of Black, Asian and Minority Ethnic (BAME) colleagues and white colleagues, expressed as both median and mean. We published our ethnicity data and pay gap for the first time in October 2020. Following pay reviews in May 2023, the ethnicity pay gap for both median and mean reduced. In April 2023, our colleague profile was 71% White, and 24% BAME, with no data available for the remaining 5%.

- Our median ethnicity pay gap as of 5 April 2023 was 1.6% (5.3% in 2022).
- Our mean ethnicity pay gap as of 5 April 2023 was 1.6% (3.8% in 2022).

There is a 6.2% (6.8% last year) pay gap between White and Black colleagues and -0.4% (4% last year) between White and Asian colleagues. There is still work to do to address intersectional pay gaps, particularly for Black females (14% pay gap compared to White males; this gap was reported at 23% in 2020). This gap is due to no representation at Executive Director level and the majority of Black female colleagues being in either Grade D or F roles.

We are committed to working towards closing the gender and ethnicity pay gaps further through:

- governance maintained through the Equal Pay Working group, which is comprised of the Executive Director for Organisational Effectiveness, Chief Financial Officer,

Director of Diversity and Inclusion, Director of People, and Reward Partner.

- continuing to monitor data on gender and ethnicity pay gaps at division, department and job levels.
- taking positive action where appropriate and needed.
- requiring HR business partner approval for advertising any salary above the Save the Children UK salary band.
- additional approval for paying about the top of the Save the Children UK salary band.
- implementation of the new pay framework.
- increasing salaries to the market median when we implement pay reviews for 2025 and 2026 linked to performance.
- continuation of learning interventions on bias and how it manifests.

### EXECUTIVE DIRECTOR REMUNERATION IN 2023

The Trustees delegate the day-to-day running of the organisation to the Executive Directors, who are considered the key management personnel. Compensation for all Executive Directors employed at Save the Children UK for the year ending 31 December 2023 is detailed in the table below.

Our Chief Executive Officer was paid a full-time equivalent annual salary of £143,000 in 2023. The pay ratio of our CEO's pay to our employees is as follows:

- Upper quartile (£54,863): 2.6:1 (2.7:1 in 2022)
- Median pay (£46,114): 3.1:1 (3.2:1 in 2022)
- Lower quartile (£38,500): 3.7:1 (3.9:1 in 2022)

Position	Responsibility	Actual gross salary 2023	Full-time equivalent annual salary	
			2023	2022
<b>Chief Executive Officer</b> Gwen Hines	Provides overall leadership to the organisation, working with the Board and Executive Leadership Team to shape our goals and ensure that we achieve them. Member of the Management Committee of the global Save the Children Association.	£143,000	£143,000	£143,000
<b>Executive Director of Global Programmes</b> Adam Berthoud	Responsible for the design and delivery of our international programmes to help children survive, learn and be protected.	£118,450	£118,450	£118,450
<b>Executive Director of Policy, Advocacy and Campaigns</b> Kirsty McNeill	Responsible for our UK programmes and our policy, advocacy and campaigning work, encouraging decision-makers in the UK and around the world to deliver for children.	£118,450	£118,450	£118,450
<b>Chief Finance and Technology Officer</b> Francis D'Souza	Responsible for ensuring strong management of our income and spending to deliver maximum impact for children, and responsible for the digital, technology and change team.	£130,000	£130,000	£130,000
<b>Executive Director of Fundraising and Marketing</b> Gemma Sherrington	Responsible for engaging the UK public to support Save the Children UK through their time, money and actions. Leads our network of shops and relationships with commercial partners.	£118,450	£118,450	£118,450
<b>Executive Director of Organisational Effectiveness</b> Priya Rai	Responsible for the recruitment, support and development of our team of 907 staff, and for initiatives to improve our people management capabilities and employee experience.	£123,600	£123,600	£123,600



## STREAMLINED ENERGY AND CARBON REPORTING

This section includes our mandatory reporting of energy and greenhouse gas emissions for the period 1 January 2023 to 31 December 2023, pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, implementing the government's Streamlined Energy and Carbon Reporting (SECR) policy.

Our methodology to calculate our greenhouse gas emissions is based on the 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance (March 2019)', using DESNZ's 2022 and 2023 conversion factors as applicable. In some cases consumption has been extrapolated from available data or direct comparison made to a comparable period.

We report using a financial control approach to define our organisational boundary. We have reported all material emission sources required by the regulations for which we deem ourselves to be responsible and have maintained records of all source data and calculations.

We have run awareness-raising activities with staff around the importance of reducing carbon emissions. In our London and Cardiff offices we have been working to replace all fluorescent ceiling lamps with LED lighting and in the Belfast office we have added a hub of app-controlled electrical heaters to reduce unnecessary heating of the office when not in use.

The table below includes total energy consumption (reported as kWh) and greenhouse gas emissions for the sources required by the regulations, along with our intensity ratio.

## CARBON REPORTING

Category	2023	2022
Total energy consumption – used for emissions calculation (kilowatt hours)	2,448,842	2,494,573
Combustion emissions, scope 1 (tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e))	119	99
Purchased electricity emissions, scope 2 (tCO <sub>2</sub> e)	341	347
Vehicle fuel combustion emissions, scope 1 (tCO <sub>2</sub> e)	12	23
Vehicle fuel combustion emissions, scope 3 (tCO <sub>2</sub> e)	24	18
Total gross reported emissions (tCO <sub>2</sub> e)	496	486
Staff (full-time equivalent headcount)	882	844
Intensity ratio: staff (tCO <sub>2</sub> e/staff member)	0.56	0.58

# STRUCTURE, GOVERNANCE AND MANAGEMENT

## STRUCTURE AND ADMINISTRATIVE DETAILS

### A GLOBAL MOVEMENT

Save the Children UK is a member of the Save the Children Association (SCA), a global movement made up of 30 separate national members and Save the Children International (SCI). SCI was established in 2011 and has responsibility for implementing international programmes outside SCA's member countries through its network of 61 country offices and three independent national offices. SCI is registered as a charity in England and Wales, and SCA is its sole member.

SCA members are responsible for programming, advocacy and fundraising in their own countries, as well as overseeing the international work. Some members, including Save the Children UK, also design international programmes in conjunction with national donors, which are implemented by SCI. These members provide surge capacity to support the delivery of frontline programmes in emergency situations. Financing for international programmes is provided by 17 members, including Save the Children UK.

In November 2022, SCA launched Save the Children Global Ventures, a new entity designed to catalyse private sector investment to transform the lives of the world's most disadvantaged children and their communities. Building on the experience of Save the Children Australia's pilot social impact investment fund launched in 2020, Save the Children Global Ventures will address urgent problems by leveraging innovative finance models, technology-based solutions and our global platform, to support social enterprises and drive impact at scale, achieving transformational change for children.

### SAVE THE CHILDREN UK

Save the Children UK is a charitable company limited by guarantee, incorporated under the name: Save the Children Fund. The charity's Articles of Association provide that its Trustees (who are also the Directors of Save the Children UK for the purposes of company law) are the only members of the charity. The business of the charity is governed by the Board of Trustees (whose members during the year are listed below). The Trustees are responsible for overseeing the management of all the affairs of Save the Children UK and delegate day-to-day management of the organisation to the Chief Executive and Executive Directors.

Save the Children Fund (1 St John's Lane, London, EC1M 4AR) is a limited company registered in England and Wales (178159) and a registered charity in England and Wales (213890), Scotland (SC039570) and Isle of Man (199).

## BOARD MEMBERS\*

Dr Tsitsi Chawatama-Kwambana (Chair) (On maternity leave from 28/07/2023)	N
Richard Winter CBE (Interim Chair; Hon. Treasurer; Co-Vice Chair)	F, I, N
Arabella Duffield (Co-Vice Chair)	A, D, S
Jason Allen (appointed 31/01/2024)	
Kitbir Chahal (appointed 31/01/2024)	
Catherine Doran	S, ST, A
Anne Fahy (Interim Hon. Treasurer)	F, I
Timothy Fallowfield OBE (appointed 23/02/2023)	A, F
Jessica Gladstone	D, S
Razia Khan	D, A
Laura King (appointed 31/01/2024)	F
Jane Long (appointed 31/01/2024)	P
Gordon McFarland (resigned 23/06/2023)	P
Dianna Melrose	N, W, P, SLT
Kajal Odedra	N, P
David Ripert (resigned 03/08/2023)	P
Babatunde Soyoye	F, A
Mark Swallow (retired 31/05/2023)	A, F, I

## INDEPENDENT MEMBERS AND EXTERNAL ADVISERS

	COMMITTEES
Louise Hall	I
Stephanie Limond	I
Bruce Darton (appointed 27/02/2024)	A

\* Trustee biographies are available on our [website](#)

## COMMITTEE

- (A) Audit and Risk Committee
- (F) Finance Committee
- (I) Investment and Pensions Subcommittee
- (D) Donation Acceptance Committee
- (N) Nominations Committee
- (P) People Committee

- (S) Safeguarding Committee
- (ST) Safeguarding Trustee
- (SLT) Staff Liaison Trustee
- (W) Whistleblowing Trustee

## CHAIR

- Timothy Fallowfield OBE (appointed 01/06/2023, Mark Swallow retired 31/05/2023)
- Anne Fahy (Interim Chair, appointed 31/07/2023, Richard Winter resigned 30/07/2023)
- Anne Fahy (Interim Chair, appointed 31/07/2023, Richard Winter resigned 30/07/2023)
- Jessica Gladstone
- Dianna Melrose
- Jane Long (appointed 31/01/2024, Kajal Odedra appointed as Interim Chair 11/07/2023, resigned 31/01/2024, Gordon McFarland resigned 23/06/2023.)
- Catherine Doran
- Catherine Doran
- Dianna Melrose
- Dianna Melrose

**EXECUTIVE DIRECTORS** as at 31 December 2023

Gwen Hines	Chief Executive Officer
Adam Berthoud	Executive Director of Global Programmes
Francis D'Souza	Chief Finance and Technology Officer
Gemma Sherrington	Executive Director of Fundraising and Marketing
Kirsty McNeill	Executive Director of Policy, Advocacy and Campaigns
Pria Rai	Executive Director of Organisational Effectiveness

**COMPANY SECRETARY**

Bonike Bracewell (appointed 27/03/23)

Abra Edwards (appointed 04/10/22, resigned 27/03/23)

**PRINCIPAL PROFESSIONAL ADVISORS**

Save the Children's principal professional advisers include:

**INDEPENDENT AUDITOR**

KPMG LLP

15 Canada Square, London E14 5GL

**PRINCIPAL BANKER**

National Westminster Bank

250 Bishopsgate, London WC1H 9NA

**PRINCIPAL INVESTMENT MANAGER**

Newton Investment Management Ltd

BNY Mellon Centre, 160 Queen Victoria Street,  
London EC4V 4LA**PRINCIPAL LEGAL ADVISER**

Farrer &amp; Co

66 Lincoln's Inn Fields, London WC2A 3LH

**EXTERNAL AUDITOR**

KPMG LLP has expressed its willingness to continue to act as auditor. A resolution to reappoint it, under section 485 of the Companies Act 2006, was approved at the Board of Trustees' meeting on 29 May 2024.

**SAVE THE CHILDREN UK GROUP MEMBERS**

Save the Children UK has five subsidiaries, of which the first three listed below are operational:

**Elrha** aims to find solutions to complex humanitarian problems through research and innovation. It was designed and developed within Save the Children UK and was established as an independent subsidiary charity in May 2018.

**Save the Children (Sales) Limited** aims to generate income for the charity through commercial promotions run in conjunction with our corporate partners and through trading new goods through our shops, branches and website.

**Humanitarian Leadership Academy (Enterprise)** aims to enable people around the world to prepare for and respond to crises in their own countries, and to generate income for Save the Children UK.

**Humanitarian Leadership Academy** was designed and developed within Save the Children UK and was established as an independent subsidiary charity in November 2015. All of the Humanitarian Leadership Academy's activities (including its subsidiary, Humanitarian Leadership Academy Enterprise) were transferred back into Save the Children UK in 2019, and it no longer has any independent operating activity.

**Medical Emergency Relief International (Merlin)** aims to end the needless loss of life in the world's poorest countries caused by a lack of effective healthcare. Merlin's activities have now been fully transferred to Save the Children UK, after Save the Children UK became the sole member of Merlin in 2013. As a result, Merlin no longer had any operational activity. On 21 March 2024, the Trustees signed a deed of transfer, under which the remaining net assets of Merlin will be transferred to Save the Children UK. Following the transfer, Merlin will become dormant and final closure will be completed as soon as is practicable thereafter.

The results of each subsidiary are consolidated into the group accounts. For further details, see note 1 on page 68 and note 14 of the financial statements on page 80.

**GRANT CUSTODIAN FOR START NETWORK**

Start Network is an independent charity, with Save the Children UK acting as grant custodian for some of its work. Only income and expenditure of awards where Save the Children UK is acting as the grant custodian, and in that capacity is legally responsible to donors for the charitable application of funds, are recognised in our accounts.

## HOW WE MANAGE OUR AFFAIRS

### THE BOARD OF TRUSTEES AND COMMITTEES OF THE BOARD

The Board of Trustees (Board) is responsible for ensuring that the organisation's activities are in furtherance of its charitable objectives and in accordance with UK law. The Board's work includes setting our strategic direction and agreeing our financial plan. Matters reserved for the Board are set out in the Standing Orders of Save the Children UK. As of 31 December 2023, there were eight women and three men on the Board, four of whom identify as people of colour.

The Board acts on advice and information from regular meetings with the Chief Executive and Executive Directors. Trustees are able to take independent professional advice if it helps them fulfil their role. We also agree and implement an individual induction programme for each new Trustee, covering all aspects of the role and the organisation.

In 2023, the Board held four hybrid meetings to review the charity's performance in delivering against our objectives in 2023 and our three-year strategy for 2022–24, to review the organisation's principal risks and progress on safeguarding and people and culture change, and to agree the budget for 2024.

The Board also consulted with the organisation's Youth Advisory Board and held several ad hoc meetings to discuss operational and financial matters with Executive Directors, including the charity's annual report and accounts. The Board also held an away day with Executive Directors that focused on the strategic direction of the organisation and the Board's objectives.

The Board has delegated specific responsibilities to six regular committees (Audit and Risk, Finance, Donation Acceptance, Nominations, People, and Safeguarding committees) and one subcommittee of the Finance Committee (Investment and Pensions) whose members are appointed by the Board. The chair of each regular committee reports back to the Board at each formal meeting.

