



WAR
child

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year Ended 31 December 2019

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Registered charity: 1071659

CONTENTS

Foreword from the Chair	3
Executive summary	4
Our year in numbers	5
Strategic report	6
Who we are	6
Our reach	7
Afghanistan	8
Central African Republic (CAR)	9
Democratic Republic of Congo (DRC)	10
Iraq	12
Occupied Palestinian territories	13
Syria response (Jordan)	14
Uganda	15
Yemen	16
Achievements against our strategy objectives in 2019 and 2020 plans	18
Financial review	24
Principle risks and uncertainties	26
Safeguarding / serious incidents	28
Our governance	30
Our management	32
Thank yous	33
Fundraising statement	34
Trustees' responsibilities	35
Independent auditor's report	36
Consolidated statement of financial activities	38
Consolidated and charity balance sheets	39
Consolidated statement of cash flow	40
Notes to financial statements	41

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War Child Holland (cover)
War Child UK (p17)
Ellie King (p23)
Kiana Hayeri (p29 and p45)
Arete (p51 and 53)
Hanna Noori (p57)

FOREWORD FROM THE CHAIR

The Board of Trustees of War Child are pleased to present the annual report and accounts for 2019.



2019 was a significant year for War Child, and one which saw continued strengthening and deepening of the methodologies that we use in our programmes, and the evidence base for their effectiveness; achieved through delivery to over 100,000 children, young people and adult participants in our programmes in Africa, the Middle East and Asia.

2019 was a year in which War Child's quality was recognised by a number of the largest humanitarian donors, who partnered with us to support a number of expansions of our work. This was in part a recognition not just of the continued improvement of activity and philosophy in War Child itself, but also of our continued focus on working with strong local partners in the areas in which we deliver, and also supporting the voices of children to be heard by those in power.

From Central African Republic, Democratic Republic of Congo to Iraq, Yemen and Afghanistan continued political instability and conflict both added to the need for War Child's activity, and also increased the challenges in security and safety in our operations. Looking ahead, those environments continue to be challenging and so the importance that we place on the safeguarding of our programme participants, and the safety and security of our colleagues delivering programmes will need to remain paramount.

The role that we played in 2019 would simply not have been possible without the continued incredible support that we receive from our Global Ambassadors Carey Mulligan, Marcus Mumford, Sam Smith and Vanessa Kirby, and also from our wider group of supporters. Their dedication to War Child and all we deliver, and their willingness to give considerable effort was critical to our achievements and is something for which we are amazingly grateful. The same gratitude applies to our partner organisations around the world, but in particular to our sister charity War Child Holland with whom we have continued to work in close cooperation and also our partner in the USA Children in Conflict who has done much to secure important US support for War Child's delivery.

As we ended 2019 and entered 2020, I prepared for my final months as Chair of Trustees of War Child and handing over to my successor. The Board established a recruitment committee for my successor, ably chaired by Rod McLeod. As I look forward to handing over a strong legacy to my successor in mid-2020, War Child faces the significant and challenging impact of the global pandemic, COVID-19, both in the UK and in the countries in which we deliver our programmes. At the time of writing, the full impact of the pandemic is not known, but War Child has adapted its original budgets, income forecasts and programming to respond to the current situation.

In particular, I would like to thank the Treasurer and Chair of the Audit & Risk Committee, and the Chair of the Programme Quality Committee, and both the trustee and co-opted members of those committees, for their very valuable work.



Sacha Deshmukh
Chair of Trustees
Date: 25th of June 2020

*War Child UK will be referred to as War Child

EXECUTIVE SUMMARY

In 2019 War Child supported 100,217 children, young people and adults in 8 different contexts: Afghanistan, Iraq, Yemen, Jordan (Syrian response), the occupied Palestinian territories, Uganda, Democratic Republic of Congo, and Central African Republic. These are some of the most challenging conflict affected countries in the world, where violence and displacement have created severe vulnerabilities for children and where our work carries significant risk to our staff.

War Child is increasingly seen as a reliable partner which can deliver good quality child protection in difficult locations. We saw a significant increase in the funding we were able to secure from major humanitarian donors like the United Nations High Commissioner for Refugees (UNHCR), the United Nations Children's Fund (UNICEF), and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) which allowed us to expand our work into new areas of Afghanistan, Yemen, Iraq, Democratic Republic of Congo (DRC) and Central African Republic (CAR). In Afghanistan, our research into the experience of children trafficked to Iran demonstrated that we need to go beyond reunifying trafficked children with their families and get to the root causes of the trafficking in the areas the children are coming from. In Iraq, we developed new programmes in Sinjar and in Mosul in response to displaced families' fears that they would not feel safe leaving the displacement camps unless War Child was able to provide child protection and education support in the towns they would be returning to. We have also supported young people to influence how the aid system itself is working for them. In Uganda, our VoiceMore group of young advocates conducted research in displaced communities and uncovered hidden vulnerabilities of orphaned children who had not shown up in official lists of people in need of assistance. They secured a huge expansion of assistance to these children by showing the local authorities that they had missed a major group of vulnerable beneficiaries.

We believe that the protection and education work we do with children and their families has long term benefits for peace development. In 2019 we began working on several partnerships which join our protection, education and livelihoods methodologies to groups who can provide community reconciliation and peacebuilding programmes and build on the personal security encouraged by our work. This will become a major theme for us in the next few years as we seek to become a thought leader in the reintegration of communities scattered by conflict. We continue to have a high profile in this area at the United Nations and in other fora where governments and civil society meet to agree how to reduce conflict in developing countries and secure peaceful futures for this generation of young people.

Whilst big governmental and United Nations donors are enabling us to increase the footprint of our work, the unrestricted funding we raise from members of the public and from private companies and foundations is the key to the ground breaking work we are able to do on reintegration, on supporting the voices of young people, on responding rapidly to new emergencies and in developing new answers to the challenges children face in conflict settings. Unrestricted funding has allowed us to invest in the rapid improvement of our systems and processes to ensure that every penny is spent wisely and that we are able to maintain high standards of accountability and transparency. We are also investing significant unrestricted funding into making sure that children in our programmes are safeguarded, and that our activities happen within a closely managed security framework. In 2019 we were delighted to have the support of four amazing Global Ambassadors, a wide range of talented people in the music, games, and entertainment industries, a huge number of private individuals and some key philanthropic donors. We are so grateful to all these people for their support which makes all this work possible.

We will need this support more than ever in 2020. As we publish this report for 2019 our country teams are already responding to the 2020 global Coronavirus pandemic by adapting programmes to educate children and families about the virus and to provide them with the sanitary and hygiene kits they need to avoid infection. We are switching to home-based schooling in countries where schools are closed, and our psychosocial counselling is moving onto phone and social media applications to ensure we can still reach traumatised children and families even under social isolation.

OUR YEAR IN NUMBERS

DIRECT PARTICIPANTS

100,217

INCOME

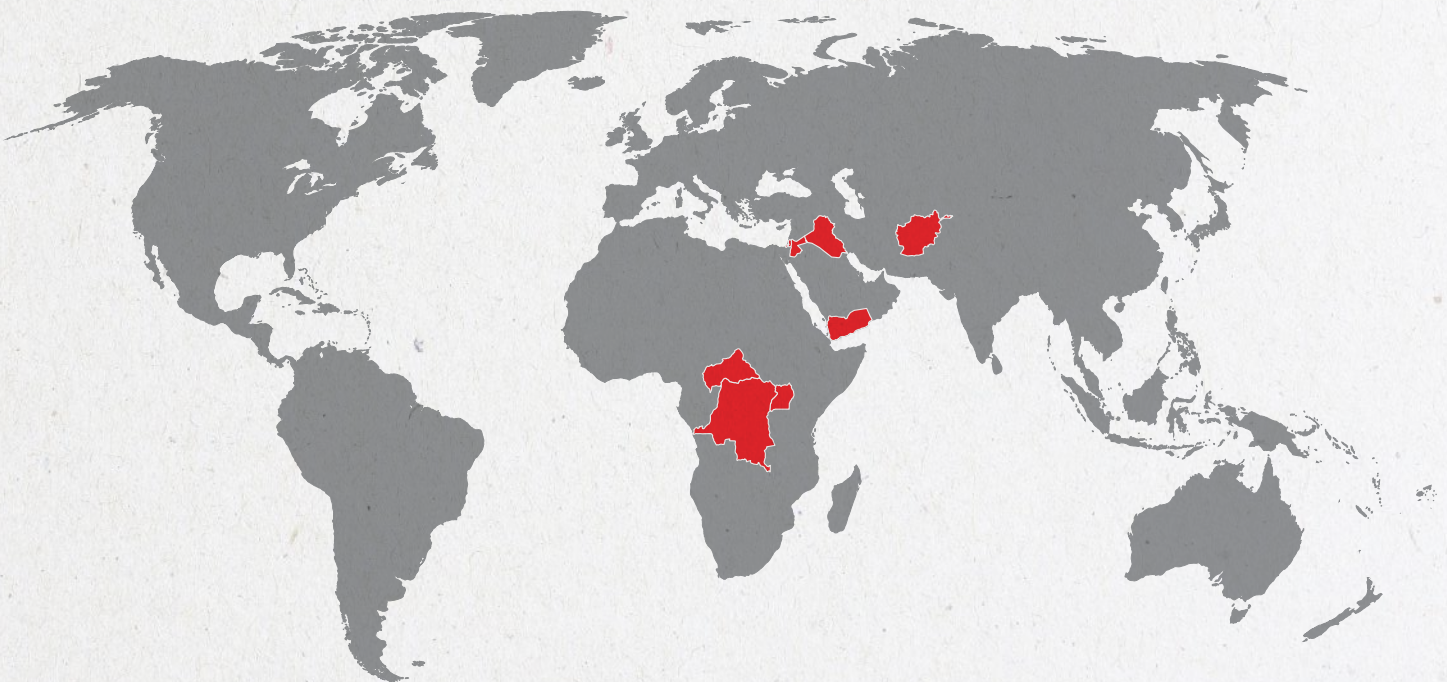
£17,492,000

EXPENDITURE

£16,271,000



ACTIVE IN 8 COUNTRIES



STRATEGIC REPORT

The Trustees, who are also the Directors for the purpose of company law, present their report, which includes the strategic report, together with the financial statements and auditors' report for the year ended 31 December 2019. The information required in the Directors' report is included in the strategic report.

WHO WE ARE

OUR VISION AND MISSION

War Child is the only specialist charity for children affected by conflict. For more than two decades we've been driven by a single vision – for no child's life to be torn apart by war.

Consistent with that, our mission is to protect, educate, and stand up for the rights of children in war. We aim to reach children as early as possible when conflict breaks out and we stay to support them through their recovery. We keep them safe, help them to learn and overcome their experiences, and equip them with skills for the future. We also work with children and young people to demand their rights and change policies and practices that affect them.

OUR STRATEGIC PRINCIPLES

Our five strategic principles help us achieve our mission:

- 1.** We reach children early in the conflict cycle and we stay to support them through their recovery.
- 2.** We are a specialist organisation focused on interventions that are both high impact and sustainable.
- 3.** We champion the voices of children and mobilise others to take action to support them.
- 4.** Our values define our actions and drive us to continually improve our work and our systems.
- 5.** We are part of an effective global family.

By standing by these principles, we empower children to overcome the devastating impact of conflict.

OUR VALUES

Bold

We use our passion and creativity to deliver high-quality, evidence-based programmes that offer the biggest benefit for children in conflict.

Accountable to children

Children can rely on us to respond to their voices and to treat them with respect and dignity.

Transparent

We expect to be held to account by our supporters and participants and we respond with openness and honesty.

Committed to each other

We support each other and our partners to achieve ambitious goals and to be the best we can be. We are honest and open with each other, sharing our successes and confronting our challenges.

OUR OBJECTS AND ACTIVITIES

The objects in our Memorandum of Association are:

- To bring relief to persons anywhere in the world who are suffering hardship, sickness or distress as a result of war and in particular (but without prejudice to the generality of the foregoing) to bring such relief to children who are so suffering.
- To advance the education of the public in the effects of war and especially the effects of war on children.

OUR REACH

In 2019, War Child and our partners worked directly with 100,217 children, young people and adults through our global programmes.

This includes over 76,000 children, 7,000 young people, and 16,000 adults who participated in child protection, education in emergencies and food security/livelihoods programming across eight countries.

In 2019, over 49,000 women and girls participated in our programmes representing 49% of all participants. The 76,000 children reached represents 77% of participants.

The Africa region continues to represent a significant proportion of the global portfolio, with CAR, DRC and Uganda amounting to 56% of total direct reach. In 2019, this can be in part attributed to the continued growth of individual country programme grant portfolios. This growth is a result of new grants from UNHCR, the Department for International Development (DFID), the United Nations Peacebuilding Fund (UNPBF), UNICEF and others.

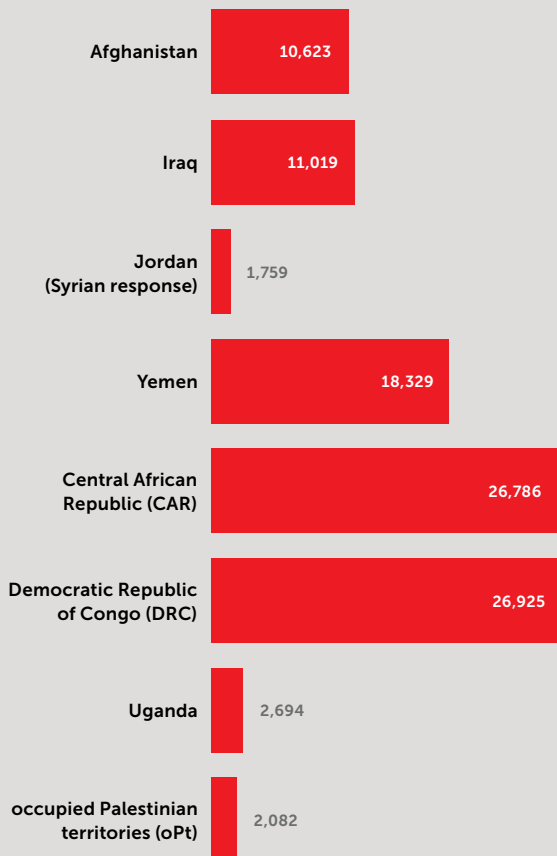
The Asia/Middle East region represents 44% of the total direct reach across the global portfolio. The continued growth of the Iraq programme grant portfolio and the continued UNOCHA grants in Yemen has supported this steady position.

The 2019 direct reach total (100,217) is lower than the 2018 total of 123,182 direct participants. This is largely because our ability to reach children, their families and communities is influenced by the changing conditions in each location. We may be less able to reach children in need because of extreme security challenges, a reduction in the availability of funding, or a change in the profile and prioritisation of a particular humanitarian crisis. Some programmes also offer more comprehensive and tailored support to a smaller number of individual children, rather than reaching large numbers of children with lighter-touch interventions. This was particularly true in 2019.

Another factor contributing to the variation in the number of participants in our programmes in 2019, is the difference in the 2018 reach in the War Child funded programmes in Burundi and the Occupied Palestinian Territories which were delivered by War Child Holland. The programme in Burundi represented a significant number of direct participants due to the nature of the portfolio. In 2019, War Child continued to fund a programme in the oPt but the direct reach was more modest.

In late 2020, War Child will launch a new strategy which emphasises deepening the impact of our programmes whilst responding to needs during the response, recovery and resilience phases of conflict affected countries.

AT COUNTRY LEVEL, WE REACHED:



AFGHANISTAN



2019 ACHIEVEMENTS

Humanitarian needs in Afghanistan through 2019 remained as complex as they were persistent. Children continued to suffer from food insecurity, conflict and displacement. One result of the context has been the steep increase in the number of separated and unaccompanied children and youth who leave Afghanistan in pursuit of a better life elsewhere. Afghanistan is second in child migration levels only to Syria with 2.7 million children having left the country over the last decade. These unaccompanied minors, primarily aged 12-17 (but sometimes as young as ten), face significant risks as they undertake the cross-border journey. War Child research demonstrates the primary motivating factor for risky migration to Iran from Afghanistan is to seek employment as undocumented workers, whilst others may attempt the journey to Turkey or Europe.

The main state response to this risky migration – which happens largely irregularly – has been to rely on forced returns. In Afghanistan, returns from Europe, Gulf countries, Pakistan and Iran have increased since 2015, with mass returns from Pakistan overshadowing returns from Iran. In 2018 nearly 800,000 undocumented Afghans returned or were deported from Iran. Among these large return numbers, research has highlighted the presence of children, with a rise in the number of unaccompanied children since 2015. War Child case management data demonstrates that this group often contains high numbers of acute needs cases such as children requiring emergency medical assistance and children who have suffered serious abuse.

Over the past six years, War Child has supported vulnerable children at the border by offering case management and psychosocial support, tracing families, and facilitating safe return home. In 2019 the programme expanded. The total number of children supported and reunified with their family was 8,830.

FUTURE PLANS

From our experience of supporting young people to return to their communities we know that the post-return phase of reintegration is often the most challenging, particularly when the same socio-economic drivers of migration persist in migrants' home areas. As a result, War Child, in partnership with other agencies and the relevant Afghan Government Ministries, will now look to broadening out our mandate and scope of activities to support the prevention of first-instance migration, and the reintegration of those returning to Afghanistan.

CENTRAL AFRICAN REPUBLIC



2019 ACHIEVEMENTS

The complex humanitarian crisis in Central African Republic is entering its eighth year. Over 580,000 people are internally displaced, and 606,000 people are living as refugees outside of the country. While 350,000 people returned in 2019 – often to devastated villages – one in five Central Africans remain displaced because of conflict. Despite the signing of a peace agreement in early 2019 the economy is struggling. An estimated 2.6 million people, including 1.2 million children, need humanitarian assistance, representing 59% of the country's population. Those with acute needs have increased from 1.6 million to 1.7 million people, due to continuing violence and destruction, diminishing resilience, limited access to basic services, underfunding, access constraints and insecurity. 15% of the country's schools remain closed due to conflict, and half a million children are out of school. Low levels of immunization may give rise to new epidemic outbreaks. Almost 800,000 children require protection, including from gender-based violence.

Despite the ever-present security and funding challenges of operating in CAR, War Child supported 26,786 children, young people and their carers in 2019 through our range of interventions. Our programmes have provided protection, education and livelihood support to children formerly associated with armed groups, so they can start the long process of reintegrating into their families and communities.

Our teams and our partners work in many different locations in CAR to identify separated and unaccompanied children and to place them with temporary foster families until we can reunite them with their families. We provide psychological and livelihoods support to girls and boys who have experienced gender-based violence and we arrange medical referrals to agencies such as Médecins Sans Frontières (MSF).

We are also hugely grateful for our partnership with the Wace Foundation, which has funded the development of a community-based CAAFAG (Children Associated with Armed Force and Groups) Reintegration programme which is being piloted and evaluated in Kibabi, North Kivu.

FUTURE PLANS

We have two priorities for the 2020 CAR programme. The first is to consolidate and build upon our existing programme to deliver multi-year support to children and young people in Ouham, Ouham Pende and Bamingui-Bangoran prefectures.

Our second priority is to develop our programmes and promote innovation, so they have increased impact and effectiveness. The reintegration of children formerly associated with armed groups will continue to be a priority and will be enhanced through the introduction of social therapeutic horticulture, social and emotional learning, and cash for protection.

DEMOCRATIC REPUBLIC OF CONGO



2019 ACHIEVEMENTS

The humanitarian situation in Democratic Republic of the Congo (DRC) remains precarious and volatile. In 2019, UNOCHA estimated at least 12.8 million people across the country needed humanitarian assistance and protection, including more than 1.3 million children under the age of 5 who were affected by severe acute malnutrition and outbreaks of diseases.

During the year, War Child reached 26,925 people, including 14,079 children, 3,481 young people, and 9,365 adults. In partnership with UNHCR we scaled up our operations in two additional provinces (Kasai Central and Kasai Oriental) in the Greater Kasai and opened a second office (Diboko) in Kasai.

With DFID Aid Connect funding and in partnership with other agencies we started a pilot project focused on supporting children forcibly recruited into armed conflict, used in prostitution, forced labor, or hazardous work which will reach up to 24,200 children by October 2022. We offered catch-up classes for out-of-school children in Rutshuru, trained them in school governance, built new classrooms, and distributed school kits for the most vulnerable children. 582 teachers and school leaders received Teacher Professional Development and Positive Parenting training modules in Masisi. A total of 2,669 people (of which 2,087 are children) benefited from these activities.

We have developed a community-based reintegration model for children and youth affected by conflict in Masisi. This is a new model, part of our thought leadership work on reintegration, and is designed to illustrate the advantages of building bridges between different reintegration, protection, and community security approaches which we expect will produce better and more sustainable results. We also continued our support for child protection services, with 2,505 people referred through our telephone helpline in Goma and Kinshasa to access appropriate services and care.

In Kasai, War Child continued the implementation of the protection monitoring and response project for internally displaced persons, returnees, people expelled from Angola and host populations affected by situations of extreme vulnerability. In 2019 we documented 14,465 protection incidents in the areas covered by the protection monitoring and we were able to successfully follow up 9,883 of these as individual cases. We provided cash assistance to a total of 720 people, enabling them to access care services in response to the violations they had suffered. We identified 3,426 cases of sex and gender based violence, among them 1,188 survivors who we managed to assist during the critical window of 72 hours following the incident, providing support to access urgent medical care.

In the territory of Mutena we rehabilitated and constructed eight classrooms and provided catch-up classes for a total of 1,407 out-of-school children. We recruited, trained and supported 40 volunteer Transitional Foster Families in collaboration with the Local Child Protection Committees and the Provincial Division of Social Affairs to care for unaccompanied children in their homes.

A total of 52 children, including 38 unaccompanied and separated children (16 boys, and 22 girls) and 14 children released from the militias were identified, documented, and officially placed under the authority of the Division of Social Affairs and the Children's Court within foster families. We formed a partnership with MSF-Belgium which enabled us to improve the confidentiality of children's information at one health centre in Mutena and to ensure that the centre keeps a permanent stock of Post Exposure Preventive (PEP) Treatment Kits in order to improve survivor's access to medical care, particularly in the first 72 hours, while reducing the risks of community stigma they may face as a result.

FUTURE PLANS

In 2020, War Child will prioritise:

- Sound identification of protection incidents and their implications on the lives of children and youth

- Cash assistance to the most vulnerable victims of protection incidents in order to assist them on their path to recovery and resilience

- Improving the access of sexual and gender-based violence survivors to adequate health and psychosocial care, while reducing the risks of stigma they may face following the incident with a particular focus on adolescent girls.

- Developing an improved reintegration model for children affected by conflict

- Improving the psychosocial well-being and educational potential of young children attending early childhood care and development classes

- Reducing the educational impact of the conflict on primary school aged children from North Kivu and Kasai, through catch-up classes and direct support to primary schools

- Improving reintegration and development prospects for conflict-affected youth in the Kasai and North Kivu provinces, by facilitating their access to informal education in technical, social and life skills



IRAQ



2019 ACHIEVEMENTS

The humanitarian context in Iraq has shifted from the emergency phase to recovery. Acute conditions still prevail across much of the country with almost 3 million people still displaced. The strain on Iraq's services is compounded by 250,000 Syrian refugees being hosted in camps and host communities. Major military operations concluded in late 2017, but the humanitarian crisis in Iraq is not over. War Child has played a key role in this shifting humanitarian landscape as a leading child protection actor.

Through 2019, War Child has seen a major expansion of its programme and service delivery across the country combining an innovative mixture of protection, education, mental health and psychosocial support, livelihoods and legal support work through bases in Erbil, Duhok, Mosul, Baghdad and Sinnuni.

In Duhok War Child used German government (GiZ) funding to support youth to access psychosocial support through our innovative sports and methodology. Further into Federal Iraq our team have been leading a comprehensive education project funded by Dubai Cares, rebuilding school infrastructure in Mosul, delivering mixed age curricula, and training local school and ministry staff.

The Iraq Humanitarian Pooled Fund has also continued to support our protection work in the Ninewah area through our case management and legal services model. Towards the end of 2019, War Child began work funded by the US Bureau of Democracy, Human Rights and Labour to support civilian victims of conflict in Iraq, specifically in Baghdad, Anbar, and Basra.

FUTURE PLANS

In 2020, War Child Iraq will continue its commitment to overall humanitarian response and recovery efforts. This will be realised through further developing a more stable funding base. This will enable the operation to develop and deliver highly quality programmes that are a mix of child protection, education and livelihoods in acute need areas across the Federal and Kurdish regions of Iraq. War Child will continue to contribute to country level coordination of the child protection and education response.

OCCUPIED PALESTINIAN TERRITORIES



2019 ACHIEVEMENTS

Since 30 March 2018, the Gaza Strip has witnessed a significant increase in Palestinian casualties in the context of mass demonstrations along Israel's perimeter fence with Gaza. Addressing the resulting multiple needs of the mass influx of casualties remains challenging due to the lack of funds, years of blockade, the internal Palestinian political divide and a chronic energy crisis. Given this context, hundreds of thousands of children and adults need psychosocial assistance, specialised medical care, and support for their rehabilitation. Families and communities are under intolerable pressure, and frustrations are increasing, as basic needs are not met and unemployment increases.

In 2019, War Child funded our sister organisation, War Child Holland (WCH), to deliver the project '3 Wars Later: Helping Children Heal'. The project contributed to improve the psychosocial wellbeing of conflict affected girls and boys in marginalized areas of Gaza through increased access to child protection care and services, and psychosocial support for children and caregivers. 2036 children (1021 boys and 1015 girls) have been reached through Structure Recreational Activities, Team Up¹, I DEAL, BIG DEAL, and SHE DEAL² interventions.

240 caregivers (120 males and 120 females) have participated in 20 cycles of the Caregiver Support Intervention (CSI). 97 partners' staff members and volunteers (33 males and 64 females) took part in relevant training workshops in order to implement and monitor the activities and to develop knowledge on child protection and child safeguarding.

FUTURE PLANS

The project ended in December 2019. With cessation of US funding to the United Nations Relief and Works Agency (UNRWA) and International Non-governmental Organisations (INGOs), funding from other donors has been diverted to most basic needs such as food and health with diminished chances to fund other programmes including psychosocial support. Given the funding crisis, WCH will seek support towards securing diversified funds for continuing War Child programmes in the OPTs in general and in Gaza in particular.

1. The TeamUp aims to increase the resilience and psychosocial wellbeing of refugee children and vulnerable children in host communities through structured movement-based and sports activities.