The **Audit and Risk Committee** oversaw preparation of the 2022 annual report. It reviewed the assurances provided to Trustees about the control environment in operation during 2023 and considered reports from our external auditor. It agreed a programme of internal audits to be conducted in 2023 and received reports of completed reviews and agreed actions. The committee was updated on the management of key risks across a number of topics, including on programming, safeguarding, fundraising and marketing, health and safety, security, finance, insurance, whistleblowing, people management, fraud, advocacy and campaigns, information management (including cyber security), data protection, subsidiaries management and serious incident reporting. For more information, please see the Annual Trustee Risk Statement on pages 46–49. The committee met five times in 2023.

The **Finance Committee** reviewed the financial results from 2022 and in-year forecasts for 2023, discussed 2024–26 financial projections and supervised preparation of the 2024 budget. The committee also oversaw activities of the subsidiary entities, approved all recommendations to accept awards worth more than £10 million and reviewed quarterly treasury updates. The committee met four times in 2023.

The **Investment and Pensions Subcommittee** is a subcommittee of the Finance Committee. It met four times in 2023 to review the performance of Save the Children UK's investments, investment manager and pension funds.

The **Donation Acceptance Committee** considers potential high-risk donations to Save the Children UK and makes decisions about whether it is in the best interests of the charity (and, ultimately, children) to accept a donation or not. The committee is made up of three Trustees and three Executive Directors. Information was shared with the committee by email throughout the year, and the committee met twice in 2023. More information on the donation acceptance and refusal process can be found on page 52.

The **Nominations Committee** finds and recommends potential candidates for appointment to the Board. It identifies the skills, experience and knowledge required from new trustees by considering the collective skills profile of the existing Board. It manages a formal, rigorous, inclusive and transparent recruitment process based on merit and objective criteria. This includes advertising roles nationally in line with the approach recommended in the Charity Governance Code. It also considers appointments to the charity's Board committees. The committee is responsible for promoting diversity and inclusion at Board level, and ensures that new trustees are recruited in a way that reflects these principles. It is also responsible for leading the trustee self-assessment and review process, including an annual review of the Chair's performance, as well as an annual trustee skills audit. The committee met four times in 2023.

The **People Committee** oversees the organisation's work on its people and culture, and performance and pay. It is accountable for reviewing the performance of the Chief Executive and makes recommendations to the Board on the remuneration, benefits and terms of employment of the Executive Team. In 2023, the committee oversaw progress on the development and implementation of a number of workforce priorities, including wellbeing, diversity and inclusion, and workforce development. It also scrutinises our people performance dashboard. The committee met three times in 2023.

The **Safeguarding Committee** oversees and scrutinises Save the Children UK's response to safeguarding incidents, including serious incidents of a safeguarding nature. The Safeguarding Committee also oversees the charity's safeguarding policies, the effectiveness of its safeguarding

system and progress made on strengthening the organisation's safeguarding culture. The committee met four times in 2023.

### TRUSTEE RESPONSIBILITIES

Statement of responsibilities of the Trustees of Save the Children Fund in respect of the Trustees' annual report and the financial statements:

The Trustees are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and regulations. Company and charity law require the Trustees to prepare financial statements for each financial year. They are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company, and of the group's excess of income over expenditure for that period. In preparing each of the group and charitable company financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- use the going concern basis of accounting, unless they either intend to liquidate the group or the charitable company or to cease operations or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company. They must ensure that the charity's financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. They also have general

responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

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

### BOARD ACCOUNTABILITY

Since October 2018, as part of its commitment to transparency, the Board has published summaries of its quarterly meetings on Save the Children UK's website. The Chair updates staff on the Board's quarterly meetings and their outcomes. As part of the Board's accountability to Save the Children UK's staff, the Staff Liaison Trustee meets with employees whenever an ad hoc meeting is requested. They report back to the Board on staff interests and concerns at Board meetings or in the interim period, depending on the urgency of the matter being raised.

### CHARITY GOVERNANCE CODE

In 2017, the Board resolved to adopt the Charity Governance Code ('the Code') for larger charities. The Code encourages charities to publish a brief narrative in their annual reports explaining how they have been applying it. In 2020, the Board conducted an external board effectiveness review, in accordance with the Code's recommendation that large charities conduct such a review every three years. The review was carried out against the updated Code, which reinforces its focus on the principles of integrity, equality, diversity and inclusion. The board effectiveness review was completed in April 2021, and an implementation plan was put in place to improve the Board's effectiveness in the five agreed areas the review recommended. These areas centred on: (1) identity and direction (on the charity's future role and strategy), (2) the Board as a team, (3) culture, diversity and inclusion, (4) efficiency of Board time, and (5) the charity's subsidiaries.

The Board will commission its second board effectiveness review in the second half of 2024 to ensure that Save the Children UK continues to operate within and develop high standards of governance.

### PUBLIC BENEFIT

Our Trustees have a duty to develop strategic plans to ensure that Save the Children UK provides public benefit and achieves its objectives, as set out in our governing document. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. These objectives include: the relief of distress and hardship, promoting the welfare of children, researching these matters, and public education about them. These objectives fall under the purposes defined by the Charities

Act 2011. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives, and in planning future activities.

#### **INTERNAL POLICIES AND REGULATORY COMPLIANCE**

In 2023, as part of our policies governance framework, we reviewed and updated fifteen internal policies, including our Whistleblowing Policy and our Risk Management Policy. We also rolled out a new Political Activity and Campaigning Policy.

You can find out more about our organisation's policies – including those on safeguarding, donation acceptance and refusal, and open information – on the [accountability](#) page of our website.

#### **MODERN SLAVERY**

Over the course of 2023, we continued to respond to the requirements of the Modern Slavery Act, including maintaining, augmenting, and publishing key policies as necessary; continuing to include modern slavery clauses in the contracts we enter into with other organisations to hold them and us to account; and testing and identifying areas in Save the Children UK's direct supply chain where there may be a risk of forced labour, human trafficking, or other forms of modern slavery. Save the Children UK uses funds and expertise to work closely with Save the Children International to identify, resolve and eliminate any modern slavery in the supply chain for our international programming work undertaken by Save the Children International.

Save the Children UK had no cases of modern slavery to report in its supply chain during 2023. In line with statutory requirements, we continue to publish our modern slavery statement on our website.

#### **APPROVAL OF THE TRUSTEES' REPORT**

The Trustees' Report on pages 4–60 was approved by the Board of Trustees on 29 May 2024.



Richard Winter CBE  
Interim Chair of Trustees, Save the Children UK  
30 May 2024

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF SAVE THE CHILDREN FUND

### OPINION

We have audited the financial statements of Save the Children Fund ("the charitable company") for the year ended 31 December 2023 which comprise the consolidated statement of financial activities, consolidated and charity balance sheets, consolidated cash flow statement, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### BASIS FOR OPINION

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### GOING CONCERN

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charitable company or to cease their operations, and as they have concluded that the group and the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the group's business model and

analysed how those risks might affect the group and charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the charitable company will continue in operation.

### FRAUD AND BREACHES OF LAWS AND REGULATIONS – ABILITY TO DETECT

#### Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks"), we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Trustees, the Audit and Risk Committee, internal audit, and management, and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit and Risk Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that donations, legacy income, and charitable income are recorded inappropriately, the risk that management may be in a position to make inappropriate accounting entries, and

the risk of bias in accounting estimates and judgments such as the year-end legacy receivable balance.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by individuals who do not do so frequently, and those posted to unusual accounts combinations;
- Agreeing a sample of donations income to relevant supporting evidence and cash receipts;
- Agreeing a sample of year-end legacy receivable transactions back to relevant legal documents; and
- Inspecting grant agreements to determine if income has been recognised in line with accounting policy;
- Testing a sample of transactions to verify the categorisation of income between restricted and unrestricted to ensure that revenue has been recognised in line with the criteria in the Charities SORP;
- Assessing significant accounting estimates, such as the year-end legacy receivable balance, for bias.

#### **Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Trustees and other management (as required by auditing standards). We discussed with the Trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation and charities law) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition

of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery, and employment law, recognising the nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

#### **Context of the ability of the audit to detect fraud or breaches of law or regulation**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

#### **OTHER INFORMATION**

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.



### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

### **TRUSTEES' RESPONSIBILITIES**

As explained more fully in their statement set out on page 64, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.


### **AUDITOR'S RESPONSIBILITIES**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charitable company's trustees 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, its members, as a body and its trustees, as a body, for our audit work, for this report or for the opinions we have formed.



#### **Joanne Lees (Senior Statutory Auditor)**

for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

15 Canada Square, London E14 5GL

31 May 2024

## STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the trustees to prepare financial statements for each financial year. Under that law they are required to prepare the group and parent charitable company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent charitable company and of the group's income and expenditure for that period. In preparing each of the group and parent charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the parent charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the parent charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

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

For each trustee in office at the date of approval of the annual report:

- so far as each trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the trustees have taken all of the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted funds £000	All restricted and endowment funds £000	Total funds year to 31/12/2023 £000	Total funds year to 31/12/2022 £000
<b>Income and endowments from:</b>					
Donations and legacies	2	66,940	26,145	<b>93,085</b>	98,653
Charitable activities	3	-	189,136	<b>189,136</b>	182,901
Other trading activities	4	9,139	-	<b>9,139</b>	8,850
Investments	5	1,469	-	<b>1,469</b>	866
Other	6	3,219	(33)	<b>3,186</b>	3,086
<b>Total income</b>		<b>80,767</b>	<b>215,248</b>	<b>296,015</b>	<b>294,356</b>
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Raising donations and legacies	7	26,198	716	<b>26,914</b>	24,372
Other trading activities	7	8,940	58	<b>8,998</b>	7,742
Investment management costs	7	391	3	<b>394</b>	123
<b>Total raising funds</b>		<b>35,529</b>	<b>777</b>	<b>36,306</b>	<b>32,237</b>
<b>Charitable activities</b>					
Nutrition	7	1,564	17,769	<b>19,333</b>	21,164
Livelihoods	7	3,677	23,830	<b>27,507</b>	31,452
Health	7	4,357	33,077	<b>37,434</b>	43,696
Protection and rights	7	1,303	11,550	<b>12,853</b>	11,773
Education	7	8,468	58,870	<b>67,338</b>	55,953
Rapid onset emergencies	7	11,690	67,648	<b>79,338</b>	76,635
Advocacy and awareness	7	9,370	3,118	<b>12,488</b>	10,782
<b>Total charitable activities</b>		<b>40,429</b>	<b>215,862</b>	<b>256,291</b>	<b>251,455</b>
Other	7	2,807	21	<b>2,828</b>	2,679
<b>Total expenditure</b>		<b>78,765</b>	<b>216,660</b>	<b>295,425</b>	<b>286,371</b>
Net gains/(losses) on investments	13	2,471	414	<b>2,885</b>	(2,685)
Movement on share of associate's surplus	14	39	-	<b>39</b>	(78)
<b>Net income</b>		<b>4,512</b>	<b>(998)</b>	<b>3,514</b>	<b>5,222</b>
Transfers between funds	21	768	(768)	-	-
Actuarial gains/(losses) on defined benefit pension scheme	25	391	-	<b>391</b>	(24)
<b>Net movement in funds</b>		<b>5,671</b>	<b>(1,766)</b>	<b>3,905</b>	<b>5,198</b>
Fund balances brought forward		50,159	19,516	<b>69,675</b>	64,477
<b>Fund balances carried forward</b>	<b>21</b>	<b>55,830</b>	<b>17,750</b>	<b>73,580</b>	<b>69,675</b>

All gains and losses recognised in the year are included above. All activities relate to continuing operations.

The restricted fund balances carried forward include £5,259,000 (2022: £4,845,000), which relates to endowment funds.

There were no new endowments in the year and there were gains in the funds in the current year of £414,000 (2022: losses £654,000).

The accompanying notes are an integral part of this consolidated statement of financial activities.

## CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31 DECEMBER 2023

	Notes	Group 31/12/2023 £000	Group 31/12/2022 £000	Charity 31/12/2023 £000	Charity 31/12/2022 £000
<b>Fixed assets</b>					
Intangible assets	11	115	228	115	228
Tangible assets	12	1,553	1,610	1,553	1,610
Investments	13	45,973	43,088	46,248	43,363
Associates	14b	635	596	-	-
		<b>48,276</b>	45,522	<b>47,916</b>	45,201
<b>Current assets</b>					
Stocks	15	808	424	717	348
Grant debtors	16a	19,071	20,649	18,599	20,122
Other debtors	16b	51,168	26,605	50,752	26,042
Short-term deposits		15,089	35,741	15,089	35,741
Cash at bank and in hand		4,047	13,970	3,900	13,829
		<b>90,183</b>	97,389	<b>89,057</b>	96,082
<b>Creditors: amounts falling due within one year</b>	17a	<b>(60,645)</b>	(66,556)	<b>(61,482)</b>	(67,153)
<b>Net current assets</b>		<b>29,538</b>	30,833	<b>27,575</b>	28,929
<b>Total assets less current liabilities</b>		<b>77,814</b>	76,355	<b>75,491</b>	74,130
<b>Creditors: amounts falling due after more than one year</b>	17b	<b>(1,115)</b>	(849)	<b>(1,115)</b>	(849)
<b>Provisions for liabilities</b>	18	<b>(3,085)</b>	(5,767)	<b>(3,085)</b>	(5,767)
<b>Net assets excluding pension liability</b>		<b>73,614</b>	69,739	<b>71,291</b>	67,514
<b>Defined benefit pension scheme liability</b>	25	<b>(34)</b>	(64)	<b>(34)</b>	(64)
<b>Total net assets</b>		<b>73,580</b>	69,675	<b>71,257</b>	67,450
<b>Unrestricted funds</b>					
General reserve	21	46,321	42,547	46,554	42,546
Revaluation reserve	21	5,269	3,296	5,269	3,296
Designated funds	21	4,374	4,380	2,666	2,783
Total unrestricted funds excluding pension reserve		<b>55,964</b>	50,223	<b>54,489</b>	48,625
Pension reserve	25	<b>(134)</b>	(64)	<b>(134)</b>	(64)
Total unrestricted funds		<b>55,830</b>	50,159	<b>54,355</b>	48,561
<b>All restricted and endowed funds</b>					
Restricted income funds	22	12,491	14,671	11,643	14,044
Endowment funds	23	5,259	4,845	5,259	4,845
Total restricted funds		<b>17,750</b>	19,516	<b>16,902</b>	18,889
<b>Total funds</b>		<b>73,580</b>	69,675	<b>71,257</b>	67,450

The accompanying notes are an integral part of these consolidated and charity balance sheets.