2. IDEAL, BIG DEAL SHE DEAL are tailored psychosocial support interventions designed to enable girls, boys and older youth to develop their resilience and innate strengths through targeted, structured activities. With I Deal, children and youth are provided with theme-based creative life skills trainings encouraging them to discover their identity and cope with emotions of love and hate. Our creative activities also help children build their self-confidence and gradually learn to trust others again. The name 'I Deal' is no coincidence - children quite literally learn to deal with their pasts and slowly but surely start to (re)define themselves as individuals, preparing for their future.

SYRIA RESPONSE (JORDAN)



2019 ACHIEVEMENTS

After six years of delivering quality protection, psychosocial support and early childhood development programmes to refugees and host communities in Amman, Mafrq, Zarqa and Irbid as well as in Za'atari, Azraq and Emirati Camps, War Child's work in Jordan transitioned to a longer term approach and is being transferred to War Child Holland Management. The management transition started in August 2019, with financial transition at the end of the year.

UGANDA



2019 ACHIEVEMENTS

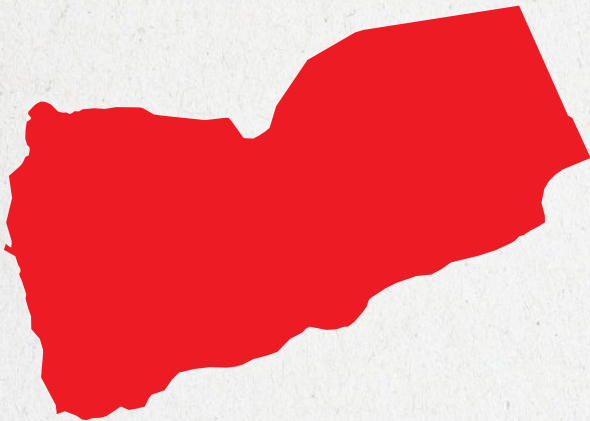
Northern Uganda is the largest entry point for South Sudanese refugees in the region since the war started in South Sudan in 2013. Children, young refugees and host communities are suffering from the situation and the conflict, but economic and social opportunities can bring them together and trigger mutual understanding.

In 2019 WCUK funded our sister organisation, WCH, to deliver the TeamUp project. Implemented in Arua and Yumbe districts in northern Uganda it aims to reach 4,000 children during two years of implementation. In 2019, 2,850 children were enrolled in weekly TeamUp sessions in the eight schools and communities supported. 48 teachers from eight schools were trained in TeamUp methodology to be able to enrol more children in the programme. 29 community facilitators and project staff were trained on basic first aid management, child safeguarding and protection and disability and inclusion. The project also trained eight Local Government officials on TeamUp mentorship and coaching.

FUTURE PLANS

This project will continue to run until February 2021.

YEMEN



2019 ACHIEVEMENTS

In 2019 the conflict and humanitarian crisis in Yemen worsened with an estimated 24 million people requiring some form of humanitarian or protection assistance, of whom 14.3 million are in acute need. An estimated 3.3 million people remain displaced with escalating conflict causing extensive damage to public and civilian infrastructure. The governorates most affected by conflict and with the most acute humanitarian needs include Taiz, Al Hudaydah and Sa'ada where more than 60% of the population require humanitarian assistance. Children are among the most vulnerable groups and are disproportionately affected by the conflict. An estimated 7.5 million children are facing severe protection risks, and malnutrition. The UN Security Council reported over 11,000 grave violations against children and the use of schools and hospitals for military purposes.

In 2019 18,329 children, young people, and adults participated in War Child projects in Yemen. This included activities such as cash assistance, education support, and protection services in Sana'a, Ibb, and Taiz governorates.

In 2019, War Child delivered cash assistance to 1,500 vulnerable families (11,429 individuals) in Sana'a governorate, including persons with disabilities, pregnant and lactating women, the elderly, extremely poor individuals, child and female headed households.

The project, funded by the Yemen Humanitarian Fund, aimed at supporting conflict-affected children and their families to cover their immediate food insecurity and protect or restore livelihoods options, without having to resort to harmful coping strategies. With limited access to humanitarian assistance coupled with the low proportion of cases having a reliable income, credit is an avenue that enables many families to meet their basic needs, including food. Cash assistance, however, narrows households' shortfalls and thus reduces the need to take out loans and enables them to focus on addressing the basic needs of all members.

War Child provided education support to schools for internally displaced and host community children and school personnel in Ibb and Taiz. In child protection, War Child delivered protection assistance and referred services to vulnerable displaced families and within host communities. These activities included legal assistance, case management, and mine risk awareness.

FUTURE PLANS

Our plans for 2020 are to continue expanding our education programme in Sana'a and Al Hudaydah governorates, including piloting our first Early Childhood Care and Development intervention in Yemen to reach more children and parents. We will also expand our programming in Taiz and Ibb governorates where many internally displaced families and children require humanitarian assistance.



A Yemeni child with a War Child school bag.

Photo credit: War Child UK

OUR ACHIEVEMENTS IN 2019 AND 2020 PLANS

Our strategy is based on five key principles for action.
We made progress in 2019 against each of these principles.

PRINCIPLE 1 We reach children early in the conflict cycle and we stay to support them through their recovery

Responding early to conflict is an important principle in our strategy. In recent years War Child has invested in emergency response actions in the DRC (Kasai), in Iraq (Mosul) and in Yemen and we have seen the importance of this not only in meeting immediate protection and education needs, but in laying the foundations for longer term support to vulnerable communities.

In 2019 conflict in CAR increased in several parts of the country after two years of relative calm. Intercommunal violence in both Ouham-Pende in the west, and Birao in the north-east, led to rapid population displacement. In both cases War Child was able to mobilise teams to assess and respond within a matter of days. In Birao long-standing tensions between the Kara and Rounga ethnic groups led to 14,000 people fleeing the town to nearby displacement camps. With the support of the START Fund, the War Child team was able to access the affected area within the first week of the crisis, carry out initial security and needs assessments, and cooperate with both our local partner and the UN peacekeeping forces to reach 3,000 of the affected population with immediate child protection support. As with previous emergency projects early action led to further support. Our initial six-week intervention was followed by funding for a further six months from UNOCHA.

As we have developed our ability and ambition to respond more quickly to emergencies, we have also introduced improvements in the security and safety assessments that precede our interventions. This proved particularly important in 2019 in assessing new locations for project and partner activities, including very challenging settings such as the contested port city of Houdeidah in Yemen and the devastated neighbourhoods of West Mosul in Iraq.

Our operations are not only focused on emergency response, and our strategy commits War Child to continuing support children through their recovery. In 2019 this was illustrated by War Child's continuing commitment to working with the displaced Yazidi communities in northern Iraq where, as a result of our lobbying of donors at a time when the attention of the humanitarian community was heading elsewhere, we have been able to maintain support to vulnerable long-term displaced populations in camps.

2020 PLANS

Our new strategy places further emphasis on the need for War Child to invest in responding to rapid onset emergencies in our countries of operation and we are developing tools and guidance on this for our teams and partners in cooperation with WCH.

Our emergency fund, budgeted at £100,000, provides the initial set up funding for emergency response activities, in line with similar investments in recent years in the DRC, Yemen, Iraq and CAR.

The spread of coronavirus (COVID-19) presents a major threat to War Child operations and to the children and communities which we support. War Child will be part of the wider humanitarian effort to support survival and recovery in 2020 and emergency response activities will include cash and voucher distribution as well as targeted protection case management.

PRINCIPLE 2

We are a specialist organisation focused on high impact and sustainable interventions

WHAT WE ACHIEVED IN 2019

This past year saw War Child make large strides in sharpening its programmatic offer to children affected by conflict. As part of the 2020-2022 global strategy development process, a robust programme quality strategic approach was developed. This sought to delineate the key programmatic areas of focus in Child Protection, Education-in-Emergencies, Livelihoods and Youth Engagement that War Child will provide to support children affected by conflict.

War Child continues to strengthen its Monitoring Evaluation and Learning processes, prioritising child safeguarding and safety, adhering to the Core Humanitarian Standards while committing to a tailored adherence to other minimum standards regimes put forward by technical networks such as the International Network for Education in Emergencies, the Alliance for Child Protection in Humanitarian Action (ACHPA), and the SPHERE standards community.

We have also identified three areas where we aspire to provide thought leadership for the sector through exploring best practice, generating evidence, and advocating for more sector engagement. The first area is reintegration, building on the work done by our Advocacy team in raising the profile in global forums of the need for consistent reintegration support for Children Associated with Armed Forces and Groups (CAAFAG). We have developed a complementary, holistic programmatic model which we are currently piloting in the DRC. While we will be testing our community-led model to CAAFAG Reintegration in 2020-2021 we hope to expand out our reintegration model to inform similar efforts targeting the needs of (1) Children in Conflict with the Law (CiCWL), (2) internally displaced (young) persons, (3) unaccompanied minors (UAM) and other target groups of children in need of these services.

Another thought leadership area we are currently developing is Early Childhood Development in Emergencies (ECDiE) which builds on our programmatic work in this area to promote the vital importance of ECDiE in maintaining developmental wellbeing and securing good outcomes for children affected by conflict. We have been able to engage with the Moving Minds Alliance, a network of funders seeking to promote and fund ECDiE in the sector.

The final thought leadership area expands our work on VoiceMore for greater and more effective youth (civic) engagement and participation. We continue to evaluate and understand better the positive impact our VoiceMore initiative has provided to ensure children and young people's voices are heard. We will strive to increase the input and participation of children and young people to engage in all stages of the programme lifecycle.

FUTURE PLANS

As part of our effort to strengthen our programmatic offer, a focus on improving the quality of our programmes has been captured in our definition of core programmatic interventions documented in our Core Interventions position paper. The document captures the key programmatic interventions War Child will implement across the four thematic areas, identifying the desired outcomes we seek to achieve for children affected by conflict. These include, community-led child protection, case management and psychosocial support (PSS) activities for our child protection thematic area. We are planning on expanding out our PSS offerings to comprise a wider range of structured and unstructured play including a revamped approach to Sports-for-Development integrating football sessions and structured PSS elements.

Additionally, our Socio-Therapeutic Horticulture (STH) Livelihood core intervention seeks to facilitate psychosocial wellbeing while training young people on basic horticultural practices. In the area of Education in Emergencies, we will be strengthening our offers in Accelerated Education programming (AEP), Early Childhood Development (ECD) and Teacher Professional Development (TPD). We are also looking at integrating our educational programming with other interventions. In the area of livelihoods, we will continue to focus on strengthening prospects for salaried employment and self-employment through vocational training, apprenticeship schemes, village savings and loans associations and small business grants.

Our livelihoods interventions will be paired with appropriate basic educational programming to ensure catch-up classes provide participants with the basic numeracy and literacy skills to be successful in their chosen vocations. We are also testing approaches that seek to integrate different core interventions such as ECDiE and positive parenting where we take advantage of the opportunity to work with young mothers/parents on their own educational or vocational development while learning about effective parenting skills.

Our specialist agency is also focused on evidencing the impact and learning from programme work with children through rigorous monitoring evaluation and learning and a new research agenda. Our main priorities this year have been to maximise the value of our evaluations and internal reviews to strengthen our understanding of our programmes. We will also seek to provide primary research around our CAAFAG Reintegration pilot in the DRC and our War Child Football Club (WCFC) adapted methodology (likely in CAR) in addition to research generated from our UAM programming in western Afghanistan last year.

PRINCIPLE 3

We champion the voices of children and mobilise others to take action in support of them

CHAMPIONING THE VOICES OF CHILDREN

In 2019 our global advocacy on the reintegration for child soldiers began in earnest. We launched the flagship report, **Rethink Child Soldiers**, aimed at bringing global attention to the challenges faced by children associated with armed groups, which presented detailed recommendations for global policy makers on adapting and improving reintegration programmes, providing a foundation for our advocacy to the UN and to the British Government. The report launch in the UK saw War Child featured in more than 30 publications about the issues surrounding reintegration and child soldiers in general.

We partnered with UNICEF to develop the Global Coalition on Reintegration policy guidelines on addressing the programmatic and funding gaps in reintegration programmes. We provided substantial input into the revision of the UN International Reintegration Standards and the Paris Principles Field Handbook, both globally recognised international guidelines. We also supported our War Child Holland colleague, and former child soldier, Majok Peter, to lobby UN agencies and travel to New York to address the UN Security Council on the need to do more to reintegrate children associated with armed forces and groups.

We instigated a UN Security Council 'Arria' meeting at the UN in New York on youth participation in reintegration, co-hosted with the UK Mission and Belgian Mission to the UN and UN University.

In January we secured commitment from the British government to create a cross-departmental working group on children and armed conflict and we worked with this group over the year to raise awareness of the issues across government. We continued to provide expert trainings to the Ministry of Defence on children's rights in conflict and we instigated a one-day training for cross-government civil servants on children in conflict.

We are extremely grateful for the £50,000 donation from the Joseph Rowntree Charitable Trust to produce an annual report on the UK's approach to children in conflict for the next three years.

We continued our lobbying on the conflict in Yemen by launching a report on attacks on education in Yemen, **Being Kept Behind**, at the Safer Schools Conference in Madrid in May.

MOBILISING SUPPORT

In 2019 we raised a total of £17.5 million, consolidating our previous achievement of £17.0 million in 2018. We saw strong growth in our grant income from governmental and UN donors, with a rise from £7.6 million in 2018 to £10.2 million in 2019. Our success in mobilising institutional funding is based on the increased quality of work and our commitment to reaching children early in the emergency phase, which is increasingly attracting the support of humanitarian donors.