The financial statements on pages 65 to 100 were approved by the Board of Trustees on 29 May 2024 and signed on their behalf by the Interim Chair of Trustees and Chair of the Audit and Risk Committee on 30 May 2024.



**Richard Winter CBE** – Interim Chair



**Timothy Fallowfield OBE** – Chair, Audit and Risk Committee

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Year to 31/12/2023 £000	Year to 31/12/2022 £000
<b>Net cash flows from operating activities</b>	(a)	<b>(31,687)</b>	10,165
<b>Cash flows from investing activities</b>			
Bank interest received	5	952	356
Dividends received	5	517	510
Purchase of tangible fixed assets	12	(319)	(398)
Purchase of investments	13	(2,291)	(10,500)
Proceeds from sale of investments	13	2,385	5,071
Net cash movement in investments	13	(94)	429
Investment in associate	14b	(39)	78
Net cash provided by/(used in) investing activities		<b>1,111</b>	(4,454)
<b>Net cash flows from financing activities</b>			
Change in cash and cash equivalents in the year	(b)	<b>(30,575)</b>	5,711
Cash and cash equivalents at the beginning of the year		<b>49,711</b>	44,000
Cash and cash equivalents at the end of the year		<b>19,136</b>	49,711

The accompanying notes are an integral part of this consolidated cash flow statement.

		Year to 31/12/2023 £000	Year to 31/12/2022 £000
<b>NOTES TO THE CASH FLOW STATEMENT</b>			
<b>(a) Reconciliation of net income to net cash flow from operating activities</b>			
Net income		3,514	5,222
Investment income		(1,469)	(866)
(Gains)/losses on investments		(2,885)	2,685
Adjustment for pension funding		601	182
Payments to defined benefit pension scheme		(240)	(263)
Net loss on disposal of fixed assets		-	21
Depreciation charge		375	375
Amortisation charge		113	176
(Increase)/decrease in stocks		(384)	48
Increase in debtors		(22,985)	(731)
(Decrease)/increase in creditors falling due within one year		(5,911)	4,279
Increase/(decrease) in creditors falling due in more than one year		266	(179)
Decrease in provisions		(2,682)	(784)
Net cash flows from operating activities		<b>(31,687)</b>	10,165
<b>(b) Analysis of cash and cash equivalents</b>			
	At 01/01/2023 £000	Cash flow £000	At 31/12/2023 £000
Cash at bank and in hand	13,970	(9,923)	4,047
Short-term deposits	35,741	(20,652)	15,089
	49,711	(30,575)	19,136

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### 1. ACCOUNTING POLICIES

#### (A) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the 'Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102)' published in October 2019, and applicable United Kingdom law and accounting standards.

The charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption in relation to a presentation of a cash flow statement in respect of its separate financial statements, which are presented alongside the consolidated financial statements.

The group meets the definition of a public benefit entity under FRS 102. See page 59 for further details. The financial statements have been prepared under the historical cost convention, unless otherwise stated in the relevant accounting policy note.

The financial statements have been prepared on the going concern basis. The trustees have prepared cash flow forecasts for a period of at least twelve months from the date of approval of these financial statements ("the going concern period"). These forecasts considered the inherent risks to the group's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period. These forecasts assume that there will be increased pressures on the economy, in particular inflationary pressure increasing costs. Our planning process, including financial and cash flow projections, has taken into consideration the current and forecasted economic climate and its potential impact on our various sources of income and planned expenditure. Under alternate scenarios we expect to be able to match potential shortfalls of income with a reduction in costs. But if this is not possible, we hold general reserves to cover for unexpected changes in income and expenditure to allow us time to adjust our cost base and continue activities. We continually monitor our actual and forecasted financial performance and manage our finances accordingly. Consequently, the trustees have concluded that there are no material uncertainties that could cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements, and therefore have prepared the financial statements on a going concern basis.

The group statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its wholly-owned subsidiary undertakings, Save the Children (Sales) Limited, Medical Emergency Relief International (Merlin), Humanitarian Leadership Academy (Enterprises) Limited, Humanitarian Leadership Academy and Elrha. The results of these subsidiaries are consolidated on a line-by-line basis.

Save the Children International (SCI) carries out international programming on behalf of Save the Children UK (SCUK) and other movement members. The investment in SCI is classified as a programme-related investment as this investment is made directly in pursuit of SCUK's charitable purposes.

Grants provided by SCUK to SCI are considered to be a part of the costs of activities in furtherance of the objects of the charity and are accounted for in accordance with the grants made to external parties. This is because of the significance of the charity's programme activity outside of the UK carried out through SCI and the nature of the programme operating model. The amounts recognised in relation to SCI are disclosed in the relevant notes to the financial statements.

Save the Children UK has treated the William Belmer Rush Foundation as an associate owing to the significant influence exerted over its financial and operating policies, and has accounted for the Foundation in the group financial statements on a net equity basis. The consolidated SOFA includes the group's share of the associate's surplus or deficit.

Start Network is an independent charity, with Save the Children UK as sole grant custodian for some of its work. Only income and expenditure on awards where Save the Children UK is acting as the grant custodian, and in that capacity is legally responsible to donors for the charitable application of funds, are recognised.

The charity has availed itself of Paragraph 4 (1) of Schedule 1 to the Accounting Regulations and has adapted the Companies Act formats to reflect the special nature of the charity's activities.

#### (B) COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the trustees named on page 56. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

#### (C) FUND ACCOUNTING

##### *General funds*

General funds are unrestricted funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity, and that have not been designated for other purposes.

##### *Designated funds*

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in note 21.

##### *Pension reserve*

Unrestricted funds include a pension reserve representing the defined benefit pension scheme and growth plan valuation, in line with FRS 102 section 28: Employee Benefits.

##### *Restricted funds*

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the charity for particular purposes. Costs are charged against the specific fund in line with donor wishes. An analysis of each restricted fund is set out in the notes to the financial statements.

## 1. ACCOUNTING POLICIES (CONTINUED)

### *Endowment funds*

Endowment funds represent assets received that may not be exhausted. Only the income may be expended. Net investment gains and losses are recognised against the relevant endowment fund.

Investment income and gains are allocated to the appropriate fund.

### **(D) INCOME**

All incoming resources are included in the SOFA when Save the Children UK is entitled to the income, when receipt of funds is probable, and when the amount can be measured with sufficient reliability.

#### **Donations and legacies**

##### *Donations*

Donations include all income received by the charity that is made on a voluntary basis and is not conditional on delivering certain levels or volumes of service or supply of charitable goods. This will include grants from institutions, corporates and major donors that provide core funding, or are of a general nature.

##### *Legacies*

Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received.

Residuary legacies are recognised as receivable once probate has been granted, provided that sufficient information has been received to enable valuation of the charity's entitlement.

Reversionary interests involving a life tenant are not recognised until we are notified that the prior interest has ended.

#### **Gifts in kind**

##### *Gifts for onward distribution*

Gifts in kind donated for distribution are included at fair value and are recognised as income and stock when they are received from donors and in expenditure when they are distributed to beneficiaries. Gifts in kind include food, clothing and medical supplies.

##### *Gifts for resale*

Gifts in kind donated for resale are recognised within retail income when they are sold.

##### *Donated facilities and support*

Gifts in kind also include pro bono legal and professional services, and campaigning and fundraising goods and services, which are all recognised when received or performed. These have been valued either at market value or, where a market value is not available or appropriate, an appropriate estimate of the value to the charity is made.

#### **Volunteers**

Our volunteers play a vital role in the activities of the charity, including in our network of shops and as community fundraisers and ambassadors. However in accordance with the statement of recommended practice, no monetary value has been attributed to their contribution and been included in these accounts.

#### **Income from charitable activities**

Grants from governments, agencies and foundations, corporates and trusts have been included as 'Income from charitable activities' where these grants specifically outline the goods and services to be provided to beneficiaries. For these performance-related grants, in the absence of specific milestones to determine entitlement, income is recognised to the extent that resources have been committed to the specific programme, as this is deemed to be a reliable estimate of the right to receive payment for the work performed. In this case, cash received in excess of expenditure is included as a creditor (as deferred income) and expenditure in excess of cash included as a debtor (as accrued income).

For payment by results contracts, where it has been agreed with the donor that we can retain the surplus, with no restrictions on how these are utilised, these have been reflected as a transfer between restricted and unrestricted funds.

Income from charitable activities also includes income from pay-outs of insurance policies where both the insurance policy and subsequent pay-out are intended for charitable activity.

Unless otherwise specified by donors, restricted funds are not held in separate bank accounts, and any interest income arising on restricted funds held is treated as unrestricted to offset the costs where Save the Children UK is required to pre-finance projects.

#### **Other trading activities**

Other trading activities includes retail income from the sale of new and donated goods through shops, branches and online. Where applicable, income is recognised net of value added tax.

### **(E) EXPENDITURE**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds is that incurred in seeking voluntary income, running our retail operations and managing our investments and does not include the costs of disseminating information in support of the charitable activities.

Expenditure on charitable activities includes grants payable and costs incurred directly by Save the Children UK in the furtherance of its charitable objectives, along with associated support costs. Grants payable to partner organisations such as Save the Children International are considered to be part of the costs of activities in furtherance of the objects of the charity. This is because much of the charity's programme activity is carried out through grants to local organisations that support long-term sustainable benefits for children, which are monitored by the charity. Grants are also made to fund immediate emergency relief provision in times of crisis, catastrophe or natural disaster.

Support costs, such as general management, governance, human resources, financial management, programme support,

## 1. ACCOUNTING POLICIES (CONTINUED)

information systems and premises costs are allocated across the categories of charitable activities and costs of raising funds. The basis of the cost allocation has been explained in the notes to the accounts.

### (F) TANGIBLE FIXED ASSETS AND DEPRECIATION

All expenditure of a capital nature on relief and development work overseas is expensed as incurred, as are capital items of expenditure in the UK with an individual asset value under £5,000. However, for leasehold property improvements where individual costs are below the stated capitalisation threshold but collective costs are above £5,000, these are capitalised at the time of purchase.

Fixed assets are capitalised at cost, which, for gifts of property, is taken as the value accepted for stamp duty purposes on transfer.

Depreciation is provided from the time assets are available for use, at rates calculated to write off the costs on a straight-line basis over their expected useful economic lives, as follows:

Freehold properties	50 years
Freehold property improvements	10 years
Leasehold property improvements – headquarters	Lease period
Other leasehold property improvements	5 years
Computer equipment	5 years

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

### (G) INTANGIBLE FIXED ASSETS AND AMORTISATION

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

Where expenditure on computer software meets the FRS 102 criteria for recognition as an intangible asset, the computer software including development costs is capitalised as an intangible asset and amortised on a straight-line basis over the expected useful life of five years.

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

### (H) INVESTMENTS

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains or losses arising on revaluation and disposals throughout the year.

Investments in subsidiaries and programme-related investments are included in the balance sheet at their historical cost (ie, the fair value of the consideration given by the company) less, where appropriate, impairment provisions for any permanent decrease in value.

### (I) STOCKS

Stocks are valued at cost less an allowance for obsolescence. Undistributed gifts in kind are recognised on the balance sheet as stocks at the fair value of those gifts at the time of receipt.

### (J) PENSION COSTS

For defined benefit schemes, the amounts charged in expenditure are the costs arising from employees' services rendered during the year and the cost of plan introductions, benefit changes, settlements and curtailments and the expenses of running the scheme. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to the statement of financial activities and included within finance costs or credits similar to interest. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in actuarial gains/losses on defined benefit pension schemes in the SOFA.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities (iBoxx Corporate AA 15+ years index), but a reduction in the rate has been made to take into account the duration of the scheme's liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. A pension liability, if applicable, is presented separately after net assets on the face of the balance sheet. A pension asset, if applicable, is only recognised if recoverable by Save the Children UK.

The charity contributes to a defined benefit scheme, which was closed to new entrants on 14 June 2002.

For defined contribution schemes, the amount charged to the statement of financial activities in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Save the Children UK participates in The Pensions Trust's Growth Plan. This is a multi-employer pension plan, which in most respects a money purchase arrangement, but has some guarantees. This scheme has been treated as a multi-employer scheme as it is not possible to separately identify the assets and liabilities of participating employees (or employers). The growth plan is accounted for as a defined contribution scheme and a liability is recognised on the balance sheet in respect of the committed contributions.

The charity contributes to a defined contribution pension plan operated by Legal & General. The assets of the scheme are held separately from those of the charity. The contribution payments are charged to the SOFA.



## 1. ACCOUNTING POLICIES (CONTINUED)

### (K) FINANCE AND OPERATING LEASES

Instalments on operating lease contracts are charged to the SOFA on a straight-line basis over the life of the lease. The group does not have assets under finance leases.

### (L) FOREIGN CURRENCIES

Foreign currency balances have been translated at the rate of exchange ruling at the balance sheet date into the account's presentational and functional currency, which is GBP. Income and expenditure transactions incurred in foreign currencies have been translated during the course of the year at the rate of exchange ruling at the time of the transaction. Our policy is to minimise holdings of currencies that are not required for operational needs so that we are not exposed to movements in currencies. Save the Children UK does not enter into foreign exchange contracts for speculative purposes.

### (M) PROVISIONS

Provisions for liabilities are recognised when there is a legal or constructive obligation for which a measurable future outflow of funds is probable.

### (N) TAXATION

The charities in the Group are exempt from UK taxation on their income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that the income and gains are applied to their charitable purposes. No corporation tax charges arose for the group charities during the year (2022: Nil).

The non-charitable subsidiaries are subject to corporation tax but, because their policies are to donate taxable profits to Save the Children UK by way of Gift Aid, no liabilities arose (2022: Nil).

Irrecoverable VAT is not separately analysed and is charged to the SOFA when the expenditure to which it relates is incurred, and is allocated as part of the expenditure to which it relates.

### (O) FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposits or similar account. Trade and other debtors are recognised at the settlement amount due after any discount offered and net of the bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due.

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

### (P) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the group's accounting policies described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates, judgements and assumptions are made based on a combination of past experience, professional expert advice and other evidence that is relevant to the particular circumstance.

The following areas are considered to involve the critical judgements and sources of estimation uncertainty when applying the group's accounting policies.

#### Revenue recognition

Due to the range and complexity of the group's funding streams, revenue recognition is deemed to be an area that requires judgement to appropriately apply the income accounting policies explained in accounting policy 1d. The recognition and valuation of legacy income also requires significant judgement – see note 1d for further details.

#### Pension valuation

Estimates of the net pension valuation depend on a number of complex judgements relating to the discount rate used, changes in retirement ages, mortality rates, and the calculation of pension increases. The group engages a firm of actuaries to provide expert advice about the assumptions made and the effect on the pension valuation of changes in these assumptions. The group engages other professional advisors where appropriate.

Any surplus on the pension valuation will only be recognised if it is possible to demonstrate that the surplus is recoverable either through reduced contributions in the future or through refunds from the pension scheme.

#### Provisions

Provisions such as dilapidations and bad debt involve assumptions and estimation techniques. These are based on the experience and knowledge of management and evidence from past experience.

#### Cost allocation

The cost allocation methodology requires a judgement as to what are the most appropriate bases to use to apportion support costs; these are reviewed annually for reasonableness. The bases used are outlined in note 7e.

## 2. DONATIONS AND LEGACIES

	Unrestricted funds £000	Restricted funds £000	Year to 31/12/2023 £000	Year to 31/12/2022 £000
<b>(a) Donations and gifts</b>				
Individuals – regular giving	31,693	641	<b>32,334</b>	32,338
Individuals – one-off donations, appeals and events	9,941	5,062	<b>15,003</b>	18,937
Trusts and major donors	5,568	5,812	<b>11,380</b>	15,663
Corporate fundraising	1,125	3,555	<b>4,680</b>	8,002
Institutional donors	3	4,406	<b>4,409</b>	2,911
	<b>48,330</b>	<b>19,476</b>	<b>67,806</b>	<b>77,851</b>
<b>(b) Gifts in kind by type</b>				
Gifts in kind for distribution	–	4,696	<b>4,696</b>	2,710
Headquarters professional services	–	1,850	<b>1,850</b>	862
Fundraising	–	105	<b>105</b>	48
	–	<b>6,651</b>	<b>6,651</b>	<b>3,620</b>
<b>(c) Legacies</b>				
Legacies <sup>1</sup>	18,610	18	<b>18,628</b>	17,182
<b>Total donations and legacies</b>	<b>66,940</b>	<b>26,145</b>	<b>93,085</b>	<b>98,653</b>

<sup>1</sup> The estimated amount of legacies for which the charity has received notice of entitlement, but which has not been accrued, either because probate has not yet been obtained, or on grounds of insufficient probability, was £2.7 million (2022: £3.5 million).

## 3. INCOME FROM CHARITABLE ACTIVITIES

	Year to 31/12/2023 restricted £000	Year to 31/12/2022 restricted <sup>1</sup> £000
<b>Performance-related grants</b>		
UK central government	<b>46,647</b>	34,940
Irish government	<b>4,525</b>	3,923
Other national governments	<b>6,949</b>	10,167
UK local and regional government	<b>1,083</b>	740
European Commission (including European Community Humanitarian Aid Office)	<b>4,772</b>	8,665
Disasters Emergency Committee	<b>28,542</b>	33,652
Education Cannot Wait	<b>8,267</b>	12,320
United Nations	<b>24,691</b>	32,815
World Bank	<b>32,647</b>	16,774
<b>Total government and multilateral organisations</b>	<b>158,123</b>	<b>153,996</b>
Comic Relief	<b>25</b>	408
Bill & Melinda Gates Foundation	<b>2,482</b>	2,322
Corporate partners	<b>11,562</b>	11,412
Trusts and foundations	<b>6,858</b>	10,708
Other	<b>10,086</b>	4,055
<b>Total income from charitable activities</b>	<b>189,136</b>	<b>182,901</b>

<sup>1</sup> The 2022 comparatives have been recategorised to ensure consistency, however, there is no impact on the overall totals.

Corporate partners includes £2,876,000 from IKEA Foundation for Start Network.

Income from charitable activities relates to income from performance-related grants that are used to further our charitable objectives across our thematic areas.

#### 4. OTHER TRADING ACTIVITIES

	Charity £000	Save the Children (Sales) Ltd £000	Total year to 31/12/2023 £000	Total year to 31/12/2022 £000
<b>Retail income and costs</b>				
Retail income	8,336	803	<b>9,139</b>	8,850
Cost of sales	-	(355)	<b>(355)</b>	(352)
Direct expenses	(8,261)	(382)	<b>(8,643)</b>	(7,403)
Total expenses	(8,261)	(737)	<b>(8,998)</b>	(7,755)
<b>Surplus</b>	<b>75</b>	<b>66</b>	<b>141</b>	<b>1,095</b>

Additional net income was raised in relation to shops which is disclosed elsewhere and includes £456,000 (2022: £548,000) of donations raised in shops, and £26,000 (2022: £20,000) of property income, totalling £482,000 (2022: £568,000).

#### 5. INVESTMENT INCOME

	Year to 31/12/2023 £000	Year to 31/12/2022 £000
Dividends on investments listed on a recognised stock exchange	<b>517</b>	510
Interest on bank deposits and other investments	<b>952</b>	356
	<b>1,469</b>	866

#### 6. OTHER INCOME

	Unrestricted funds £000	Restricted funds £000	Year to 31/12/2023 £000	Year to 31/12/2022 £000
Rental income	2,598	-	<b>2,598</b>	2,575
Other income	621	(33)	<b>588</b>	511
	3,219	(33)	<b>3,186</b>	3,086

## 7. EXPENDITURE

(a) <b>Expenditure on raising funds</b>	Activities undertaken directly				Allocation of management and admin costs (note 7e) £000	Allocation of programme support costs (note 7e) £000	<b>Year to 31/12/2023</b> £000	Year to 31/12/2022 £000
	Grant funding of activities (note 7b) £000	Staff costs (note 8) £000	Other direct costs £000	Gifts in kind £000				
Expenditure on raising donations and legacies (note 7d)	57	10,868	12,208	57	3,724	-	<b>26,914</b>	24,372
Expenditure on other trading activities	-	2,993	5,227	-	778	-	<b>8,998</b>	7,742
Investment management costs	-	-	372	-	22	-	<b>394</b>	123
	57	13,861	17,807	57	4,524	-	<b>36,306</b>	32,237
<b>Charitable activities</b>								
Nutrition	13,232	267	395	2,717	1,170	1,552	<b>19,333</b>	21,164
Livelihoods	22,219	594	820	(4)	1,669	2,209	<b>27,507</b>	31,452
Health	30,300	445	775	649	2,259	3,006	<b>37,434</b>	43,696
Protection and rights	10,597	177	266	8	772	1,033	<b>12,853</b>	11,773
Education	52,514	2,321	1,984	966	4,153	5,400	<b>67,338</b>	55,953
Rapid onset emergencies	51,360	9,469	8,672	26	4,475	5,336	<b>79,338</b>	76,635
	180,222	13,273	12,912	4,362	14,498	18,536	<b>243,803</b>	240,673
Advocacy and awareness (note 7c)	879	6,097	2,606	-	2,010	896	<b>12,488</b>	10,782
Total charitable activities	181,101	19,370	15,518	4,362	16,508	19,432	<b>256,291</b>	251,455
Support costs	149	17,891	20,732	1,850	(21,190)	(19,432)	-	-
Other expenditure <sup>1</sup>	-	-	2,670	-	158	-	<b>2,828</b>	2,679
<b>Total expenditure</b>	<b>181,307</b>	<b>51,122</b>	<b>56,727</b>	<b>6,269</b>	<b>-</b>	<b>-</b>	<b>295,425</b>	286,371
Prior year	188,543	46,947	47,232	3,649	-	-	<b>286,371</b>	

<sup>1</sup> Costs relating to the sub-let of certain floors of the headquarters building at St John's Lane have been identified as a separate activity of the group.

### (b) Grant funding of activities

During the year ended 31 December 2023, Save the Children UK made grants to partner organisations carrying out work to help children. A list of grants is made available at <https://www.savethechildren.org.uk/content/dam/global/reports/2023-grant-list.pdf>.

### (c) Save the Children's advocacy and awareness activities

These have several objectives, including:

- informing our supporters and the wider public about the reality of children's lives throughout the world, based on our experience in many countries
- influencing key decision-makers on social and economic policies affecting children, drawing evidence for our advocacy and campaigning work directly from our global programmes
- educating children and young people in the UK by bringing global perspectives to the curriculum and promoting the UN Convention on the Rights of the Child.

The trustees see these initiatives as activities that further our charitable purposes and enable us to deliver change through mobilising people around the world to show they care, and demand others fulfil their responsibilities.

## 7. EXPENDITURE (CONTINUED)

### (d) Costs of raising donations and legacies

	Year to 31/12/2023 £000	Year to 31/12/2022 £000
Mass fundraising (including legacies)	22,487	19,854
Trusts and major donors	2,064	2,326
Corporate fundraising	2,363	2,192
	<b>26,914</b>	24,372

### (e) The support costs and the basis of their allocation were as follows:

Support costs include the cost of providing key organisational support in the areas of general and financial management, human resources and information technology. In addition, this includes costs incurred directly to design and monitor our programmes, and the costs incurred by Save the Children International to deliver our international portfolio.

Management and administration costs	Basis of apportionment	Year to 31/12/2023 £000	Year to 31/12/2022 £000
General management	Pro-rata by expenditure	2,474	2,524
Governance	Pro-rata by expenditure	1,211	1,205
Human resources	Pro-rata by salary costs	2,555	2,370
Financial management	Pro-rata by expenditure	3,680	3,074
Premises and facilities	Pro-rata by building usage	4,220	3,922
Technology	Pro-rata by expenditure	5,194	5,480
Gifts in kind (pro-bono professional and legal services)	Pro-rata by expenditure	1,850	862
Gains on foreign exchange	Pro-rata by expenditure	(88)	(698)
Defined benefit pension scheme costs <sup>1</sup>	Pro-rata by expenditure	94	1
		<b>21,190</b>	18,740
<b>Programme support costs</b>			
Core programme support costs			
Core contributions to SCI/SCA	Pro-rata by charitable expenditure	3,094	2,975
Programme support	Pro-rata by charitable expenditure	8,503	6,928
Central and regional operating costs to SCI	Pro-rata by charitable expenditure	3,986	3,756
		<b>15,583</b>	13,659
<b>Additional contributions</b>			
SCI strategic investment funding	Pro-rata by charitable expenditure	3,849	2,929
		<b>3,849</b>	2,929
<b>Total programme support</b>		<b>19,432</b>	16,588
<b>Total support costs</b>		<b>40,622</b>	35,328
Financed by unrestricted funds			
		<b>28,583</b>	24,585
Charged to restricted awards			
		<b>2,523</b>	1,457
Indirect cost recovery <sup>2</sup>			
		<b>9,516</b>	9,286
		<b>40,622</b>	35,328

<sup>1</sup> This is the net interest cost on the pension schemes, see note 25 for more details.

<sup>2</sup> Indirect cost recoveries are the contributions received from donors for the overhead costs of running our programming activities.

## 7. EXPENDITURE (CONTINUED)

### (f) Total resources expended include the following amounts:

	Year to 31/12/2023 £000	Year to 31/12/2022 £000
<b>Group auditor's remuneration</b>		
Audit of charity	215	207
Audit of subsidiaries	58	48
<b>Total audit</b>	<b>273</b>	<b>255</b>
Audit related assurance services	8	8
<b>Total assurance services</b>	<b>8</b>	<b>8</b>
Other non-audit services	-	-
<b>Total non-audit services</b>	<b>-</b>	<b>-</b>
<b>Total fees</b>	<b>281</b>	<b>263</b>
	Year to 31/12/2023 £000	Year to 31/12/2022 £000
<b>Lease rentals: land and buildings</b>		
Retail	2,072	2,260
Programme offices	191	105
Headquarters	4,925	4,327
	<b>7,188</b>	<b>6,692</b>

### Ex-gratia payments

In 2023, there were two ex-gratia payments made to the relatives of testators who had willed part of their estate to Save the Children UK and its subsidiary, Merlin Emergency Relief International (Merlin) respectively (2022: nil). Save the Children UK waived its right to a share in assets valued at £38,750 and Merlin £15,000. The Board of Trustees for each charity considered this a moral obligation as there was indication of clear intentions by the testators that the property should pass to the relative of the testators.

## 8. STAFF COSTS

### (a) Staff costs

	Year to 31/12/2023 £000	Year to 31/12/2022 £000
Wages and salaries	41,822	38,252
National Insurance	4,691	4,510
Pension costs defined contribution scheme	1,912	2,081
Pension costs defined benefit scheme	507	182
Other staff costs	2,190	1,922
	<b>51,122</b>	<b>46,947</b>

Staff costs are shown inclusive of all amounts directly funded by donors through programme awards.

Included within staff costs is £456,085 (2022: £326,406) of termination costs.

### (b) The average number of employees calculated on a full-time equivalent basis, analysed by function, was:

	Average headcount		Average FTE headcount	
	Year to 31/12/2023 number	Year to 31/12/2022 number	Year to 31/12/2023 number	Year to 31/12/2022 number
Charitable activities	606	588	586	569
Raising funds	279	274	274	269
	<b>885</b>	<b>862</b>	<b>860</b>	<b>838</b>

## 8. STAFF COSTS (CONTINUED)

(c) At 31 December 2023, the number of staff was as follows:

	Headcount <sup>1</sup> number	Headcount equivalent <sup>2</sup> number
UK HQ	721	703
UK non-HQ	174	168
International	12	11
	907	882

<sup>1</sup> Headcount is defined as the number of roles filled by employees.

<sup>2</sup> Headcount equivalent is defined as headcount adjusted to take into account hours worked, where employees do not work on a full-time basis.

(d) The following number of employees (including those on short-term contracts) earned emoluments within the bands shown below.

Emoluments include salaries, fees, amounts in lieu of notice, compensation or redundancy payments, sums paid by way of expenses allowance (so far as they are chargeable to UK income tax) and the estimated money value of any other benefits received otherwise than in cash, and exclude employer pension costs.

	Year to 31/12/2023 number	Year to 31/12/2022 number
£60,001–£70,000	56	35
£70,001–£80,000	17	13
£80,001–£90,000	8	7
£90,001–£100,000	7	4
£100,001–£110,000	-	1
£110,001–£120,000	3	3
£120,001–£130,000	2	3
£140,001–£150,000	1	1
£150,001–£160,000 <sup>1</sup>	1	-
	95	67

<sup>1</sup> Salary costs include redundancy payments for a member of staff leaving Save the Children.

### (e) 2023 Executive Director remuneration

The trustees delegate the day-to-day running of the organisation to the executive directors who are considered to be the key management personnel. The total amount of employee benefits received by the executive directors for the year ending 31 December 2023 was £897,753 (2022: £886,082). A detailed breakdown by executive director is included on page 54 of this report.

## 9. TRUSTEES' REMUNERATION

Members of the Board of Trustees (who are all directors within the meaning of the Companies Act 2006) receive no remuneration for their services.