The funds to respond early and invest in our technical quality come from the general public and key partners in the form of unrestricted donations. The biggest of these donors is the People's Postcode Lottery, who have been consistent partners of War Child since 2014. Over the past five years we have received an incredible £10m from players of the Peoples Postcode Lottery, which has transformed our ability to reach children in crisis. In 2019, players contributed £2.84 million (2018: £2.87m) providing funds to our programmes in Africa and sponsoring **Rethink Child Soldiers**.

We continued our hugely successful partnerships with O2, AEG presents and BP to present a hugely successful BRITS week raising over £500k with performances from artists such as Mabel, Idles, AJ Tracey, and The 1975. Jess Glynne performed our traditional 'hero' show at O2 Shepherds Bush arena.

One of the highlights of year was an intimate dinner for our key donors with all four of our Global Ambassadors – Marcus Mumford, Carey Mulligan, Vanessa Kirby and Sam Smith. We continue to be immensely proud to partner with our Ambassadors and are hugely grateful to them for the personal commitment they show.

Our fundraising in interactive entertainment continued its impressive delivery and expanded the offering by including a football activation, inspired by the long-term partnership we have with Sports Interactive and the 'Football Manager' game. We were delighted to be chosen as the winner of the Institute of Fundraising's Innovation award for our work on Armistice 2018.

At the end of the year, we were delighted to be selected by the Times to feature as the international charity in their Christmas appeal. Over nine articles, the newspaper told the story of the plight of the Yazidi communities living in refugee camps in Northern Iraq. Having experienced the horror of war, many of their families and children now benefit from War Child programmes and demonstrated their resilience and ability to recover with the right interventions via this editorial. We raised over £212,000 to support our work in Iraq.

2020 PLANS

We will campaign for more governments to fund and support the reintegration of children associated with armed forces and groups. Working closely with external stakeholders we will develop the capacity to be global thought leaders on reintegration programming and policy.

We will launch a report highlighting the opportunities for the UK government to better protect children in conflict. We will continue to urge the UK government to use opportunities to improve its allies' performance on protecting children in conflict, and to develop strategies and action plans across government to enhance their role in promoting children's rights in conflict.

As well as delivering our successful fundraising events and continuing our partnership with the People's Postcode Lottery we will be laying the groundwork for the mobilisation of more members of the public as regular givers, which we believe will lay a strong foundation for our future growth.

PRINCIPLE 4 Our values define our actions and drive us to continually improve our work and our systems

In 2018 we moved from outsourcing the internal audit function, to directly employing an internal auditor. In 2019 our Internal Auditor visited all our country programmes, with the exception of Yemen (due to non-accessibility) to carry out risk-based audits – covering all aspects of our work including safeguarding, security, management oversight, HR, finance and IT. The Yemen audit was done remotely. Internal audit reports into the Audit and Risk Committee has increased the visibility of the management of our country programmes at Board of Trustee level.

The project to significantly upgrade our global financial system commenced – the initial phase of the project is scheduled to take a year and the new system should be rolled out to all locations in 2020. The aim of the project is to improve the quality and timeliness of financial information, streamline and integrate finance work, and enable staff to spend less time processing data and more time analysing data for improved decision making.

2020 PLANS

At the end of 2019 we launched our new strategy for 2020-2022. Part of the new strategy focuses on living our values to ensure that they are not just statements but are visible in everything that we do and are fully integrated and deeply embedded within our culture. In 2020 we will work on defining the core behaviours which underpin our values and over the course of the strategy develop tools that enable assessment, development and further application of these behaviours in recruitment and selection, achievement and development and leadership/role modelling.

Another part of our new strategy is ensuring that we have a sustainable financial model in order to realise the full potential of our income and enable us to support strategic investments that improve the quality and scale of our impact and ensure that War Child is on a stronger financial footing to manage the significant risks inherent in the environments in which we operate. Work in 2020 will include ensuring that we hold our target level of unrestricted reserves on a monthly basis, to give us a strong underlying financial position.

PRINCIPLE 5

We are part of an effective global family

The collaboration on programme delivery between WCH and War Child continued in 2019. War Child funded work carried out by WCH in the occupied Palestinian territories and in Uganda. WCH supported War Child to access funding from the governments of Holland and (through their affiliate War Child Germany) the German government. We worked together on our global advocacy agenda to raise international commitment to reintegrating children who have been involved with armed groups back into their communities.

Our partner organisation in the United States, Children in Conflict, raised funds for our work and hosted some exceptional fundraising events, including an exclusive concert evening in Nashville with their Ambassador Brandi Carlile, and a winter Wassail in New York, created by our shared Ambassadors Carey Mulligan and Marcus Mumford. The evening was hosted by John Oliver and featured live musical performances from Marcus Mumford, Ben Lovett, War and Treaty, Kevin Garrett and Sarah McLachlan. Rachel Weisz, Rami Malek and Olivia Wilde read festive readings.

We remain on friendly terms with our colleagues in War Child Canada but we have not achieved the level of collaboration on programme delivery that is a feature of our relationship with War Child Holland.

2020 PLANS

We will work together closely with WCH in 2020, especially around emergency response where we hope to achieve shared standards and modes of operation. We will support the further development of our partner organisation in the USA and make adjustments to the relationship so that our American partners are more engaged in decision making about our programmes and their impact.



Mariam and Ruqiya live in an internally displaced person (IDP) camp in northern Iraq. They are best friends and enjoy playing football together. Both are 11 years old.

Photo credit: Ellie King

Love is Pretty

FINANCIAL REVIEW

INCOME

In 2019, we raised £17.5m, up 3% on 2018, continuing our growth journey.

We raised £10.2m of restricted income which constitutes 58% of the total income. This is a significant increase compared to 2018 when we raised £8.6m. The increased amount and proportion of restricted income is consistent with the funding mix that War Child is aiming for, where 60% of funds would come from institutional donors.

The growth in restricted funding means that War Child continues to work with a variety of donors such as UNPBF, expanding our relationship with other UN agencies and working in consortium with other NGO partners, DFID, NRC, and WV.

We raised £7.3m in unrestricted income - an 11% fall on 2018. This reduction was mainly due to events such as the Winter Wassail in London not taking place in 2019. However, Carey Mulligan and Marcus Mumford, two of our Global Ambassadors, hosted a successful Winter Wassail in New York for our US partner, Children in Conflict. The People's Postcode Lottery funding continues to be a major source of unrestricted income. In 2019, we held four lottery draws, generating a total of £2.8m. Our music events continue to raise to be successful with the BRITS Week gigs and our Safe and Sound concerts continuing to generate income.

EXPENDITURE

In 2019 we spent £16.3m, a decrease of 3% when compared with 2018. The majority of expenditure, 88%, was spent on achieving our charitable objectives.

We started 2019 with unrestricted reserves exceeding our target reserves, enabling us to continue to invest in both our country programmes and our HR and finance support services. Support to our country programmes enabled our Kasai response, work with the Yazidi population in the camps in northern Iraq and provide continuity funding for our programmes in CAR. (See the country achievements in these areas).

YEAR END POSITION

In 2019, War Child created a net surplus of funds of £1.2m which represents 7% of income. The overall surplus consists of a surplus on restricted funds of £860k and a surplus on unrestricted funds of £361k. The surplus on restricted funds relates to income received in advance of expenditure for institutional grants.

War Child's net current assets total £5.1m (2018: £3.8m). Total reserves are £5.3m (2018: £4.0m) consisting of:

- Unrestricted funds:
 - Continuity Business Reserves £2.0m (2018: £1.6m)
 - Working Capital Reserves £0.07m (2018: £0.032m)
 - Tangible Fixed Assets £0.116m (2018: £0.194m)
- Restricted funds: £3.06m (2018: £2.2m)

RESERVES POLICY

War Child's reserves policy is to ensure that we hold sufficient continuity business and working capital reserves at any point in the financial year (these reserves equate to unrestricted funds, excluding tangible fixed assets and other designated funds, but including investments) to address the significant risks posed to the organisation, our participants and our employees of working in and around war zones.

War Child splits unrestricted reserves into:

- Continuity business reserve. This is held at all times by the organisation to mitigate against the risks in War Child's operating environment (the principal risks and uncertainties being explained in more detail on page 23). The target for continuity business reserves is calculated through a detailed assessment of the core running costs of the organisation and the risk profile of income. The current target, that is the minimum reserves requirement to address such risks, is £2.0m (2018: £1.6m) subject to amendment as the organisation evolves. This amount needs to be available to cover risks that may materialise throughout the year.
- Working capital reserve. Traditionally one of War Child's most significant fundraising events is held in December and cash from that event is needed to fund operations into the following year. In order to manage fluctuations in the timing of income receipts from this event and other sources throughout the year, it is also necessary for War Child to hold a revolving working capital fund, that allows War Child to manage cashflow at all times. The year-end working capital fund to be carried forward into 2020 is £70,000.
- Tangible Fixed Assets. The current value of War Child's tangible fixed assets is £116,000.

War Child has assessed its Continuity Business Reserves and Reserves policy in light of Covid-19. The 2020 and 2021 budgets have been re-worked to reflect anticipated reductions in income due to the global pandemic. War Child has been able to cut expenditure to match the expected downturn in fundraising, without having to utilise its current Continuity Business Reserves and has therefore assessed that the reserves target as set remains sufficient to manage this period.

UNRESTRICTED RESERVES

Unrestricted reserves are not restricted or designated for a specific purpose. They include £27,000 of investments held as art assets. Continuity Business reserves at the end of 2019 were £2.0m, against the target reserves level of £2.0m.

RESTRICTED RESERVES

Restricted funds are tied to a particular purpose which has been specified by the donor. Restricted reserves reflect the unspent balance of any of these funds. Restricted reserves at the end 2019 were £3.1m, an increase of £0.9m compared with the 2018 year-end position.

GRANT MAKING POLICY

In some circumstances, grants may be made to third party non-governmental organisations or other charities when this supports our charitable objectives.

War Child will make a grant only if the non-governmental organisation or other charity meets the following criteria:

- It has registered with the relevant government authorities

- The objectives of the proposal are compatible with our mission statement and objectives

- The last financial annual report is produced with full accounts

- A formal agreement is signed with War Child.

INVESTMENT POLICY

War Child's investment policy is to protect our capital, particularly given the constraints of restricted project funding and the often high-inflationary environments in which we operate. Tolerance to capital volatility is low, and the charity adopts a cautious attitude to risk. War Child's assets should be held in cash or low-risk government bonds, although certain investments are also held in art assets to protect against long-term devaluation.

Given the overseas nature of much of War Child's expenditure, and the risk posed to the charity through foreign exchange movement, we limit the exchange between currencies where possible. Further investments may range from short to long term, maturing in line with the planned expenditure cycle across War Child's projects.

In 2018 our art assets were revalued by an independent auction house to value of £27,000. This amount has been carried forward into our 2019 accounts.

War Child Trustees have delegated decision making on investment matters to the Audit and Risk Committee. The charity manages our own investments and has a nominated list of authorised signatories, two of whom are required to make any investments on behalf of the charity.

VOLUNTEER POLICY

Volunteers are key for the continued success of our fundraising events and are a major resource which contributes to achieving our objective of improving children's lives. The skill, time and energy contributed by volunteers helps us achieve our goals and in turn benefits volunteers by offering them the opportunity to gain experience and to 'try something new' while meeting like-minded people. There are volunteers who help regularly throughout our offices and operations, as well those who help on a more ad hoc basis such as stewarding at fundraising events. We are enormously grateful to all those who offer their time for free to help support the children we work with.

FUNDRAISING REVIEW

Details of War Child's fundraising activities can be found on page 34.

GOING CONCERN

The Trustees have reviewed War Child's reserves and continuity business reserves position in light of the reserves policy discussed above. They have reviewed the group's forecasts and projections, which have been updated in light of the impact on COVID-19 on both income and expenditure, and have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The 2020 forecast income has been revised downwards using a worst-case scenario approach and expenditure has been cut accordingly, thus protecting the organisation's continuity business reserves. The likely on-going impact into 2021 has also been considered, with the best available knowledge at the time and potential income stress tested to ensure that expenditure levels can be maintained within the stress tested income. They consider that there are sufficient reserves held at the year end to manage any foreseeable downturn in the UK and global economy and the impact of the global pandemic. The Trustees consider that there is a reasonable expectation that War Child has adequate resources to continue in operational existence for the foreseeable future and for this reason, they continue to adopt the 'going concern' basis in preparing the accounts.

PRINCIPAL RISKS AND UNCERTAINTIES

War Child divides risks into two categories: strategic risks and operational risks. Strategic risks present a significant threat to us achieving our strategy. They are monitored closely by both the senior leadership team and the Board of Trustees. Operational risks concern mainly internal processes and controls. They can be managed through effective systems and good practices and are monitored closely by the management team.

There is some fluidity between the risk registers, with severe operational risks being elevated to the strategic risks register if felt appropriate or they need specific attention. Risks are scored according to how likely they are to occur and the impact they would have on the organisation. The Board of Trustees weighs up the appetite of the risk to the organisation and the management looks at ways to mitigate the risks.