Out-of-pocket expenses were reimbursed to trustees or paid directly on their behalf as follows:

	Year to 31/12/2023 number of trustees	Year to 31/12/2022 number of trustees	Year to 31/12/2023 £000	Year to 31/12/2022 £000
Expenses including travel and subsistence	3	1	4	2

Trustees received no remuneration or direct expenses for volunteering their time.

Save the Children has purchased indemnity insurance at a cost of £29,316 (2022: £30,800) that provides cover:

- (i) to protect the charity from loss arising from the neglect or defaults of its trustees, employees or agents
- (ii) to indemnify the trustees or other officers against the consequences of any neglect or default on their part.

## 10. RELATED PARTY TRANSACTIONS

In accordance with the provisions of Financial Reporting Standard 102, the related party transactions entered into by the charity are detailed below. All transactions that arose were in the normal course of business.

As well as donating their time and expertise during 2023, the trustees made unconditional donations of £208,885 (2022: £145,336) to the charity.

Save the Children UK contributes to a defined benefit funded pension scheme administered by The Pensions Trust. For details of transactions with The Pensions Trust in the year, please see note 25.

Anne Fahy is a member of the Save the Children UK board and is also on the board of Save the Children International. Dr Tsitsi Chawatama-Kwambana, Chair of the Save the Children UK board, stepped down from the board of Save the Children International, as well as the role of Chair of the Save the Children UK board, on 28 July 2023 for a period of maternity leave. Richard Winter CBE, interim Save the Children UK board chair, joined the Save the Children International board in August 2023.

Transactions with Save the Children International in the year are detailed below:

<b>Income and expenditure items</b>	<b>Year to 31/12/2023 £000</b>	Year to 31/12/2022 £000
Funds transferred for programme delivery	<b>133,311</b>	148,320
Country operating costs	<b>2,005</b>	2,196
Central and regional operating costs	<b>3,986</b>	3,756
Core contributions	<b>3,114</b>	2,975
Strategic investment funding	<b>3,849</b>	2,928
Quality Impact Fund	<b>1,214</b>	850
	<b>147,479</b>	161,025
<b>Balance sheet items</b>	<b>As at 31/12/2023 £000</b>	As at 31/12/2022 £000
Prepayment for programme activity	<b>19,243</b>	3,433
Cost of services incurred by SCI to be settled in the future	<b>(353)</b>	(276)
Programme-related investment	<b>955</b>	955

## 11. INTANGIBLE FIXED ASSETS

<b>Group and charity</b>	Computer software £000	Assets under construction £000	<b>Total £000</b>
Cost at 1 January 2023	12,652	56	<b>12,708</b>
Transfers of assets available for use	56	(56)	-
Disposals	(6,030)	-	<b>(6,030)</b>
<b>Cost at 31 December 2023</b>	<b>6,678</b>	-	<b>6,678</b>
Accumulated amortisation at 1 January 2023	12,480	-	<b>12,480</b>
Charge for the year	113	-	<b>113</b>
Disposals	(6,030)	-	<b>(6,030)</b>
<b>Accumulated amortisation at 31 December 2023</b>	<b>6,563</b>	-	<b>6,563</b>
<b>Net book value at 31 December 2023</b>	<b>115</b>	-	<b>115</b>
Net book value at 31 December 2022	172	56	228

Assets under construction relate to software systems that are not yet complete. Expenditure on these assets is capitalised as incurred but no amortisation is charged until the asset is available for use, at which point a rate appropriate to the useful economic life of the asset will be applied.



## 12. TANGIBLE FIXED ASSETS

### (a) Group and charity

	Freehold property £000	Leasehold property improvements £000	Computer equipment £000	Total £000
Cost at 1 January 2023	1,290	6,845	64	<b>8,199</b>
Additions	82	237	-	<b>319</b>
Disposals	-	(534)	(64)	<b>(598)</b>
<b>Cost at 31 December 2023</b>	<b>1,372</b>	<b>6,548</b>	<b>-</b>	<b>7,920</b>
Accumulated depreciation at 1 January 2023	676	5,850	63	<b>6,589</b>
Charge for the year	46	329	-	<b>375</b>
Disposals	-	(534)	(63)	<b>(597)</b>
<b>Accumulated depreciation at 31 December 2023</b>	<b>722</b>	<b>5,645</b>	<b>-</b>	<b>6,367</b>
<b>Net book value at 31 December 2023</b>	<b>650</b>	<b>903</b>	<b>-</b>	<b>1,553</b>
Net book value at 31 December 2022	614	995	1	1,610

(b) Capital expenditure contracted for but not provided in the financial statements was £nil (2022: £nil).

## 13. INVESTMENTS

	Notes	Group 31/12/2023 £000	Group 31/12/2022 £000	Charity 31/12/2023 £000	Charity 31/12/2022 £000
Fixed asset investments	13a	<b>45,018</b>	42,133	<b>45,018</b>	42,133
Investment in SCI		<b>955</b>	955	<b>955</b>	955
Investment in subsidiary	13b	-	-	<b>275</b>	275
<b>Total investments</b>		<b>45,973</b>	43,088	<b>46,248</b>	43,363

### (a) Fixed asset investments

	Group 31/12/2023 £000	Group 31/12/2022 £000	Charity 31/12/2023 £000	Charity 31/12/2022 £000
Market value at start of year	<b>42,133</b>	39,818	<b>42,133</b>	39,818
Acquisitions	<b>2,291</b>	10,500	<b>2,291</b>	10,500
Sales proceeds	<b>(2,385)</b>	(5,071)	<b>(2,385)</b>	(5,071)
Net movement in cash balances	<b>94</b>	(429)	<b>94</b>	(429)
Net realised investment gains	<b>566</b>	703	<b>566</b>	703
Net unrealised investment gain/(loss)	<b>2,319</b>	(3,388)	<b>2,319</b>	(3,388)
Market value at end of year	<b>45,018</b>	42,133	<b>45,018</b>	42,133

### The market value is represented by:

	Group 31/12/2023 £000	Group 31/12/2022 £000	Charity 31/12/2023 £000	Charity 31/12/2022 £000
Equities and commodities	<b>18,985</b>	17,362	<b>18,985</b>	17,362
Bonds	<b>3,841</b>	3,704	<b>3,841</b>	3,704
Cash and cash equivalents	<b>22,192</b>	21,067	<b>22,192</b>	21,067
	<b>45,018</b>	42,133	<b>45,018</b>	42,133

Save the Children UK's investment managers have discretion to manage the investment portfolio within an agreed risk profile and in accordance with our ethical policy. The mix of investments and the balance of risk and liquidity is reviewed in the light of Save the Children UK's long-term financial plans.

### 13. INVESTMENTS (CONTINUED)

(b) Investments held by the charity include a £250,000 investment in Save the Children (Sales) Limited and a £25,000 investment in Humanitarian Leadership Academy (Enterprises) Limited at cost – see note 14. During 2023, the charity made a further £360,000 investment in Humanitarian Leadership Academy (Enterprises) Limited in the form of a loan. This investment has been impaired in 2023 due to the financial loss made by the Humanitarian Leadership Academy (Enterprises) Limited in the year.

### 14. GROUP MEMBERS

Wholly-owned subsidiary undertakings	Registration number	Country	Principal activity	Accounting year end
Save the Children (Sales) Limited	00875945	UK	Retail activities and commercial promotions	31 Dec
Medical Emergency Relief International (Merlin) <sup>1</sup>	02823935 1135111	UK	International development and humanitarian response charity	30 Jun
Humanitarian Leadership Academy (HLA) <sup>2</sup>	09395495 1161600	UK	Global learning initiative to enable preparedness and response to crises	30 Jun
Humanitarian Leadership Academy (Enterprises) Limited (HLA Enterprises Ltd) <sup>3</sup>	10339330	UK	Global learning initiative to enable preparedness and response to crises	31 Dec
Elrha	11142219 1177110	UK	Enhancing learning and research for humanitarian action	31 Dec
<b>Associate undertakings</b>				
William Belmer Rush Foundation	00307079	UK	Grant-making charity	31 Mar
<b>Lead consortium member</b>				
Start Network	9286835	UK	Humanitarian response charity	N/A

For entities with non-coterminous year ends, results for the 12-month period to 31 December 2023 have been consolidated.

The registered address of each group member is 1 St John's Lane, London, EC1M 4AR.

<sup>1</sup> Merlin joined forces with Save the Children Fund in July 2013. All charitable operations were transitioned to the Save the Children Fund, or closed down, by April 2016 and Merlin is now in the process of winding down. Merlin has made a charitable grant under which legacy and other income received by Merlin is paid to Save the Children Fund to fund emergency health work. On 21 March 2024, the Trustees signed a deed of transfer, under which the remaining net assets of the charity will be transferred to Save the Children Fund. Following the transfer the charity will become dormant and final closure will be completed as soon as is practicable thereafter.

<sup>2</sup> On 1 June 2019, the Humanitarian Leadership Academy transferred all assets and liabilities to the Save the Children Fund, by way of a charitable donation. The shares held in Humanitarian Leadership Academy (Enterprises) Limited were also transferred to the Save the Children Fund. Prior to this date HLA Enterprises Ltd was a subsidiary of Humanitarian Leadership Academy. A guarantee has been given by Save the Children UK under s479C of the Companies Act 2006 which entitles exemption from audit for Humanitarian Leadership Academy under s479A of the Act relating to subsidiary companies. Humanitarian Leadership Academy is no longer active and has no financial results in the current or prior year to include in Note 14a below.

<sup>3</sup> During 2023 Save the Children Fund granted £360,000 to Humanitarian Leadership Academy (Enterprises) Limited in the form of an interest-free loan with a repayment date of 31 December 2026. The purpose of the loan is to fund costs associated with the inaugural Humanitarian xChange event in February 2024.

## 14. GROUP MEMBERS (CONTINUED)

### (a) Subsidiary financial results

	Save the Children (Sales) Ltd		Merlin		HLA Enterprises Ltd		Elrha	
	Year to 31/12/2023 £000	Year to 31/12/2022 £000	Year to 31/12/2023 £000	Year to 31/12/2022 £000	Year to 31/12/2023 £000	Year to 31/12/2022 £000	Year to 31/12/2023 £000	Year to 31/12/2022 £000
Income	<b>1,233</b>	1,082	<b>112</b>	359	<b>512</b>	409	<b>12,718</b>	9,608
Expenditure	<b>(1,030)</b>	(972)	<b>(39)</b>	(1,839)	<b>(1,106)</b>	(374)	<b>(12,496)</b>	(9,413)
Net income/(expenditure)	<b>203</b>	110	<b>73</b>	(1,480)	<b>(594)</b>	35	<b>222</b>	195
Donation to parent charity	<b>(203)</b>	(110)	-	-	-	(35)	-	-
Net movement in funds	-	-	<b>73</b>	(1,480)	<b>(594)</b>	-	<b>222</b>	195
	As at 31/12/2023 £000	As at 31/12/2022 £000	As at 31/12/2023 £000	As at 31/12/2022 £000	As at 31/12/2023 £000	As at 31/12/2022 £000	As at 31/12/2023 £000	As at 31/12/2022 £000
Assets	<b>289</b>	302	<b>1,244</b>	2,500	<b>176</b>	161	<b>2,383</b>	1,511
Liabilities	<b>(39)</b>	(52)	<b>(14)</b>	(1,343)	<b>(745)</b>	(136)	<b>(1,690)</b>	(1,040)
Net assets	<b>250</b>	250	<b>1,230</b>	1,157	<b>(569)</b>	25	<b>693</b>	471

### (b) Associate undertakings

During the year, Save the Children UK received £25,000 (2022: £25,000) as grant funding and £1,000 (2022: £1,000) as an administration fee from William Belmer Rush Foundation.

	Group Year to 31/12/2023 £000	Group Year to 31/12/2022 £000
<b>Investment in associates</b>		
At 1 January	<b>596</b>	674
Share of retained profit/(loss) for the year	<b>39</b>	(78)
<b>At 31 December</b>	<b>635</b>	596

### (c) Start Network

Save the Children UK is acting as the grant custodian for Start Network awards, and in that capacity is legally responsible to donors for the charitable application of funds. The income, spend and fund balances for these awards are included within the Start Network restricted fund in note 22.

## 15. STOCKS

	Group 31/12/2023 £000	Group 31/12/2022 £000	Charity 31/12/2023 £000	Charity 31/12/2022 £000
Gift in kind stock for distribution	<b>692</b>	315	<b>692</b>	315
Emergency	<b>11</b>	11	<b>11</b>	11
Goods for resale	<b>91</b>	76	-	-
Head office	<b>14</b>	22	<b>14</b>	22
	<b>808</b>	424	<b>717</b>	348

## 16. DEBTORS

(a) Grant debtors	Group	Group	Charity	Charity
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	£000	£000	£000	£000
UK and other national governments	2,465	1,619	2,031	1,130
European Commission (including European Community Humanitarian Aid Office)	3,328	4,628	3,328	4,628
Education Cannot Wait	199	450	199	450
United Nations	5,085	8,879	5,085	8,879
Corporate partners	933	2,057	933	2,057
Other	7,061	3,016	7,023	2,978
<b>Total grant debtors</b>	<b>19,071</b>	<b>20,649</b>	<b>18,599</b>	<b>20,122</b>

Grant debtors above include amounts both billed and unbilled.

(b) Other debtors	Group	Group	Charity	Charity
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	£000	£000	£000	£000
Trade debtors	348	388	180	290
Legacy debtors	18,679	15,462	18,481	15,008
Taxes recoverable	963	940	963	940
Prepayments and accrued income	11,721	6,287	11,680	6,281
Save the Children International	18,907	3,157	18,907	3,157
Other debtors	550	371	541	366
	<b>51,168</b>	<b>26,605</b>	<b>50,752</b>	<b>26,042</b>

All debtors are falling due within one year.

Debtor balance with Save the Children International represents prepaid funding for future programmatic activity.

## 17. CREDITORS

(a) Amounts falling due within one year	Group	Group	Charity	Charity
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	£000	£000	£000	£000
Trade creditors	3,446	2,698	2,948	2,558
Taxes and social security	1,188	1,071	1,137	1,026
Amount owed to subsidiary undertakings	-	-	2,852	1,833
Accruals	4,153	4,607	3,668	4,159
Deferred income <sup>1</sup>	50,196	57,977	49,215	57,374
Operating lease incentives <sup>2</sup>	179	179	179	179
Grant obligations	1,321	-	1,321	-
Other creditors	162	24	162	24
	<b>60,645</b>	<b>66,556</b>	<b>61,482</b>	<b>67,153</b>
<b>(b) Amounts falling due in more than one year</b>				
Operating lease incentives <sup>2</sup>	669	849	669	849
Long-term loan	446	-	446	-
	<b>1,115</b>	<b>849</b>	<b>1,115</b>	<b>849</b>

<sup>1</sup> The deferred income represents cash received from donors prior to entitlement under our income recognition policy. Deferred income of £42,786,000 arose in the year and £50,568,000 brought forward from 2022 was released.