The risk registers are periodically reviewed, in accordance to War Child's risk policy to ensure the registers remain up-to-date and relevant. Our strategic risk register categorises risks according to their threat to our five strategic principles. With a new War Child Strategy starting in 2020, the strategic risk register will be updated to reflect this. The operational risk register has gone through a significant revision by the management team with extensive support from the Internal Auditor. A deep dive into the strategic risks is done on a rotational basis at the Audit and Risk Committee. This committee meets every quarter and at each meeting it reviews a specific risk in detail, working through the register, so over a period of time a deep dive of all risks is completed.

One risk within the strategic risk register is related to external environmental risks, which is proving to be particularly pertinent in 2020, with the risks to the organisation from the current COVID-19 outbreak.

Risk that children experience accident, attack or abuse during or because of their association with War Child

Keeping children safe is always our priority. We have a comprehensive child safeguarding policy and code of conduct, and we are committed to training staff in this area. Child safeguarding focal points are identified in each office and incidences are reported to a central child safeguarding email address, which is monitored by our Child Safety and Safeguarding Advisor, so they can be investigated.

We carry out risk assessments of all War Child and partner project sites and have developed a comprehensive health and safety checklist. Any serious incidents are reported to the Board of Trustees and to the Charity Commission. The Child Safety and Safeguarding Advisor provides monthly reports to the Senior Management Team and attends the quarterly Board Audit and Risk Committee Meeting.

Risk that our security management fails to provide adequate levels of risk management for the environments in which we work

The safety of our staff and the children we work with is of paramount importance to us, especially given that our work takes our teams to insecure locations which can pose significant threats to security. Our Global Security Advisor works closely with a team of in-country security officers to analyse the risks and implement mitigation strategies so we can work in volatile environments, without undue risks to our staff or children.

All staff working in or travelling to our country programmes must complete hostile environment awareness training (HEAT) and we employ country Directors who are experienced in security management and are able to comply with security regulations.

We invest resources in making our compounds and project locations more secure and in confirming lockdown and evacuation procedures in case of threats. We engage actively in national security networks and our Global Security Advisor meets weekly to update senior leaders on the current situation in our working environments. The Global Security Advisor reports to the quarterly Audit and Risk Committee meetings and we have a Crisis Management Plan and a committee ready to convene as needed.

Risk that we are unable to deliver our programmes to the required quality standards, or fail to understand or explain our impact

To be able to deliver high quality programmes, War Child has invested in the specific technical skills of Child Protection, Education in Emergencies, Food Security and Livelihoods and Monitoring, Evaluation Accountability and Learning (MEAL) in both our country programmes and in the London office.

It is not enough to simply count how many children attend War Child centres or access our other services, but it is important for us to measure the impact of the programmes we run. We therefore invest in studies and evaluations that can show the impact of our work on the wellbeing of the children and families involved.

We have integrated the Core Humanitarian Standards into our own programme of standards so we can assess our work against agreed common standards. We have completed a comprehensive self-assessment against these standards and have an action plan in place for specific improvement. We produce an annual results report so we can assess and demonstrate our global achievements.

Risk that we do not effectively listen to or amplify children's voices

We are keen that our work is focused on what children tell us they need, rather than on what we assume they want. In a fast-moving emergency environment, there is always a danger that corners might be cut, and programmes might be designed and implemented without consulting with the children we want to help.

Championing the voices of children is one of our five strategic principles and we believe that children and young people are the best advocates for their own safety, education and opportunities. Programmes are designed in consultation with children and children are involved in evaluating programme results. Projects have child feedback mechanisms built into them so we know what children think of our programmes and can make changes in real time. Our annual impact report always includes surveys and focus group discussions with children across our programmes so that we can report on what they think of our work.

Risk of insufficient funding preventing us from continuing to grow our impact and support more children and resulting in a weak balance sheet with low financial resilience, insufficient Reserves and cashflow

To mitigate this risk, we develop robust fundraising strategies and look for innovative ways to raise funds. We build strong relationships with supporters and work hard to maintain their trust. We cultivate strategic relationships with our institutional donors to build our reputation and credibility with decision makers. We are thoughtful about the donors we work with and our screening process helps us avoid accepting funding from sources that are not compatible with our values.

Our fundraising teams work energetically to grow our funds to respond to children who desperately need our help – both in the areas where we already work and in new territories. We invest in the right capacity at head office and country office level to ensure that we can produce high quality proposals and manage donor relationships and opportunities proactively.

We recognise the need to build a diverse portfolio of donors, to avoid being reliant on a limited number of funding sources. This is an area of challenge for War Child and is central to our revised strategy. War Child has been successful in growing its unrestricted funds through specific events and through a relatively small number of high value relationships. Part of our new strategy is to invest in approaches to expand our supporter base and increase our mass market fundraising. We have also restructured our cost base in the UK office, so that it is leaner and aligned to our more certain areas of income.

Risk of external environmental factors impacting on War Child's ability to deliver programmes in countries of operation and to raise sufficient funds to maintain operations.

This risk has come even more to the forefront in 2020, with the continued and uncertain impact of COVID-19 globally. The current impact of COVID-19 is felt differently in each of our countries of operation as the virus continues to spread internationally. Whilst programming is continuing in some countries, in other countries programming has been suspended by the government and the population is confined to their homes. The situation changes by day, as the virus continues to spread more widely, and each country is responding with its own measures to control the outbreak.

COVID-19 creates medical pressures, overwhelming the services available. It also shuts down economies as countries scramble to control the spread of the infection by going into lock down mode. In the conflict countries where we work, the economic damage will force families into immediate crisis, food insecurity, desperation and hunger. We can expect huge increases in local violence, child exploitation and abuse, gender-based violence, recruitment of children into militia, early marriage. The elements which sometimes combine to create armed conflict will all appear at the same time, creating a situation that can easily be exploited by armed groups. We are currently working through our response plans and the role we can play in helping families to survive through the emergency and recover afterwards.

Within the UK the measures on social distancing are likely to have a significant impact on our ability to raise unrestricted funds through planned events such as music gigs, challenge events, immersive theatre and dinners. Fundraising will also depend on the length of time that social distancing is required, and the public's confidence to attend events once it is possible to remove restrictions. We are currently exploring alternative ways of fundraising. We are mindful that global aid budgets will also come under pressure as governments struggle with shrinking economies and the demands of their own public services and rescue packages.

SAFEGUARDING/ SERIOUS INCIDENTS

War Child works to uphold the fundamental rights of all children – we are committed to keeping children safe from harm, abuse, exploitation and neglect perpetrated by those who have a duty to keep them safe. Children and youth are at the centre of everything we do. We uphold a zero-tolerance approach to proven cases of sexual exploitation or abuse.

In 2019 we focused on increasing the capacity of War Child globally to recognise and respond safely to safeguarding concerns. Working in tandem with our War Child Holland colleagues, we rolled out a comprehensive Focal Point Training of Trainers in Jordan, Uganda, Iraq and Afghanistan including participants from South Sudan, Burundi, Uganda, DRC, CAR and Yemen. This built on our 2018 focus on revising our Child Safeguarding policy. Our robust policy sets out the procedures and practices in place to protect all children who encounter the organisation and apply to all people who represent War Child, in any capacity.

Our policy framework ensures that all incidents and suspicions of child abuse are reported and responded to. All War Child representatives have a duty of care and responsibility to keep all children, that we come in to direct or indirect contact with, safe. It also ensures that child safeguarding is paramount in all areas of our work – including other organisational policies.

War Child has a zero-tolerance approach to child safeguarding. Non-compliance with the Child Safeguarding Policy is subject to disciplinary action including dismissal.

We have trained safeguarding focal points in all our country locations. All focal points have undertaken the 5-day training of trainers, facilitated by War Child and War Child Holland, ensuring they understand their role as a focal point including how to respond to disclosures and how to train other staff members and our partner organisations on safeguarding. All focal points have regular meetings with the London based Child Safety and Safeguarding Advisor (CSSA).

Disclosures can be received through a variety of mechanisms including hotlines, e-mail, in person and feedback boxes. On receiving a disclosure, the focal point ensures that no child is at immediate risk and then reports the concern to the CSSA. Working with the in-country focal point, the CSSA will convene a small investigation task team consisting of the relevant representatives from HR and Security and in-country counterparts. The CSSA leads on the investigation, either remotely or depending on the seriousness and type of disclosure by travelling to the relevant country. Once the case is closed from a safeguarding standpoint, if further HR action is required towards any staff involved in the case, the matter is handed over to the relevant HR personnel to follow through.

A secure log is kept of all cases and a safeguarding report is provided to both the Senior Leadership Team and the Board Audit and Risk Committee. Once any investigation is closed, wider lessons to be learnt from the incident are considered to mitigate against any possible recurrence of the incident.

In 2019 we saw a reduction in the amount of cases that were reported which was most likely because we reduced our programme footprint. In 2019 we received reports from Afghanistan, Uganda and Jordan whilst continuing to follow up cases in Iraq. There were six reported incidents focused primarily on physical abuse, neglect and data protection. In 2019 War Child continued to successfully implement its Child Safety checklist in order to improve site safety for children. Every country office is required to complete the Child Safety checklist, for every site, on a bi-monthly basis. As a result of the checklist we have seen a fundamental improvement in the safety of our centres.

In 2019 our Child Safety and Safeguarding Advisor was able to conduct trainings, risk assessment and support visits to all of our country programmes (DRC, CAR, Afghanistan, Jordan and Iraq) bar Yemen which was not possible due to travel restrictions. Training for Yemen was done online.

The welfare of children is paramount to War Child and outweighs the opportunity for strong media and communications stories. To demonstrate our commitment to this, our Child Safety and Safeguarding Advisor accompanied the content gathering team for the Times Christmas Appeal to ensure that content was gathered safely, ensuring that all parties adhered to our safeguarding and communications protocols.

War Child hosted our inaugural 'Child Safeguarding Week' which included comprehensive training for all HQ staff. As part of the week, we identified external speakers to discuss current safeguarding concerns including safer recruitment, participatory safeguarding and DFID priorities for supporting partners with preventing sexual exploitation and abuse.

In December 2018 we appointed a Child Safeguarding Trustee who will work closely with the Child Safety and Safeguarding Advisor to assess risk within the organisations programmes and procedures and will work with the organisation to ensure best practice.

In 2020 War Child plans to continue to further embed Child Safeguarding in the organisational culture and programming to ensure that we are a safe organisation. We will roll out our 'Adults and Risk / Prevention of Sexual Exploitation and Abuse' policy, recognising the duty of care that we have to programme participants over the age of 18, and the parents/ carers of the children engaged in our programmes. We will also look to strengthen our data protection protocols, recognising the need to safeguard participant data. To this effect, we will be launching a new data protection and sharing protocol in all country programmes.

Lastly, having focused on increasing the capacity of our staff and building the mechanisms for safe and appropriate responses to all safeguarding concerns, in 2020 we will focus on increasing the awareness of safeguarding within the communities where we work, including education to children on appropriate behaviours of staff and improving our feedback and complaints mechanism. We will continue to work closely with WCH, to jointly increase our investigation capacity and will host our second Child Safeguarding Week. We expect to see an increase in reporting rates in 2020, as the procedures and protocols are further embedded into the culture and way of working across our entire operating platform.



Photo credit: Kiana Hayeri

OUR GOVERNANCE

War Child is a charitable company limited by guarantee. We were incorporated on 30 July 1998 and registered as a charity on 22 September 1998. The company was set up under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. This was amended on 8 June 2018.

The objects in our Memorandum of Association are:

- To bring relief to persons anywhere in the world who are suffering hardship, sickness or distress as a result of war and (but without prejudice to the generality of the foregoing) to bring such relief to children who are so suffering.
- To advance the education of the public in the effects of war and especially the effects of war on children.

OUR BOARD

The Directors of War Child are the Trustees, collectively known as War Child's Board. The Board, War Child's governing body, comprises of ten Trustees. Trustees serve an initial term of three years that can be extended up to a maximum of six years. The Board has guaranteed the liabilities of the company up to £1 each.

The Board is responsible for overseeing the governance of all War Child's work and delegates the day-to-day management to the Chief Executive Officer (CEO) and Senior Leadership Team (SLT). The details of this arrangement are set out in a Delegation of Authority document, which is regularly reviewed. The Trustees remain collectively responsible for the charity. All powers delegated under this policy are exercised in good faith based on the understanding of the final authority of the Board.

In 2019, the Board met quarterly. At each meeting it reviewed the charity's overall progress based on reports from the CEO and the SLT and reviewed our financial position and organisational risks. It reviewed War Child's achievements in delivering against our objectives for 2019, revised priorities for 2020-21 and approved the budget and annual plan for 2020.

OUR COMMITTEES

The Board has delegated specific responsibilities to two sub-committees, as detailed below, whose membership is appointed by the Board and who meet quarterly.

The Audit and Risk Committee is responsible for ensuring we manage our risks and have strong internal controls. It reviews our internal and external audit reports and our incident reporting logs.

The committee received updates on key risks affecting War Child's operations, including safeguarding, security, fundraising and data protection legislation. The committee considered War Child's approach to foreign exchange, investments and reserves.

We strengthened our Programme Quality Committee in 2019 by analysing various themes and strategies, innovative approaches, and learnings from evaluations. This Committee also examines War Child's quarterly beneficiary numbers and its institutional funding pipeline.

TRUSTEE RECRUITMENT AND TRAINING

To make sure our governance is as effective as possible, we draw on skills and expertise in a range of areas including financial management, programmes, safeguarding, fundraising and legal. We review the skills and expertise of our Board members to identify any gaps.

War Child operates an equal opportunities policy and encourages applications from diverse backgrounds. Trustees are appointed following open advertising. Interviews are then conducted by the Chair and CEO, with input from other Trustees.

All new Trustees receive a structured induction programme, covering all aspects of the role and the organisation. As part of this they are given copies of War Child's Memorandum and Articles of Association, governance document, strategy, business plan, the previous year's annual accounts, the current year's budget, child safeguarding policy, code of conduct and any relevant committees' terms of reference.

New Trustees must complete and sign a declaration of interest, anti-bribery policy, fit and proper person's declaration and War Child's code of conduct and safeguarding policy. We also offer training to all Trustees.

The latest version of the Charity Commission's Governance Code was shared with all Trustees who undertook a self-assessment against the seven principles of leadership; integrity; decision making; risk and control; board effectiveness; diversity; openness and accountability, as laid out in the code. Questions were developed around each principle and the Board assessed our governance against the criteria of 'comply or explain'. The Board did not identify any specific areas of departure from the code but did develop an action plan for the areas that they felt could increase the Board's overall effectiveness and reviewed progress at the March 2019 Board meeting.

Specific actions included increasing the number and skill set of Trustees on the Board to reflect the growth in the organisation and the board skills audit. A recruitment drive was undertaken through a search firm, both to replace departing trustees and to increase the overall number. Selected Trustees joined the Board in December 2018 and March 2019, covering additional areas of safeguarding, advocacy and institutional fundraising. As part of the action plan a more comprehensive induction process was developed for all new Trustees.

Both Board sub-committees (Audit and Risk Committee (ARC) and Programme Quality Committee (PQC)) reviewed their terms of reference and clearer rolling 12-month agendas for key items were developed for each committee. Clarity was given on areas of risk that the Board would expect to be informed about immediately, rather than waiting for the next formal meeting. These included serious incidents around safeguarding, security, fraud, and whistleblowing. It was also decided, in addition to the Internal Auditor attending the regular ARC meetings, a specific member of the ARC would be assigned as a liaison point with the Internal Auditor.

The Board agreed to make more use of "Task and Finish" sub-groups of the Board to deal with specific issues and this has been used on occasions such as a review of our gaming fundraising strategy, deeper dive into unrestricted income expectations and relationship with our US partner, Children in Conflict.

CONSIDERATION OF PUBLIC BENEFIT

War Child gets children back into school. We work with ex-child soldiers to create new opportunities for them. We promote justice for young people in detention. We also work with children and young people to demand their rights and change policies and practices that affect them.

War Child Trustees ensure that War Child carries out our aims and objectives, and that these benefit children marginalised by war in Afghanistan, CAR, DRC, Iraq, Syria, Uganda and Yemen. The Trustees have considered the Charity Commission's published guidance on the public benefit requirement under the Charities Act 2011.

WAR CHILD'S INTERNATIONAL PARTNERSHIPS

War Child is one of three independent War Child organisations who run programmes in conflict-affected countries – the other two are War Child Holland and War Child Canada.

Between us, we help children affected by conflict in a total of 15 countries. We collaborate whenever possible to ensure we benefit from cost sharing, office space, submitting joint proposals, shared learning, pooled knowledge and joint fundraising initiatives.

We work closely with our affiliate, War Child Australia, to raise money for projects that we deliver. War Child Australia was formed in 2002 and is staffed entirely by volunteers, meaning their administration costs are very low. War Child also works with a partner organisation in the United States called Children in Conflict. War Child US is an affiliate of War Child Canada.

War Child Trading Limited is a wholly owned subsidiary of War Child. During 2019 War Child Trading Ltd made a loss of £72,011 and no donation or other funds transfers were made to War Child.

KEY MANAGEMENT REMUNERATION

War Child is organised into three departments, led by SLT members reporting to the CEO. Their salaries are subject to the same approach we use for all employees. The CEO's salary is reviewed annually by War Child's Board of Directors and a decision is made by Trustees on the level of remuneration. We began a comprehensive compensation and benefits review in 2018, and it was completed in 2019.

Following this, a salary scale review will be carried out by the SLT every other year to ensure that our salaries are commensurate with comparable charities.

OUR MANAGEMENT

BOARD OF TRUSTEES

Sacha Deshmukh (Chair of Trustees)
Heather Francis (Treasurer)
Cleo Blackman
James Briggs
Sarah Dunn
Guy Gibson (resigned in February 2019)
Nabila Jiwaji
Siobhan King
Rod MacLeod
Shruti Mehrotra (appointed in March 2019)
Tom Scourfield
John Fallon (appointed in February 2020)

COMMITTEES

AUDIT AND RISK COMMITTEE

Heather Francis (Chair)
James Briggs
Sacha Deshmukh
Guy Gibson (resigned in February 2019)
Nabila Jiwaji
Siobhan King
John Fallon (appointed in February 2020)

PROGRAMME QUALITY COMMITTEE

Rod MacLeod (Chair)
Cleo Blackman
Sacha Deshmukh
Sarah Dunn
Veronique Barbelet (co-opted member)
Mark Jordans (co-opted member)
John Fallon (appointed in February 2020)

COMPANY SECRETARY

Tracey Deal

CHIEF EXECUTIVE OFFICER

Rob Williams

MANAGEMENT

Director of Advocacy and Campaigns:
Hannah Stoddart (until 15th November 2019)

Director of Fundraising and Marketing:
Paul Vanags (interim until 27th June 2019)
Helen Pattinson (from 5th August 2019)

Director of Programmes:
Dan Collison (until 17th April 2020)

Director of Resources:
Tracey Deal

REGISTERED OFFICE AND PRINCIPAL ADDRESS

Studio 320,
Highgate Studios,
53-79 Highgate Road,
London,
NW5 1TL

AUDITOR

Crowe U.K. LLP,
St Bride's House,
10 Salisbury Square,
London,
EC4Y 8EH

BANKERS

Lloyds Bank,
39 Threadneedle Street,
London,
EC2R 8AU

SOLICITORS

Bates Wells Braithwaite,
10 Queen Street Place,
London,
EC4R 1BE

COMPANY NUMBER

3610100

CHARITY NUMBER

1071659

THANK YOU

A huge thank you to our staff, volunteers and supporters, who dedicate their time, energy and resources to War Child's cause.

GLOBAL AMBASSADORS

Thank you to Carey Mulligan, Marcus Mumford, Sam Smith and Vanessa Kirby for their continued generous support in 2019.

OUR PARTNERS

100 Club
4AD
AEG Presents
Arrows Group
Bush Hall
Clifford Chance
DIY
Dropbox Foundation
Everyman Cinemas
Lonely Planet Kids
N Family Club
O2 Shepherds Bush Empire
Omeara
Players of People's
Postcode Lottery
Prospect Union
Sass & Belle
Scala
Skiddle
Teemill
The Dome
The Garage
Vibrant Vegan
Wilton's Music Hall

OUR GAMING PARTNERS

Facebook
11 Bit Studios
Bandai
ChillyRoom
DotEmu
Failbetter Games
IGG
Imperia Online JSC
Kongregate
Madfinger Games
Motion Twin
RE-Logic
Snap Finger Click
Sports Interactive

Supergiant Games
Take2International
The Yogscast
ustwo games

OUR DONORS AND FRIENDS

Aaron Levitt
Adrian Carter
AJ Tracey
Alex Wall
Alfie Templeman
Andy Musgrave
Anis Marks
Anne-Marie
Ben Lovett
Ben Monaghan
Bob Workman
Bring Me The Horizon
Cathy Long
Charlie Caplowe
Charlotte Nimmo
Chris Difford
Christopher Mills
Colin Schaverien
Craig Jennings
Dani Cotter
Daniel Geey
Dumi Oburota
Ed Blow
Ella Hartley
Enter Shikari
Frank Turner
Gareth Griffiths
Hannah Shogbola
Ian Johnsen
Ian McAndrew
IDLES
Jake Bugg
James Heather
Jamie Caring
Jamie Osborne
Jason Hart
Jazz Sherman
Jeremy Thomas
Jess Glynne
Jonny Grant
Keith Armstrong
Lindsay Melbourne
Lucy and Adam Tudhope

Lucy Bent
Mabel
Maggie Crowe
Mark Bent
Mark Mitchell
Matt Ash
Matt Deverson
Mike Walsh
Miles Jacobson
Natasha Shehata
Nick Mulvey
Nicola Spokes
Ninja Tune
Paul Shulver
Peter McGaughrin
Phoebe Green
Radha Medha
Richard Steel
Rick Parry
Rosie Jennings
Ross Stirling
Sam Eldridge
Samuel Garlick
Sara Lord
Sarah Desmond
Simon Jones
Simon Moran
Squid
Steve Jansen
Steve Zapp
Summer Marshall
Sundara Karma
Tash Cutts
The 1975
The National
Tina and Anthony Hene
Toby Glaysher
Tom Odell
Will Street
You Me At Six
YOWL

OUR PROGRAMME PARTNERS

Allen & Overy
BT Supporters Club
Department for
International
Development (DFID)

Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ)
Dubai Cares
Education Cannot Wait
European Commission
IKEA Foundation
Joseph Rowntree
Charitable Trust
Lucille Foundation
Soccer Aid
Start Fund
The Evan Cornish
Foundation
The Fred Foundation
The Gentlemen of
the Road Fund
The Geoff Herrington
Foundation
The Light Fund
The Penelope Martin
Charitable Trust
The Stanley Thomas
Johnson Foundation
The Thompson
Charitable Trust
The Walter Guinness
Charitable Trust
UN High Commissioner
for Refugees (UNHCR)
UN Office for the
Coordination of
Humanitarian Affairs
(UNOCHA)
UN Peacebuilding
Fund (UNPBF)
United Nations Children's
Fund (UNICEF)
United States Government -
DRL (Bureau of Democracy,
Human Rights, and Labour)

FUNDRAISING STRATEGY AND PERFORMANCE

Salesforce

FUNDRAISING STATEMENT

None of our critical work with children affected by conflict would be possible without our inspiring supporters. They inspire us to hold ourselves to the highest standards across all our work.

Our aim is to build and maintain the highest levels of trust in all our donor relationships and to make sure they are inspired and informed by our work with children. Through our Supporter Promise (<https://www.warchild.org.uk/get-involved/our-fundraising-promise>) supporters can feedback to help us maintain our high standards.

Our fundraising is predominantly done through a one-to-one approach with individual fundraisers from the War Child team identifying and developing relationships with donors, partners and individuals within a specific industry, such as gaming and music. We have done some fundraising through a third-party in 2019, with a limited Face-Face programme, only in the first half of the year.

We are registered members of the Fundraising Regulator and are committed to operating in a transparent and accountable way, adhering to their Code of Fundraising Practice. We want to maintain the highest standards possible in our fundraising, including keeping data safe and secure. We have a data protection policy in place. We have a dedicated supporter care team who respond to supporter queries, update supporter details and amend their contact preferences.

We received one complaint in 2019, related to our welcome postcard. The complaint was resolved, and we took on board the feedback from the donors. It was not escalated to the Fundraising Regulator.

We rely on trusted partners to fundraise on our behalf. All third-party fundraising organisations go through a robust tender process and are required to adhere to our child safeguarding policy. Formal, regular training is undertaken to ensure that War Child is represented in a way that reflects our values and mission. Fundraising activities are monitored through call recordings and mystery shops.

We have a vulnerable persons policy in place, including an audit mechanism to ensure that the policy is adhered to. This policy is specifically in place so that we have defined and understood how someone might be vulnerable, and then adapted our approach appropriately, including when we will not take a donation and how we can be sure someone is in a place to make an informed decision about their giving.

All activity is planned and budgeted at the start of the financial year. Performance is monitored on an ongoing basis by campaign managers and reported to senior management. We aim to make every one of our supporters feel inspired and in control of their experience with us. We encourage and welcome supporter feedback and involvement to help us improve. Without them, we couldn't continue to make a difference to children's lives.

TRUSTEES' RESPONSIBILITIES

The Trustees who are also Directors for the purposes of company law are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and the UK's generally accepted accounting principles (GAAP).

Company law requires the Directors to prepare financial statements for each financial year. The Directors have done so in accordance with FRS 102 – The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and accounting estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company; and ensure that the financial statements comply with the Companies Act 2006 and the provision of the charity's constitution.

The Directors are also responsible for safeguarding the assets of the company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Directors of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Director has taken all the steps that they should have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The Trustees' Annual Report, which includes the Strategic Report, was approved on behalf of the Board by Sacha Deshmukh on 25th June 2020.



Sacha Deshmukh
Chair of Trustees
Date: 25th of June 2020

INDEPENDENT AUDITOR'S REPORT

OPINION

We have audited the financial statements of War Child for the year ended 31 December 2019 which comprise consolidated Statement of Financial Activity, consolidated and charity Balance Sheets, consolidated Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 - the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2019 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities

This description forms part of our auditor's report.