<sup>2</sup> The operating lease incentives represent the value of payments, and discounts in the form of rent-free periods, received by Save the Children UK when entering into the 25-year lease on the headquarters building. It is being released over the term of the lease.

## 18. PROVISIONS FOR LIABILITIES AND CHARGES

Group and charity	At 01/01/2023 £000	Provision created/ (released) £000	Provision utilised £000	Total 31/12/2023 £000
Dilapidations	1,700	525	(166)	<b>2,059</b>
Grants	3,072	(1,523)	(711)	<b>838</b>
Other	995	(780)	(27)	<b>188</b>
	<b>5,767</b>	<b>(1,778)</b>	<b>(904)</b>	<b>3,085</b>

**Dilapidations** represent the estimated costs of payments required to make good leased property upon the termination of the lease. The provision amount relating to individual property is released on termination of the lease.

**Grant** provisions represent estimated funds returnable to donors where Save the Children UK has not been able to spend funds received in accordance with donor wishes and grants which require an element of co-financing where Save the Children UK may be required to fund the additional financing.

**Other** provisions represent estimates of tax liabilities, onerous lease obligations and other provisions required to be recognised that do not fit into the categories above.

## 19. FINANCIAL COMMITMENTS: OBLIGATIONS UNDER OPERATING LEASES

### Group and charity

#### The total future minimum lease payments under non-cancellable operating leases

Total payments due	Total 31/12/2023 property £000	Total 31/12/2022 property £000
Within one year	<b>6,763</b>	6,497
Between two and five years	<b>21,475</b>	21,803
After five years	<b>2</b>	3,582
	<b>28,240</b>	31,882

The lease commitment for the head office building is included above.

## 20. FINANCIAL COMMITMENTS: GRANT COMMITMENTS

(a) The table below shows the charity's and group's commitment in delivering projects on behalf of donors, which will be completed over a number of years as detailed below.

A proportion of the funds needed for these programmes has already been received and is included within deferred income in note 17. For those not yet received, there are legal agreements with donors to ensure that Save the Children UK will be reimbursed for completion of those projects.

	Group 31/12/2023 £000	Group 31/12/2022 £000	Charity 31/12/2023 £000	Charity 31/12/2022 £000
Within one year	<b>189,460</b>	164,736	<b>175,422</b>	149,784
Between two and five years	<b>105,491</b>	91,161	<b>101,807</b>	79,895
After five years	<b>853</b>	3,258	<b>853</b>	3,258
	<b>295,804</b>	259,155	<b>278,082</b>	232,937

(b) Save the Children UK has entered into a number of grants, where we are required to find additional funding for the remainder of the project. Donors have already been found for many of these grants but at year end there were still several grants in progress for which no donor had been found, these amounted to £0.8 million (2022: £9.1 million). No provision (2022: £0.8 million) has been recognised as at 31 December 2023 in respect of grants where Save the Children UK does not expect to be able to find donors for these over the remaining life of the projects.

(c) The delivery of the charity's international programmes is executed by Save the Children International (SCI). SCI currently fulfils this role for the majority of programmes implemented by members of the Save the Children Association. SCI relies primarily on resources provided by and channelled through the member organisations.

Save the Children UK has future commitments in respect of Save the Children International:

- i) The International Programming (IP) contracts provide for those members of the Save the Children Association for whom SCI delivers international programmes to provide a share of an indemnity capped at US\$20 million in the event that the members choose to cease SCI's programming activity. At 31 December 2023, Save the Children UK's share of this was approximately US\$2.7 million (2022: US\$2.4 million). Save the Children UK is confident that SCI will continue to provide programming services into the future and that the possibility of it ceasing to operate is so remote that it is not disclosed as a contingent liability.

Under the IP contracts, Save the Children UK has given a number of other indemnities to SCI. These include indemnities in respect of operations in countries prior to the date of their programming transition to SCI. These indemnities principally concern retention by Save the Children UK of responsibility for liabilities prior to the date of such transition. At the date of signing the accounts, no material pre-transition issues relating to the normal course of business had been identified. Accordingly, no provision has been made in relation to these indemnities.

- ii) The Save the Children members have also provided SCI with a standby letter of credit to the value of US\$6.2 million, of which Save the Children UK's share is US\$3.1 million. This facility is provided in the event of SCI requiring reserves. SCI holds reserves to meet the following purposes:
- the operating expenses of the charity in the event of a downturn in income and/or unforeseen increases in costs
  - the costs of unforeseen liabilities for employment or other legal claims not covered by insurance
  - the costs of closure or wind-down of the core operations of the charity.

The standby letter of credit is provided by Standard Chartered. As at 31 December 2023 no amounts had been drawn down on this facility.

(d) Save the Children UK has received from Standard Chartered a guarantee of US\$1,034,022 relating to the performance of a grant in Somalia. This will expire on 28 June 2025.

## 21. STATEMENT OF FUNDS

(a) Group	At 01/01/2023 £000	Income £000	Expenditure £000	Other gains/(losses) £000	Transfers £000	At 31/12/2023 £000
<b>Unrestricted funds</b>						
General reserve	42,547	80,659	(77,591)	498	208	<b>46,321</b>
Revaluation reserve	3,296	-	-	1,973	-	<b>5,269</b>
Designated funds:						
Fixed asset reserve	1,537	-	(437)	-	320	<b>1,420</b>
Programme-related investment	955	-	-	-	-	<b>955</b>
Associates (note 14)	596	-	-	39	-	<b>635</b>
Merlin	1,000	108	(35)	-	-	<b>1,073</b>
St John's Lane reserve fund	291	-	-	-	-	<b>291</b>
Total unrestricted funds excluding pension reserve	50,223	80,767	(78,064)	2,510	528	<b>55,964</b>
Pension reserve (note 25)	(64)	-	(701)	391	240	<b>(134)</b>
Total unrestricted funds	50,159	80,767	(78,765)	2,901	768	<b>55,830</b>
<b>All restricted and endowed funds</b>						
Restricted income funds (note 22)	14,671	215,248	(216,660)	-	(768)	<b>12,491</b>
Endowment funds	4,845	-	-	414	-	<b>5,259</b>
Total restricted funds	19,516	215,248	(216,660)	414	(768)	<b>17,750</b>
Total funds	69,675	296,015	(295,425)	3,315	-	<b>73,580</b>

(b) Charity	At 01/01/2023 £000	Income £000	Expenditure £000	Other gains/(losses) £000	Transfers £000	At 31/12/2023 £000
<b>Unrestricted funds</b>						
General reserve	42,546	79,116	(75,455)	139	208	<b>46,554</b>
Revaluation reserve	3,296	-	-	1,973	-	<b>5,269</b>
Designated funds:						
Fixed asset reserve	1,537	-	(437)	-	320	<b>1,420</b>
Programme-related investment	955	-	-	-	-	<b>955</b>
Associates (note 14)	-	-	-	-	-	-
Merlin	-	-	-	-	-	-
St John's Lane reserve fund	291	-	-	-	-	<b>291</b>
Total unrestricted funds excluding pension reserve	48,625	79,116	(75,892)	2,112	528	<b>54,489</b>
Pension reserve (note 25)	(64)	-	(701)	391	240	<b>(134)</b>
Total unrestricted funds	48,561	79,116	(76,593)	2,503	768	<b>54,355</b>
<b>All restricted and endowed funds</b>						
Restricted income funds (note 22)	14,044	203,702	(205,335)	-	(768)	<b>11,643</b>
Endowment funds	4,845	-	-	414	-	<b>5,259</b>
Total restricted funds	18,889	203,702	(205,335)	414	(768)	<b>16,902</b>
Total funds	67,450	282,818	(281,928)	2,917	-	<b>71,257</b>

## 21. STATEMENT OF FUNDS (CONTINUED)

The **general reserve** represents the free funds of the charity that are not designated for particular purposes.

The **revaluation reserve** represents the difference between the historic cost of fixed asset investments and their revalued amount.

The **fixed asset reserve** represents the net book value of tangible and intangible assets originally funded from general reserves. The transfer into the fund represents capital additions less disposal proceeds and depreciation. An adjustment is made for operating lease incentives in relation to fixed assets purchased by the landlord for our headquarters.

The **programme-related investment** represents the value of Save the Children UK's investment in SCI.

The **associates** reserve represents the value of Save the Children UK's investment in the William Belmer Rush Foundation (see note 14 for details).

The **Merlin** reserve represents the value of funds that have been designated to spend in line with the objects of Merlin.

The **St John's Lane reserve fund** represents funds set aside for potential future refurbishment of the headquarters building and the eventual replacement of large capital items. Save the Children UK is responsible for this expenditure on headquarters under its lease with Standard Life that runs until 2028. In addition, Save the Children UK has responsibilities towards its sub-tenants who occupy part of the headquarters building.

The **pension reserve** represents the reported liability on the defined benefit pension scheme under FRS 102 (see note 25 for details). Transfers to the pension reserve represent payments into the scheme during the year for both the defined benefit plan and the growth plan.

The **restricted income funds** represent unexpended balances on donations and grants given for specific purposes (see note 22 for details).

The **endowment funds** represent assets received that may not be exhausted (see note 23 for details).

### Prior-year comparatives:

(c) Group	At 01/01/2022 £000	Income £000	Expenditure £000	Other gains/(losses) £000	Transfers £000	At 31/12/2022 £000
<b>Unrestricted funds</b>						
General reserve	33,122	78,541	(69,278)	555	(393)	<b>42,547</b>
Revaluation reserve	5,882	-	-	(2,586)	-	<b>3,296</b>
Designated funds:						
Fixed asset reserve	1,658	-	(519)	-	398	<b>1,537</b>
Programme-related investment	955	-	-	-	-	<b>955</b>
Associates (note 14)	675	-	-	(78)	-	<b>597</b>
Merlin	2,480	355	165	-	(2,000)	<b>1,000</b>
St John's Lane reserve fund	291	-	-	-	-	<b>291</b>
Total unrestricted funds excluding pension reserve	45,063	78,896	(69,632)	(2,109)	(1,995)	<b>50,223</b>
Pension reserve (note 25)	(120)	-	(183)	(24)	263	<b>(64)</b>
Total unrestricted funds	44,943	78,896	(69,815)	(2,133)	(1,732)	<b>50,159</b>
<b>All restricted and endowed funds</b>						
Restricted income funds (note 22)	14,035	215,460	(216,556)	-	1,732	<b>14,671</b>
Endowment funds	5,499	-	-	(654)	-	<b>4,845</b>
Total restricted funds	19,534	215,460	(216,556)	(654)	1,732	<b>19,516</b>
Total funds	64,477	294,356	(286,371)	(2,787)	-	<b>69,675</b>



**21. STATEMENT OF FUNDS (CONTINUED)**

<b>(d) Charity</b>	At 01/01/2022 £000	Income £000	Expenditure £000	Other gains/(losses) £000	Transfers £000	At 31/12/2022 £000
<b>Unrestricted funds</b>						
General reserve	33,122	77,185	(67,922)	555	(394)	<b>42,546</b>
Revaluation reserve	5,882	-	-	(2,586)	-	<b>3,296</b>
Designated funds:						
Fixed asset reserve	1,658	-	(519)	-	398	<b>1,537</b>
Programme-related investment	955	-	-	-	-	<b>955</b>
Associates (note 14)	-	-	-	-	-	-
Merlin	-	-	-	-	-	-
St John's Lane reserve fund	291	-	-	-	-	<b>291</b>
Total unrestricted funds excluding pension reserve	41,908	77,185	(68,441)	(2,031)	4	<b>48,625</b>
Pension reserve (note 25)	(120)	-	(183)	(24)	263	<b>(64)</b>
Total unrestricted funds	41,788	77,185	(68,624)	(2,055)	267	<b>48,561</b>
<b>All restricted and endowed funds</b>						
Restricted income funds (note 22)	13,604	208,795	(208,088)	-	(267)	<b>14,044</b>
Endowment funds	5,499	-	-	(654)	-	<b>4,845</b>
Total restricted funds	19,103	208,795	(208,088)	(654)	(267)	<b>18,889</b>
Total funds	60,891	285,980	(276,712)	(2,709)	-	<b>67,450</b>

## 22. RESTRICTED FUNDS

### (a) Group

Restricted funds comprise unexpended balances on donations and grants given for specific purposes. These are shown below.

	At 01/01/2023 recategorised <sup>1</sup> £000	Income £000	Expenditure £000	Transfers £000	At 31/12/2023 £000
<b>Regions</b>					
East and Southern Africa	634	60,130	(60,073)	1,080	<b>1,771</b>
West and Central Africa	(91)	13,232	(15,498)	605	<b>(1,752)</b>
Asia	280	16,859	(17,434)	388	<b>93</b>
Middle East, North Africa and Eastern Europe	33	25,962	(25,134)	(11)	<b>850</b>
Europe (northern, western and southern)	950	5,010	(4,920)	(536)	<b>504</b>
United Kingdom	2,847	3,495	(4,717)	(7)	<b>1,618</b>
Multi-country	3,142	8,868	(10,077)	(404)	<b>1,529</b>
<b>Emergency Appeals</b>					
Ukraine	2,079	14,222	(14,571)	-	<b>1,730</b>
Pakistan	240	2,540	(2,529)	(246)	<b>5</b>
Afghanistan	73	2,166	(2,164)	(74)	<b>1</b>
Gaza	-	2,400	(185)	-	<b>2,215</b>
Syria	103	15	-	(109)	<b>9</b>
Yemen	1,521	56	(766)	(79)	<b>732</b>
Türkiye Syria Earthquake	-	10,931	(8,875)	(1,700)	<b>356</b>
The Emergency Fund <sup>2</sup>	1,989	4,535	(144)	(4,039)	<b>2,341</b>
SCI Humanitarian Fund	-	-	(6,336)	6,336	-
Other appeals	334	106	(221)	(90)	<b>129</b>
<b>Other Funds</b>					
Start Network	66	32,219	(30,735)	(1,882)	<b>(332)</b>
Elrha	471	12,502	(12,281)	-	<b>692</b>
	<b>14,671</b>	<b>215,248</b>	<b>(216,660)</b>	<b>(768)</b>	<b>12,491</b>

<sup>1</sup> Individual funds brought forward have been recategorised within the analysis above to more accurately reflect the location or nature of the individual fund. There is no impact on total restricted reserves brought forward.