USE OF OUR REPORT

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



Tim Redwood

Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

1st July 2020

FINANCIAL STATEMENTS

Consolidated statement of financial activities (including the Income & Expense account) for the year ended 31 December 2019

	Note	Unrestricted funds £000	Restricted funds £000	2019 Total £000	2018 Total £000
INCOME FROM:					
Donations and legacies					
Donations and legacies		3,108	40	3,148	3,630
In-kind	3	23	14	37	602
Other trading activities					
Events		1,335	-	1,335	2,301
Lotteries	3	2,844	-	2,844	2,865
		7,310	54	7,364	9,398
Charitable activities					
Grants	14	-	10,125	10,125	7,618
Investment income		3	-	3	5
Total income		7,313	10,179	17,492	17,021
EXPENDITURE ON:					
Raising funds					
Fundraising costs for donations and legacies	4	2,029	-	2,029	2,602
Charitable activities					
Project costs	4,14				
- Afghanistan		520	634	1,154	1,664
- Burundi		-	-	-	196
- Central African Republic		396	1,793	2,189	1,112
- Democratic Republic of Congo		689	2,745	3,434	2,923
- Iraq		615	1,508	2,123	1,782
- occupied Palestinian territory		177	-	177	129
- Syria response		266	1,465	1,731	2,539
- Uganda		6	54	60	271
- UK projects		-	148	148	9
- Yemen		375	972	1,347	1,032
- UK overseas support		1,352	-	1,352	1,599
Information & Campaigns	4	527	-	527	833
Total expenditure		6,952	9,319	16,271	16,691
Net (expenditure) / income		361	860	1,221	330
Total funds brought forward		1,825	2,200	4,025	3,696
Total funds carried forward	12	2,186	3,060	5,246	4,026

There are no other unrealised gains or losses which do not appear on the statement of financial activities. All of the above results are derived from continuing activities.

The notes on pages 41 to 57 form part of these financial statements.

Consolidated and Charity Balance Sheets as at 31 December 2019

	Note	Group		Charity	
		2019 £000	2018 £000	2019 £000	2018 £000
Fixed assets					
Tangible assets	6	116	194	116	194
Intangible assets	7	-	-	-	-
Investments	8	27	27	27	27
		143	221	143	221
Current assets					
Debtors	9	2,856	2,744	2,942	2,747
Cash at bank		2,812	1,984	2,793	1,979
		5,668	4,727	5,735	4,726
Creditors: falling due within one year	10	(565)	(923)	(561)	(921)
Net current assets		5,103	3,805	5,174	3,804
Net assets	12	5,246	4,026	5,317	4,026
The funds of the charity					
Unrestricted funds	12				
Continuity Business Reserve		2,000	1,600	2,071	1,600
Working Capital Reserve		70	32	70	32
Tangible Fixed Assets		116	194	116	194
Restricted funds	14	3,060	2,200	3,060	2,200
		5,246	4,026	5,317	4,026

The surplus for the financial year for the Parent Charity only was £1,291,247 (2018: surplus of £306,000), which excludes the deficit of £72,011 from the subsidiary.

These financial statements were approved by the Trustees, authorised for issue on 25th June 2020 and signed on their behalf by



Sacha Deshmukh
Trustee

The notes on pages 41 to 57 form part of these financial statements.

Consolidated Statement of Cash Flow for the year ended 31 December 2019

	Notes	2019 £000	2018 £000
Cash flows from operating activities:			
Net cash inflow / (outflow) from operating activities	A	844	1,087
Cash flows from investing activities:			
Purchase of fixed assets		(16)	(62)
Proceeds from sale of investments			
Cash flows from financing activities:			
Net increase / (decrease) in cash:		828	1,025
Cash at bank and in hand at the beginning of the year		1,984	959
Cash at bank and in hand at the end of the year	B	2,812	1,984

Notes to the cashflow statement

	2019 £000	2018 £000
A. Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net incoming resources	1,221	330
Depreciation & amortisation	94	156
Impairment	-	99
Decrease / (increase) in debtors	(113)	1,139
Increase/ (decrease) in creditors falling due within one year	(358)	(637)
Net cash inflow / (outflow) from operating activities	844	1,087

	2019 £000	2018 £000
B. Analysis of cash and cash equivalents		
Cash in hand and at bank	2,812	1,984
Total cash and cash equivalents	2,812	1,984

The notes on pages 41 to 57 form part of these financial statements.

Notes forming part of the financial statements for the year ended 31 December 2019

1 ACCOUNTING POLICIES

Charity and Company information

War Child is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 30 July 1998 (company number: 3610100) and registered as a charity on 22 September 1998 (charity number: 1071659).

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association (amended 14 July 2015).

In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

Basis of accounting

The consolidated Financial Statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

The Financial Statements have been prepared consolidating the results of the Charity and its subsidiary War Child Trading Limited (Company number: 05100189).

The functional currency of War Child and its subsidiary is considered to be GBP because that is the currency of the primary economic environment in which the group operates. The consolidated financial statements are also presented in GBP.

The charity has taken advantage of the exemptions in FRS 102 from the requirements to present a charity only Cash Flow Statement and certain disclosures about the charity's financial instruments. As permitted by Section 408 of the Companies Act 2006, a separate income and expenditure account for the results of the charitable company only has not been presented.

After reviewing the group's forecasts and projections, which have been updated in light of the impact on COVID-19 on both income and expenditure, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The 2020 forecast income has been revised downwards using a worst-case scenario approach and expenditure has been cut accordingly, thus protecting the organisation's continuity business reserves. The likely on-going impact into 2021 has also been considered, with the best available knowledge at the time and potential income stress tested to ensure that expenditure levels can be maintained within the stress tested income. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this note, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the presentation of the financial statements are as follows:

Income

All income is accounted for when War Child has entitlement, there is probability of receipt and the amount is measurable.

- Donations are recognised when War Child becomes entitled to the funds, when the amount can be measured reliably and where receipt is probable.

- Gifts in kind are included at current market value where their value is ascertainable and material, with an adjustment based on the estimated worth to the charity.

- Lottery income, War Child received proceeds of lotteries held by People's Postcode Lottery. WCUK has no ability to alter the price of tickets, determine the prizes or reduce the management fee. As such, PPL is treated as acting as the principal. Net proceeds due to WCUK are recognised under lotteries income in the statement of financial activities. The analysis of the proceeds is detailed in Note 3.

- Grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance. Where the grant is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before the grant is received, it is accrued in debtors.

- Other income is recognised on an accruals basis when the charity becomes entitled to the resource.

Donated goods and services

Donated services and facilities are included as income (with an equivalent amount in expenditure) at the estimated value to the charity where this is reasonably quantifiable, measurable and material. War Child receives a huge amount of support from the music industry at various levels to deliver one-of-a-kind events in order to raise funds and awareness in support of its mission. In line with War Child's fundraising model, we source support from high-profile artists in the music industry to volunteer their time to provide a performance at a War Child music event, thus raising significant income through ticket sales and other sources. It would not be practical or appropriate for War Child to pay an artist to perform at an event and the value to the charity is captured in the income raised from ticket sales. Therefore, no value has been attributed to these services in the accounts.

Expenditure

All expenditure, other than that which has been capitalised, is included in the Statement of Financial Activities. Expenses are accounted for on an accruals basis.

Payments are made to local partner organisations in the countries in which War Child works in order that they may assist in carrying out a part of War Child's charitable activities alongside the charity itself. War Child determines the activities to be carried out and monitors the activities and expenditure on such activities closely. Payments made to the local partner organisations are accounted for as receivables in the accounts of War Child until expenditure under these "partner advances" is justified fully, at which point the expenditure is recognised in the Statement of Financial Activities of War Child.

Expenditure is allocated to relevant activity categories on the following basis:

- Expenditure on raising funds includes all costs relating to activities where the primary aim is to raise funds along with an apportionment of support costs.

- Charitable expenditure includes all costs relating to activities where the primary aim is part of the objects of the charity along with an apportionment of support costs.

- Support & Governance costs are allocated to the Statement of Financial Activities expenditure headings, based on the level of expenditure dedicated to the generation of funds and charitable expenditure, and to overseas projects as this is deemed to be an accurate reflection of the level of activity supported by these functions of the organisation. Support costs include office costs such as rent and rates as well as support staff costs including finance and HR teams. Governance costs include audit and tax fees for the year.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated to GBP at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at a rate of exchange fixed for the month of the transaction.

Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term and charged to support costs, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Depreciation & amortisation

Assets acquired with unrestricted funds are capitalised at cost and depreciation is provided to write off the cost over their expected useful lives. It is calculated on a straight-line basis at the following rates:

Leasehold improvements	Over the life of the lease
Motor vehicle	5 years
Fixtures and fittings	5 years
IT software & equipment	3 years

Assets acquired specifically for overseas projects are capitalised and are written off in the year of acquisition.

Intangible fixed assets represent software costs capitalised in accordance with FRS102. These are stated at historical cost and amortised on a straight-line basis over the period which revenue is expected to be generated (3 years).

Amortisation is recognised in the Statement of Financial Activities as part of expenditure and is allocated across the expenditure headings on the same basis as Support & Governance costs.

Retirement benefits

The charity makes fixed contributions into a defined contribution personal group pension plan for its employees. Obligations for contributions to defined contribution pension plans are recognised as an expense when due.

Funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or by the terms of the appeal.

Unrestricted funds are funds available to the charity for its general purposes. The Trustees, at their discretion, may set aside funds to cover specific future costs. Such funds are shown as designated funds within unrestricted funds. Where the Trustees decide such funds are no longer required for the purposes intended, they may be released by transfer to general unrestricted funds.

Financial instruments

War Child has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Financial assets and financial liabilities are recognised when War Child becomes a party to the contractual provisions of the instrument. Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets, comprised of cash, other debtors and accrued income, and financial liabilities, comprised of other creditors and accruals, are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost except for investments which are measured at fair value with gains and losses recognised in the statement of financial activities.

Assets and liabilities denominated in foreign currencies are translated to GBP at the rate of exchange ruling at the balance sheet date.

2 PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £000	Restricted funds £000	2018 Total £000
Income from:			
Donations and legacies			
Donations and legacies	3,252	378	3,630
In-kind	25	577	602
Other trading activities			
Events	2,301	-	2,301
Lotteries	2,865	-	2,865
	8,443	955	9,398
Charitable Activities			
Grants	-	7,618	7,618
Investment income	5	-	5
Total income	8,448	8,573	17,021
Expenditure on:			
Raising funds			
Fundraising costs for donations and legacies	2,582	20	2,602
Charitable activities			
Project costs			
- Afghanistan	480	1,184	1,664
- Burundi	196	-	196
- Central African Republic	596	516	1,112
- Democratic Republic of Congo	1,067	1,856	2,923
- Iraq	848	934	1,782
- occupied Palestinian territory	119	10	129
- Syria response	444	2,095	2,539
- Uganda	266	5	271
- UK projects		9	9
- Yemen	124	908	1,032
- UK overseas support	1,599	-	1,599
Information & Campaigns	833	-	833
Total expenditure	9,154	7,537	16,691
Net (expenditure)/income	(706)	1,036	330
Total funds brought forward	2,532	1,164	3,696
Total funds carried forward	1,826	2,200	4,026

3 ANALYSIS OF INCOME

Donated services and facilities

Donated services and facilities are included as income (with an equivalent amount in expenditure) at the estimated value to the charity where this is reasonably quantifiable, measurable and material.

In 2019 this totalled:

	Unrestricted funds £000	Restricted funds £000	2019 Total £000
Professional fees	8	-	8
Events	15	-	15
Project inputs	-	14	14
	23	14	37

Lottery

The People's Postcode Lottery was appointed as External Lottery Manager to run lotteries on behalf of War Child. Only the net proceeds of these lotteries are included in the statutory accounts as income, and this reflects the substance of the arrangement with People's Postcode Lottery, including the impact of this income on our operations.

The breakdown of the lottery income during the year is as follows:

	£000
Total raised through People's Postcode Lottery	8,886
Less: Prizes	(3,551)
Less: Operating costs	(2,491)
Net proceeds	2,844



4 ANALYSIS OF EXPENDITURE

	Staff	Support	Governance	Other Direct Costs	2019	2018
	£000	£000	£000	£000	£000	£000
Expenditure on raising funds	1,268	190	10	561	2,029	2,602
Charitable activities						
Project costs						
- Afghanistan	485	117	7	545	1,154	1,664
- Burundi	-	-	-	-	-	196
- Central African Republic	524	225	12	1,428	2,189	1,112
- Democratic Republic of Congo	1,540	352	19	1,523	3,434	2,923
- Iraq	740	216	12	1,155	2,123	1,782
- occupied Palestinian territories	-	17	1	159	177	129
- Syria response	686	175	10	860	1,731	2,539
- Uganda	4	6	0	50	60	271
- UK	85	-	-	63	148	9
- Yemen	356	137	7	847	1,347	1,032
- UK overseas support	984	147	8	213	1,352	1,599
	5,404	1,392	76	6,843	13,715	13,256
Information and Campaigns	347	51	3	126	527	833
	7,019	1,633	89	7,530	16,271	16,691

Total support costs were £1,633,000 (2018: £1,821,000). The support function costs of the executive office as well as finance, HR, IT and administration. Support costs include employee emoluments totalling £771,545 (2018: £796,000) as well as the costs of property, asset management, insurance, communication. Some of these costs relate only to UK headquarters, while others relate to global operations.

Group governance costs include external audit fees of £22,500 and tax advisory services of £8,810 payable to the external auditor. In 2019, governance costs also included an in-house internal audit function.

Support and Governance costs are reallocated based on levels of expenditure in Fundraising, Projects, and Information and Campaigns as this is assumed to be an accurate indicator of levels of activity in each of these areas which are supported by the costs incurred in finance, HR, IT, administration and governance.

Other Direct Costs include all costs relating to the implementation of our projects which are described in more detail in note 14 of these accounts.

Grants to partners

Within Other Direct Costs are grants to partners of £1.2m (2018: £2.0m) for projects to protect, educate and stand up for the rights of children in war.