<sup>2</sup> The Emergency Fund are funds not yet allocated to particular country programmes.

Fund balances may be negative when expenditure is made on a project that is expected to be reimbursed by a government or other agency, but where, at the end of the financial year, not all the conditions have been met that would justify this income being recognised within the accounts. This results in an excess of expenditure over income on some performance-related project funds. The trustees consider that the likelihood of reimbursement is of a sufficient level to justify the carrying of these deficit funds at the end of the year.

## 22. RESTRICTED FUNDS (CONTINUED)

### (b) Charity

Restricted funds comprise unexpended balances on donations and grants given for specific purposes. These are shown below.

	At 01/01/2023 reclassified <sup>1</sup> £000	Income £000	Expenditure £000	Transfers £000	At 31/12/2023 £000
<b>Regions</b>					
East and Southern Africa	634	60,130	(60,073)	1,080	<b>1,771</b>
West and Central Africa	(98)	13,232	(15,498)	605	<b>(1,759)</b>
Asia	203	16,859	(17,434)	388	<b>16</b>
Middle East, North Africa and Eastern Europe	17	25,962	(25,134)	(11)	<b>834</b>
Europe (northern, western and southern)	949	5,010	(4,920)	(536)	<b>503</b>
United Kingdom	2,847	3,495	(4,717)	(7)	<b>1,618</b>
Multi-country	3,087	8,868	(10,077)	(404)	<b>1,474</b>
<b>Emergency Appeals</b>					
Ukraine	2,079	14,222	(14,571)	-	<b>1,730</b>
Pakistan	240	2,540	(2,529)	(246)	<b>5</b>
Afghanistan	73	2,166	(2,164)	(74)	<b>1</b>
Gaza	-	2,400	(185)	-	<b>2,215</b>
Syria	103	15	-	(109)	<b>9</b>
Yemen	1,521	56	(766)	(79)	<b>732</b>
Türkiye Syria Earthquake	-	10,931	(8,875)	(1,700)	<b>356</b>
The Emergency Fund <sup>2</sup>	1,989	4,535	(144)	(4,039)	<b>2,341</b>
SCI Humanitarian Fund	-	-	(6,336)	6,336	-
Other appeals	334	106	(221)	(90)	<b>129</b>
<b>Other Funds</b>					
Start Network	66	32,219	(30,735)	(1,882)	<b>(332)</b>
Elrha	-	956	(956)	-	-
	14,044	203,702	(205,335)	(768)	<b>11,643</b>

<sup>1</sup> Individual funds brought forward have been reclassified within the analysis above to more accurately reflect the location or nature of the individual fund. There is no impact on total restricted reserves brought forward.

<sup>2</sup> The Emergency Fund are funds not yet allocated to particular country programmes.

Fund balances may be negative when expenditure is made on a project that is expected to be reimbursed by a government or other agency, but where, at the end of the financial year, not all the conditions have been met that would justify this income being recognised within the accounts. This results in an excess of expenditure over income on some performance-related project funds. The trustees consider that the likelihood of reimbursement is of a sufficient level to justify the carrying of these deficit funds at the end of the year.

### (c) Included in the restricted fund balances are the following:

	At 01/01/2023 £000	Income £000	Expenditure £000	Transfers £000	At 31/12/2023 £000
<b>Big Lottery Fund</b>					
Third Sector Early Intervention Fund	18	-	(18)	-	-
	18	-	(18)	-	-

## 23. ENDOWMENT FUNDS – GROUP AND CHARITY

### Movements on endowment funds for the year

	At 01/01/2023 £000	Other gains/(losses) £000	At 31/12/2023 £000
The Oliver Children's fund	4,845	414	5,259
	4,845	414	5,259

## 24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

### (a) Group

<b>Fund balances at 31 December 2023 are represented by:</b>	General funds £000	Revaluation reserve £000	Designated funds £000	Pension reserve £000	Restricted funds £000	Endowment funds £000	<b>Total 31/12/2023 £000</b>
Tangible and intangible fixed assets	248	–	1,420	–	–	–	<b>1,668</b>
Fixed asset investments	34,490	5,269	1,590	–	–	5,259	<b>46,608</b>
Current assets	24,809	–	1,364	–	64,010	–	<b>90,183</b>
Current liabilities	(9,026)	–	–	(100)	(51,519)	–	<b>(60,645)</b>
Non-current liabilities	(1,115)	–	–	–	–	–	<b>(1,115)</b>
Provisions for liabilities and charges	(3,085)	–	–	–	–	–	<b>(3,085)</b>
Pension liability	–	–	–	(34)	–	–	<b>(34)</b>
	46,321	5,269	4,374	(134)	12,491	5,259	<b>73,580</b>

### (b) Charity

<b>Fund balances at 31 December 2023 are represented by:</b>	General funds £000	Revaluation reserve £000	Designated funds £000	Pension reserve £000	Restricted funds £000	Endowment funds £000	<b>Total 31/12/2023 £000</b>
Tangible and intangible fixed assets	248	–	1,420	–	–	–	<b>1,668</b>
Fixed asset investments	34,765	5,269	955	–	–	5,259	<b>46,248</b>
Current assets	26,585	–	291	–	62,181	–	<b>89,057</b>
Current liabilities	(10,844)	–	–	(100)	(50,538)	–	<b>(61,482)</b>
Non-current liabilities	(1,115)	–	–	–	–	–	<b>(1,115)</b>
Provisions for liabilities and charges	(3,085)	–	–	–	–	–	<b>(3,085)</b>
Pension liability	–	–	–	(34)	–	–	<b>(34)</b>
	46,554	5,269	2,666	(134)	11,643	5,259	<b>71,257</b>

**24. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)****Prior period comparatives:****(c) Group**

<b>Fund balances at 31 December 2022 are represented by:</b>	General funds £000	Revaluation reserve £000	Designated funds £000	Pension reserve £000	Restricted funds £000	Endowment funds £000	<b>Total 31/12/2022 £000</b>
Tangible and intangible fixed assets	301	-	1,537	-	-	-	<b>1,838</b>
Fixed asset investments	33,991	3,296	1,552	-	-	4,845	<b>43,684</b>
Current assets	23,329	-	1,291	-	72,769	-	<b>97,389</b>
Current liabilities	(8,458)	-	-	-	(58,098)	-	<b>(66,556)</b>
Non-current liabilities	(849)	-	-	-	-	-	<b>(849)</b>
Provisions for liabilities and charges	(5,767)	-	-	-	-	-	<b>(5,767)</b>
Pension liability	-	-	-	(64)	-	-	<b>(64)</b>
	42,547	3,296	4,380	(64)	14,671	4,845	<b>69,675</b>

**(d) Charity**

<b>Fund balances at 31 December 2022 are represented by:</b>	General funds £000	Revaluation reserve £000	Designated funds £000	Pension reserve £000	Restricted funds £000	Endowment funds £000	<b>Total 31/12/2022 £000</b>
Tangible and intangible fixed assets	301	-	1,537	-	-	-	<b>1,838</b>
Fixed asset investments	34,267	3,296	955	-	-	4,845	<b>43,363</b>
Current assets	24,253	-	291	-	71,538	-	<b>96,082</b>
Current liabilities	(9,659)	-	-	-	(57,494)	-	<b>(67,153)</b>
Non-current liabilities	(849)	-	-	-	-	-	<b>(849)</b>
Provisions for liabilities and charges	(5,767)	-	-	-	-	-	<b>(5,767)</b>
Pension liability	-	-	-	(64)	-	-	<b>(64)</b>
	42,546	3,296	2,783	(64)	14,044	4,845	<b>67,450</b>

## 25. PENSION COSTS

(a) Save the Children UK has a number of different arrangements in relation to pension schemes. These are explained below.

- (i) Defined benefit triennial valuation (notes 25b–c)
- (ii) Accounting valuation under FRS 102 (defined benefit scheme) (notes 25d–h)
- (iii) Defined contribution scheme (note 25i)
- (iv) The Pensions Trust Growth Plan (multi-employer scheme) (note 25j)

<b>Net movement in pension liability</b>	Defined benefit scheme £000	Pension Trust Growth Plan £000	<b>Year to 31/12/2023 £000</b>	Defined benefit scheme £000	Pension Trust Growth Plan £000	<b>Year to 31/12/2022 £000</b>
Net pension liability at start of period	–	64	<b>64</b>	–	120	120
Expenses	507	–	<b>507</b>	182	–	182
Net interest expense	(273)	2	<b>(271)</b>	(395)	1	(394)
Contributions by employer	(208)	(32)	<b>(240)</b>	(208)	(55)	(263)
Net actuarial (gains)/losses in the year	2,818	–	<b>2,818</b>	16,375	(2)	16,373
Losses due to benefit changes	92	–	<b>92</b>	–	–	–
Unrecognised surplus/effect of asset ceiling	(2,936)	–	<b>(2,936)</b>	(15,954)	–	(15,954)
Net pension liability at 31 December	–	34	<b>34</b>	–	64	64

### (b) Triennial valuation

Save the Children UK contributes to a defined benefit (career average revalued earnings) funded pension scheme, the Save the Children UK defined benefit pension scheme, administered by The Pensions Trust. This scheme closed to new entrants on 14 June 2002 and to future accrual on 1 January 2018.

The last formal triennial valuation of the defined benefit scheme was performed at 30 September 2020 by a professionally qualified actuary. This reported the scheme assets as £206.69m and the scheme liabilities as £215.88m. This corresponds to a scheme deficit of £9.19m and a funding level of 96%. The triennial valuation also reported that there were 0 active members, 962 deferred members and 823 pensioner members, a total of 1,785 members.

A subsequent scheme funding valuation was performed to 30 September 2021. At that date, the scheme was in an estimated surplus of £12.1m and had a funding level of 106%. Following this updated scheme funding valuation, the Trustee agreed with the employer that deficit contributions could cease from October 2021, the only continuing contributions agreed at this valuation related to expenses only. A further scheme funding valuation was performed to 30 September 2022. At that date, the scheme was in an estimated deficit of £0.7m, comprising assets of £149.3m less estimated liabilities of £150m, with a funding position of 100%.

The next formal triennial valuation of the scheme at 30 September 2023 is currently being performed, with the final valuation expected by September 2024. The preliminary results of this triennial actuarial valuation have been rolled forward to 31 December 2023 to calculate the scheme liabilities at year end.

## 25. PENSION COSTS (CONTINUED)

### (c) Triennial valuation: assumptions

The preliminary triennial actuarial valuation carried out at 30 September 2023 used the following principal assumptions:

Average rate of return on investments pre-retirement	Gilt yield curve plus 0.5% p.a.
Retail Price Index assumption	Gilt inflation curve
Consumer Price Index assumption	RPI less 1.0% p.a. at each term until 2030 and RPI thereafter.

**Mortality** 101% after retirement of S3PMA (males) and S3PFA (females). CMI\_2022 with long-term improvement rates of 1.5% p.a. for males and 1.25% p.a. for females.

### (d) FRS 102 valuation of the defined benefit scheme as at 31 December 2023

The pension reserve amount shown on the balance sheet and the actuarial losses shown in the SOFA are valued in accordance with the accounting policy in note 1j. The assets of the scheme are valued at their market value on the balance sheet date. This value may therefore fluctuate materially from year to year in response to market conditions. It follows that any surplus or deficit of assets over discounted liabilities reported at a particular balance sheet date under FRS 102 will not necessarily reflect whether there will be sufficient assets available to meet the actual pension obligations that will have to be satisfied over a long period of time in the future.

The present value of the liability to meet future pension obligations of members is arrived at by applying a discount rate equivalent to the return expected to be derived from a Class AA corporate bond as at the balance sheet date. In the 2023 preliminary triennial actuarial valuation referred to above, the discount rate used was that as at 30 September 2023 and applied to the scheme's actual investments, making a cautious estimate of long-term expected returns. The different timings and thus discount rates and bases on which these rates are applied then explain any difference between the amount of the deficit valued under either the triennial or FRS 102 methods. Furthermore:

- (i) the scheme assets do not include investments issued by the sponsoring employer nor any property occupied by the sponsoring employer;
- (ii) the scheme holds quoted securities and these have been valued at bid-price.

<b>Reconciliation of opening and closing balances of the scheme assets and liabilities</b>	Fair value of scheme assets £000	Present value of scheme liabilities £000	<b>Scheme assets less scheme liabilities £000</b>
Scheme assets/(liabilities) at start of year	144,457	(138,844)	<b>5,613</b>
Expenses	(507)	-	<b>(507)</b>
Interest income/(cost)	7,110	(6,837)	<b>273</b>
Actuarial loss	(2,444)	(374)	<b>(2,818)</b>
Contributions by employer	208	-	<b>208</b>
Benefits paid	(5,995)	5,995	-
<b>Scheme assets/(liabilities) at end of year</b>	<b>142,829</b>	<b>(140,060)</b>	<b>2,769</b>
Provision for loss due to benefit changes			<b>(92)</b>
Unrecognised surplus scheme assets			<b>(2,677)</b>
<b>Scheme assets/(liabilities) recognised at end of year</b>			<b>-</b>

**25. PENSION COSTS (CONTINUED)**

<b>(e) Amounts recognised in the statement of financial activities</b>	Year to 31/12/2023 £000	Year to 31/12/2022 £000
Interest income	7,110	4,115
Interest expense	(6,837)	(3,720)
Interest on effect of asset ceiling	(273)	(395)
<b>Net interest expense</b>	<b>-</b>	<b>-</b>
Expenses	(507)	(182)
Provision for benefit changes	(92)	-
<b>Total expense</b>	<b>(599)</b>	<b>(182)</b>
Net actuarial losses in the year	(2,818)	(16,375)
Unrecognised surplus/effect of asset ceiling	2,936	15,954
Interest on effect of asset ceiling	273	395
<b>Total decrease in net funds</b>	<b>(208)</b>	<b>(208)</b>

<b>(f) The assets at 31 December 2023 are represented by:</b>	At 31/12/2023 Fair value £000	At 31/12/2022 Fair value £000
Equities	4,559	3,594
Bonds	66,137	69,664
Property	15,202	17,609
Liability driven investments (LDI)	44,933	41,346
Cash	3,664	1,673
Liquid alternatives	1,548	1,082
Private credit	4,232	6,443
Other	2,554	3,046
<b>Scheme assets</b>	<b>142,829</b>	<b>144,457</b>

**(g) Actuarial assumptions**

In the above, investments have been valued at fair value and liabilities have been determined by a qualified actuary using assumptions consistent with the requirements of FRS 102, namely:

<b>Financial assumptions</b>	Year to 31/12/2023 % p.a.	Year to 31/12/2022 % p.a.
Discount rate	4.76	5.03
Inflation (RPI)	3.08	3.15
Inflation (CPI)	2.63	2.84
Deferred revaluation: RPI max 5% p.a.	3.08	3.15
Pension increases in payment: CPI max 5% p.a.	2.60	2.78
Pension increases in payment: CPI max 2.5% p.a.	1.90	1.98
Pension increases in payment: CPI max 3% p.a.	2.14	2.24



## 25. PENSION COSTS (CONTINUED)

### Demographic assumptions

Mortality	Year to 31/12/2023	Year to 31/12/2022
Base tables	<b>S3PXA</b>	S3PXA
Loading on base tables	<b>106%</b>	107%
Improvement allowance, for males	<b>CMI_2022 (1.5%)</b>	CMI_2021 (1.5%)
Improvement allowance, for females	<b>CMI_2022 (1.25%)</b>	CMI_2021 (1.25%)
Smoothing parameter	<b>7.0</b>	7.0

### (h) Review of scheme benefit changes

During 2021 Save the Children UK was notified by the Trustee of The Pensions Trust (TPT) that a review had been undertaken for all schemes under the TPT umbrella trust, which involved reviewing the historic changes made to the benefits of members alongside the requirements of the TPT Trust Deed and Rules to assess the validity of those changes. This review identified that, in some cases, changes to the SCUUK DB Scheme's (the Scheme) benefits (primarily those made in 1994) may have been implemented at a time or in a way that may not have been in accordance with the TPT Trust Deed or Rules and other relevant governing documentation or applicable law. The Trustee of TPT is seeking court directions on the validity of various amendments made to TPT (including the Scheme). If the court finds that any of the amendments made to the benefits of members were not validly made by TPT in line with the TPT governing documentation and/or applicable law, the Trustee may be required to amend the TPT Rules to reflect the benefits members were entitled to before the relevant amendment(s) was made. This may result in an increase to the Scheme's liabilities.

The actuarial valuation for the Scheme as at the end of 2023 identified a surplus of £2.7m performed under FRS 102 and makes no allowance for these potential liabilities. The financial impact of the potential liabilities is still under review. No legal or constructive obligation will arise until the court has handed down its judgement, which is not expected any earlier than Q2 2025 (and may subsequently be subject to appeal).

Save the Children UK has reviewed information shared by TPT and received independent legal and financial advice regarding the potential financial impact of the various Scheme changes and the likelihood of a court ruling that the various changes were invalid. There are significant uncertainties, but the current assessment of the additional possible exposure if some or all of the changes impacting past service benefits are found to be invalid is in the range £0m–£65m of liability (calculated on FRS 102 assumptions based on financial conditions as at 31 December 2023). This estimate is based on the current investment strategy and applicable valuation assumptions. The size of the potential liability is due to the retrospective nature of the changes, the length of time involved, and the number of Scheme members affected. In the event of an adverse ruling, the precise impact on the income statement and balance sheet will be assessed. Where liabilities exceed the funding surplus in the Scheme, we may seek to change the future investment strategy of the Scheme and a payment plan to address any funding shortfall in the Scheme would be agreed with the Trustee with payments made, as normal, over a number of years. In the event of an adverse ruling, we estimate that any annual payment plan could be up to a similar level to Scheme deficit reduction payments made in previous years when the Scheme was in deficit.

## 25. PENSION COSTS (CONTINUED)

### (i) Defined contribution scheme

Save the Children UK has a Group Personal Pension (GPP), provided by Legal and General as its workplace pension scheme and to meet its automatic enrolment obligation. From October 2013 all staff may join a retirement savings scheme, either the GPP for UK-based staff or a long term savings plan for overseas staff. Elrha staff also participate in the GPP. Prior to October 2013 Save the Children UK used an occupational pension scheme which was provided by Prudential; this scheme was wound up on 10 May 2019.

The cost of the defined contribution scheme is included within salary costs as shown in note 8. It is therefore also included in note 7 and is attributable to the different categories of expenditure according to the employees to which it relates.

Employer's contributions are charged to the consolidated statement of financial activities as follows:

	Year to 31/12/2023 £000	Year to 31/12/2022 £000
Pension contributions	<b>1,912</b>	2,081

### (j) The Pensions Trust Growth Plan

Save the Children UK participates in The Pensions Trust's Growth Plan. This is a multi-employer pension plan that has final salary and money purchase arrangements, a proportion of which have some guarantees. This scheme has been treated as a multi-employer scheme as it is not possible to separately identify the assets and liabilities of participating employees (or employers).

There is a potential liability for the employer that could be levied by the plan's trustee in the event of the employers ceasing to participate in the plan or the plan winding up. There is also a potential liability where other participating employers are unable to pay their debt relating to the plan.

The last formal triennial valuation of the plan was performed at 30 September 2020 by a professionally qualified actuary. The valuation revealed that the assets of the plan fell short of the accrued liabilities as at the valuation date. This resulted in a solvency funding level of 81%.

The triennial valuation at 30 September 2020 showed that Save the Children UK had an estimated debt (and thus contingent liability) on withdrawal from the plan of £1.3 million.

The actuary advises that the deficit in the scheme, on an FRS 102 basis, is £0 million (2022: £0.1 million). The deficit includes Save the Children's share of any 'orphan' liabilities in respect of previously participating employers. Save the Children UK started to make deficit contributions in April 2013. In 2023 Save the Children UK paid £32k (2022: £55k). Contributions from April 2024 are £32k and increase annually by an inflation factor; it is estimated that this should reduce the potential debt to zero by September 2025. Under FRS 102 Save the Children UK is required to recognise a liability for the deficit funding arrangement that has been agreed relating to past service. However, Save the Children UK has no current intention to leave the plan and trigger the contingent liability.

**25. PENSION COSTS (CONTINUED)**

	Year to 31/12/2023 £000	Year to 31/12/2022 £000
<b>Net movement in the pension liability</b>		
<b>Provision at the start of the period</b>	<b>64</b>	120
Unwinding of the discount factor (interest expense)	<b>2</b>	1
Deficit contribution paid	<b>(32)</b>	(55)
Remeasurements – impact of any change in assumptions	–	(2)
<b>Provision at the end of the period</b>	<b>34</b>	64
<b>Amounts recognised in the statement of financial activities</b>		
	Year to 31/12/2023 £000	Year to 31/12/2022 £000
Interest expense	<b>2</b>	1
Remeasurements – impact of any change in assumptions	–	(2)
	<b>2</b>	(1)
<b>Financial assumptions</b>		
	Year to 31/12/2023 % p.a.	Year to 31/12/2022 % p.a.
Rate of discount	<b>5.31</b>	4.96

**26. SAVE THE CHILDREN UK CHARITY – STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Unrestricted funds £000	All restricted and endowment funds £000	Total funds year to 31/12/2023 £000	Unrestricted funds £000	All restricted and endowment funds £000	Total funds year to 31/12/2022 £000
<b>Income and endowments from:</b>						
Donations and legacies	66,611	26,145	<b>92,756</b>	65,607	34,459	100,066
Charitable activities	-	177,590	<b>177,590</b>	-	174,225	174,225
Other trading activities	8,336	-	<b>8,336</b>	8,154	-	8,154
Investments	1,469	-	<b>1,469</b>	866	-	866
Other	2,700	(33)	<b>2,667</b>	2,558	111	2,669
<b>Total income</b>	<b>79,116</b>	<b>203,702</b>	<b>282,818</b>	<b>77,185</b>	<b>208,795</b>	<b>285,980</b>
<b>Expenditure on:</b>						
Raising funds	34,499	776	<b>35,275</b>	30,603	663	31,266
<b>Charitable activities</b>						
Nutrition	1,556	17,769	<b>19,325</b>	2,388	18,817	21,205
Livelihoods	3,677	23,830	<b>27,507</b>	3,341	28,111	31,452
Health	4,340	33,077	<b>37,417</b>	4,094	39,685	43,779
Protection and rights	1,303	11,550	<b>12,853</b>	1,219	10,554	11,773
Education	8,468	58,870	<b>67,338</b>	5,871	50,082	55,953
Rapid onset emergencies	10,574	56,324	<b>66,898</b>	10,535	57,287	67,822
Advocacy and awareness	9,370	3,118	<b>12,488</b>	7,904	2,879	10,783
<b>Total charitable activities</b>	<b>39,288</b>	<b>204,538</b>	<b>243,826</b>	<b>35,352</b>	<b>207,415</b>	<b>242,767</b>
Other	2,806	21	<b>2,827</b>	2,669	10	2,679
<b>Total expenditure</b>	<b>76,593</b>	<b>205,335</b>	<b>281,928</b>	<b>68,624</b>	<b>208,088</b>	<b>276,712</b>
Net gains on investments	2,112	414	<b>2,526</b>	(2,031)	(654)	(2,685)
<b>Net income/(expenditure)</b>	<b>4,635</b>	<b>(1,219)</b>	<b>3,416</b>	<b>6,530</b>	<b>53</b>	<b>6,583</b>
Transfers between funds	768	(768)	-	267	(267)	-
Actuarial gains/(losses) on defined benefit pension scheme	391	-	<b>391</b>	(24)	-	(24)
<b>Net movement in funds</b>	<b>5,794</b>	<b>(1,987)</b>	<b>3,807</b>	<b>6,773</b>	<b>(214)</b>	<b>6,559</b>
Fund balances brought forward	48,561	18,889	<b>67,450</b>	41,788	19,103	60,891
<b>Fund balances carried forward</b>	<b>54,355</b>	<b>16,902</b>	<b>71,257</b>	<b>48,561</b>	<b>18,889</b>	<b>67,450</b>

## 27. INCOME FROM UK AND IRISH GOVERNMENTS

### (a) Income from the Foreign, Commonwealth and Development Office in the year ended 31 December 2023

Countries supported	Project	£000
Afghanistan Country Office	Health, Nutrition and Education	1,087
Afghanistan Country Office	Steps Towards Afghan Girls' Educational Success (STAGES) – Phase II	349
Bangladesh Country Office	Suchana – Ending the Cycle of Undernutrition in Bangladesh	2,375
DRC Country Office	Education in Kasai	2,819
DRC Country Office	Girl's Education Challenge Transition	21
Kenya Country Office	UK Aid Match Health and Nutrition ACCEPT project	459
Mozambique Country Office	DFID COSACA Consortium	(5)
Nigeria Country Office	Expanding Social Protection for Inclusive Development	1,272
Nigeria Country Office	Partnership for Learning for All (PLANE) 2021	1,433
Occupied Palestinian territory Country Office	Gender Equality and Inclusion in oPt 2022	610
Somalia Country Office	Building Resilient Communities in Somalia IRF FCDO	355
Somalia Country Office	Building Resilient Communities in Somalia IRF USAID	496
Somalia Country Office	Humanitarian Assistance and Resilience Building in Somalia Lot 2	368
Somalia Country Office	Humanitarian Assistance and Resilience Building in Somalia Lot 3 for Child Protection and Gender Based Violence	771
Somalia Country Office	Scale up of life-saving Health and Nutrition services in Somalia	1,688
Somalia Country Office	Humanitarian Assistance and Resilience Building in Somalia Drought Response Project FCDO	750
Somalia Country Office	Humanitarian Assistance and Resilience Building in Somalia Drought Response Project USAID	406
Somalia Country Office	Better Lives Programme: Improving Access to Quality Essential Package of Health Services	148
Somalia Country Office	Sudan Protection Programme	6
Türkiye Country Office	Strengthening Social Connectedness and Reducing Inequalities Among the Most Marginalised and Vulnerable Children in North-East Syria	3,684
Uganda Country Office	ULEARN 2019	871
Yemen Country Office	Food Security Safety Net Programme 2022-2027	530
Start Network	Start Fund 2022-2025	12,159
Start Network	Start Network Crisis and Disaster Risk Financing 2019	1,826
Start Network	Start Fund 2018-2021	(106)
Start Network	Start Fund Bangladesh Phase 4	341
Start Network	Start Network Disaster and Emergencies Preparedness Programme	19
Start Network	Start ODI Early Action	(5)
Start Network	Start Fund Nepal	532
Start Network	Start Ready – Crisis and Disaster Risk Financing	1,811
United Kingdom	Humanitarian Innovation Fund/Community-Led Innovation/Global Prioritisation Exercise/UK Hub	5,516
United Kingdom	Research for Health in Humanitarian Crises (R2HC) Phase 4	3,030
United Kingdom	Global Alliance for Humanitarian Innovation Contribution	(31)
		<b>45,585</b>

### Income from the UK Department of Health in the year ended 31 December 2023

Countries supported	Project	£000
United Kingdom	Research for Health in Humanitarian Crises (R2HC) Phase 4 – DHSC	1,062
		<b>1,062</b>
<b>Total UK central government income</b>		<b>46,647</b>

**27. INCOME FROM UK AND IRISH GOVERNMENTS (CONTINUED)****(b) Income from the Irish government in the year ended 31 December 2023**

<b>Countries supported</b>	<b>Project</b>	<b>£000</b>
Ethiopia Country Office	Ethiopian Civil Society Coalition for Scaling Up Nutrition Irish Aid Funding 2022/23	386
Ethiopia Country Office	Ethiopian Civil Society Coalition for Scaling Up Nutrition Irish Aid Funding 2023/24	88
Ethiopia Country Office	Irish Aid Climate Smart Programme (Afar and Somali)	5
Ethiopia Country Office	Irish Aid Contingency support to SWAN for Tigray Conflict	(4)
Ethiopia Country Office	Irish Aid Gender Equality	1,598
Ethiopia Country Office	Irish Aid Support for ECSC-SUN 2021-25	3
Ethiopia Country Office	Irish Aid Humanitarian	441
Malawi Country Office	Pathways for Strengthened Resilience Phase II	33
Malawi Country Office	Malawi Irish Aid 2024 Positioning Maziko for Policy Influence and Scale Up	13
Sierra Leone Country Office	Genda Bizness	7
United Kingdom	Scaling Up Nutrition Civil Society Network 2022-2025 Irish Aid	403
United Kingdom	Scaling Up Nutrition Civil Society Network Support 2018-2020	35
Zambia Country Office	Youth Climate Resilience	4
Start Network	Irish Aid Start Funding 2020-2021	27
Start Network	Irish Aid START Fund Contributions 2021	(5)
Start Network	Irish Aid START Fund Contributions 2022	27
Start Network	Irish Aid START Fund Contributions 2023	1,464
		<b>4,525</b>

Negative figures relate to adjustments made on the closeout of awards, including where amounts are being returned to donors where Save the Children UK has not been able to spend the funds in accordance with donor wishes.

PHOTO: SUZANNE LEE / SAVE THE CHILDREN

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