Grant expenditure by geography for the year was:

	£000
Central African Republic	492
Democratic Republic of Congo	131
occupied Palestinian territories	159
Syria response	381
Yemen	65

Grants made in 2019 which are greater than £200,000, and therefore considered material in the context of the charity's total charitable expenditure were made to:

	£000
Conciliation Resources	215
War Child Canada	207

£195k was advanced to partner organisations at 31 December 2019 (2018: £169k) which was subject to performance conditions that were required to be fulfilled prior to the partner having unconditional entitlement to the funds. Monies advanced to partners are shown in debtors. A total of £69k (2018: £47k) is recorded in creditors in respect of grants to partners where performance conditions have been fulfilled at 31 December 2019 and the amount is due to be distributed to partners. All partner advances at 31 December 2018 were utilised during 2019 and all partner creditors at 31 December 2018 were paid to partners during 2019.

5 EMPLOYEE EMOLUMENTS

	2019 £000	2018 £000
UK Staff costs include the following:		
- Wages and salaries	2,940	3,210
- Social security costs	299	329
- Pension contributions (defined contribution pension schemes)	142	150
Overseas aid workers		
- Wages and salaries	645	800
- Social security costs	2	4
- Pension contributions (defined contribution pension schemes)	22	24
Overseas National Staff costs	3,330	2,519
	7,380	7,036

In addition to the amounts listed above, staff received benefits totalling £372,000 (2018: £393,000) which do not constitute emoluments. These benefits include accommodation, cost of living allowance and education allowance.

The number of higher-paid employees with emoluments falling within the following ranges is as shown:

	2019 Number	2018 Number
£60,000 - £69,999	2	-
£70,000 - £79,999	-	3
£80,000 - £89,000	2	1
£90,000 - £99,999	-	-
£100,000 - £109,999	-	1
£110,000 - £119,999	1	-

A total of £472,810 (2018: £478,743) was paid to key management in emoluments in the year.

A total of £21,691 (2018: £19,090) was paid by War Child into a defined contribution pension scheme for 5 (2018: 5) higher-paid employees.

£15,138 (2018: £27,956) was paid by War Child in redundancy costs during the year.

None of the Trustees received any emoluments.

Expenses of £1,694 were reimbursed to Trustees in the year (2018: £720).

Volunteers

Volunteers are key for the continued success of our fundraising events and are a major resource which contributes to achieving our objective of improving children's lives. The skill, time and energy contributed by volunteers helps War Child achieve its goals and in turn benefits volunteers by offering them the opportunity to gain experience and to 'try something new' while meeting like-minded people. There are volunteers who help on a regular basis throughout our offices and operations, as well those who help on a more ad-hoc basis such as stewarding at fundraising events. We are enormously grateful to all those who offer their time for free to help support the children we work with.

The average number of persons employed by War Child during the year was as follows:

	2019 Number	2018 Number
UK		
- Charitable expenditure	25	34
- Fundraising	29	30
- Management and administration	16	16
	70	80
Overseas		
- International aid workers	14	16
- National staff	294	249
	308	265
	378	345

6 TANGIBLE FIXED ASSETS – GROUP AND CHARITY

	Leasehold Improvements £000	Motor Vehicles £000	IT equipment £000	Fixture & Fittings £000	Total £000
<i>Cost or valuation</i>					
At 1 January 2019	-	172	211	329	712
Additions	-	-	26	23	49
Disposals	-	-	(33)	-	(33)
At 31 December 2019		172	204	352	728
<i>Accumulated depreciation</i>					
At 1 January 2019	-	172	173	173	518
Charge for the year	-	-	49	74	123
Disposals	-	-	(29)	-	(29)
At 31 December 2019	-	172	194	247	612
<i>Net book value</i>					
At 31 December 2019	-	-	10	105	116
At 31 December 2018	-	-	38	156	194

7 INTANGIBLE ASSETS

	IT Software £000
<i>Cost or valuation</i>	
At 1 January 2019	131
Additions	-
Disposals	-
At 31 December 2019	131
<i>Accumulated depreciation</i>	
At 1 January 2019	131
Charge for the year	-
Disposals	-
At 31 December 2019	131
<i>Net book value</i>	
At 31 December 2019	-
At 31 December 2018	-

8 INVESTMENTS

Investments	Works of art £000	Investment in subsidiary companies £000	Total £000
<i>Valuation</i>			
At 1 January 2019	27	-	27
Disposals	-	-	-
At 31 December 2019	27	-	27

Investment in subsidiary company:

Name	Country of Incorporation	Class of shares	% held	Nature of business	Year end
War Child Trading Limited	UK	Ordinary	100%	Music events & other trading activities	31 December

Details of the net assets and profit for the year of the subsidiary company is as follows:

	Net assets		Turnover		Profit/(loss) for the year	
	2019 £000	2018 £000	2019 £000	2018 £000	2019 £000	2018 £000
War Child Trading Limited	(72)	-	18	27	(72)	(96)

The principal activity of War Child Trading Limited (Company number: 5100189, registered address: Studio 320, Highgate Studios, 53 – 79 Highgate Road, London, NW5 1TL) is the organisation of events and the sale of goods in order to raise funds for the War Child registered charity. All profits are transferred to War Child by Gift Aid. The profit from 2017 was also transferred to War Child by Gift Aid in 2018.

Amounts owed from War Child Trading Limited as at the balance sheet date totalled £nil (2018: £25,891, owed to War Child Trading Limited). War Child Trading Limited did not donate any funds to War Child in 2019 (2018: £23,782) to War Child. A total of £nil (2018: £0) was recharged from War Child to War Child Trading Limited in the year in relation to management charges.

9 DEBTORS

	Group		Charity	
	2019 £000	2018 £000	2019 £000	2018 £000
Due within one year				
Other debtors	231	189	221	189
Accrued income	2,186	2,111	2,185	2,085
Advances to partners	195	169	195	169
Amounts due from group undertakings	-	-	97	29
Prepayments	244	275	244	275
	2,856	2,744	2,942	2,747

10 CREDITORS

	Group		Charity	
	2019 £000	2018 £000	2019 £000	2018 £000
Taxation and social security	109	170	109	170
Other creditors	208	448	205	448
Amounts committed to partners	69	47	69	47
Accruals and deferred income	179	258	178	256
	565	923	561	921

11 OPERATING LEASES

The amounts payable under operating leases during the year were £355,957 (2018: £364,000).

Total commitments under operating leases at the year end were:

	Land and buildings		Plant and machinery	
	2019	2018 (restated)	2019	2018
	£000	£000	£000	£000
Within 1 year	331	305	2	2
2 to 5 years	580	912	6	8
After 5 years				
	911	1,217	8	10

Prior year has been restated to remove costs relating to an additional service charge, previously included in rental costs, which is not payable by War Child.

12 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2019 are represented by:

	Unrestricted Funds £000	Restricted Funds £000	2019 Total £000	2018 Total £000
Fixed assets	116	-	116	194
Intangible assets	-	-	-	-
Investments	27	-	27	27
Net current assets/(liabilities)	2,043	3,060	5,103	3,805
Total net assets	2,186	3,060	5,246	4,026

Unrestricted Funds at 31 December were therefore made up as follows:

	At 1 January 2019	Movement during the year			At 31 December 2019
	£000	Income £000	Expense £000	Transfer £000	£000
Continuity Business Reserve	1,600	7,313	(6,826)	(87)	2,000
Working Capital Reserve	32	-	-	38	70
Tangible Fixed Assets	194	-	(127)	49	116
Total net assets	1,826	7,313	(6,953)	-	2,186

13 PRIOR YEAR ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2018 are represented by:

	Unrestricted Funds £000	Restricted Funds £000	2017 Total £000	2016 Total £000
Fixed assets	194	-	194	288
Intangible assets	-	-	-	-
Investments	27	-	27	126
Net current assets/(liabilities)	1,605	2,200	3,805	3,282
Total net assets	1,826	2,200	4,026	3,696

Unrestricted Funds at 31 December were therefore made up as follows:

	At 1 January 2018	Movement during the year			At 31 December 2018
	£000	Income £000	Expense £000	Transfer £000	£000
General reserves	2,244	8,448	(8,981)	(111)	1,600
Working Capital Reserve	-	-	-	32	32
Tangible Fixed Assets	288	-	(173)	79	194
Total net assets	2,532	8,448	(9,154)	-	1,826



Boniface lives in a displacement camp in Central African Republic. He was shot in the leg when a militia attacked his village. Now he uses crutches.

Boniface attends the youth club nearby. The club has been vital in bringing together local children who have been affected by conflict.

Photo credit: Arete

14 RESTRICTED FUNDS

	2018	Income	Expenditure	2019
	£000	£000	£000	£000
Afghanistan - Terre des Hommes	-	40	(40)	-
Afghanistan - UNICEF	67	39	(92)	14
Afghanistan - War Child affiliates	5	35	(35)	5
Afghanistan - Other grants & donations	10	-	-	10
Afghanistan - UNICEF UAM	12	492	(469)	35
Afghanistan - Geoff Herrington Foundation	-	20	-	20
Central African Republic - UNICEF	313	660	(744)	229
Central African Republic - UNPBF	342	355	(669)	28
Central African Republic - Stanley Fund	26	-	(26)	-
Central African Republic - START FUND	-	111	(111)	-
Central African Republic - OCHA	-	82	(13)	69
Central African Republic - Evan & Cornish Foundation	-	5	-	5
Central African Republic - Open Gate Trust	-	2	-	2
Central African Republic - Central African Republic - World Vision	9	36	(45)	-
Central African Republic - Jagclife Charitable Trust	-	2	(2)	-
Central African Republic - United Nations University (UNU)	-	4	(4)	-
Central African Republic - DFID via WV - Aid Connect	-	174	(84)	90
Central African Republic - DFID via Mannion Daniels (MD) - Aid Match	-	88	(95)	(7)
Democratic Republic of Congo - World Bank	52	35	(87)	-
Democratic Republic of Congo - NRC	570	19	(276)	313
Democratic Republic of Congo - Other grants & donations	73	2	(72)	3
Democratic Republic of Congo - UNHCR	-	1,717	(1,717)	-
Democratic Republic of Congo - Dutch Relief Alliance (DRA)	-	113	(113)	-
Democratic Republic of Congo - United Nations Development Programme (UNDP)	-	346	(309)	37
Democratic Republic of Congo - World Vision	3	36	(39)	-
Democratic Republic of Congo - Jagclife Charitable Trust	-	133	(80)	53
Democratic Republic of Congo - DFID Aid Connect World Vision	-	100	(51)	49
Iraq - War Child affiliates	8	16	(24)	-
Iraq - OCHA	-	796	(334)	462
Iraq - UNICEF	-	357	(274)	83
Iraq - Dubai Cares	-	825	(642)	183
Iraq - UNHCR	-	131	(100)	31
Iraq - GIZ	-	192	(46)	146
Iraq - USG	-	10	(10)	-
Iraq - DFID Aid Connect	-	79	(79)	-
Syria response - Allen & Overy	152	-	(152)	-
Syria response - War Child affiliates	255	1,057	(1,302)	10
Syria response - DFAT	5	-	(5)	-
Syria response - Italian AID/ TDH	-	7	(7)	-
Uganda - BT Supporters Club	-	168	(54)	114
Uganda - VoiceMore	-	5	-	5
United Kingdom - World Vision	17	33	(40)	10
United Kingdom - Restless Development	57	24	(26)	55
United Kingdom - Jagclife Charitable Trust	-	615	(47)	568
United Kingdom - UNU Participation	-	4	(4)	-
United Kingdom - DFID Aid Connect WV Implementation	-	20	(26)	(6)
United Kingdom - DFID UK Aid Match	-	11	(4)	7
United Kingdom - DFID Aid Connect Civil Implementation	-	23	-	23
United Kingdom - Other grants & donations	-	40	-	40
Yemen - OCHA	224	1,107	(957)	374
Yemen - WCH	-	13	(13)	-
	2,200	10,179	(9,319)	3,060



Two children walk home together after spending time at a War Child child friendly space (CFS)

Photo credit: Arete

PROJECT DESCRIPTIONS

AFGHANISTAN

- **UNICEF** in Afghanistan is still supporting a project to assist unaccompanied and separated returnee children on the Afghanistan/Iran border. Working with border police and staff at transit camps to improve the protection of children, the project also seeks to reunite children with their families.
-

CENTRAL AFRICAN REPUBLIC

- War Child is working in Ndélé, in the north-east of the region, with **UNICEF** to support the reintegration of children formerly associated with armed forces and armed groups. The project is providing support in both social and economic of reintegration of children in their community (family tracing and foster care families) and at school, and economically through vocational training or income-generating activities.
 - A **UN Peacebuilding Fund** project targeting the locations of Bossangoa and Paoua started in December 2018. This is an 18-month consortium project looking at alternatives to violence by strengthening youth-led peacebuilding in CAR. Specifically, the project is looking at two elements. The first is to link local youth peacebuilding processes to the national level peace process; the second is to ensure the successful reintegration of 300 children formerly associated with armed groups and forces through economic livelihood and business skill development.
 - The **DFID Aid Connect** funding is targeted at bringing about change for boys and girls to enjoy their rights to be protected from the worst forms of child labour in CAR, DRC and Ethiopia. In CAR, the project will focus on working in the north of the country, specifically with children formerly associated with armed groups.
 - This project, funded by **UK Aid Match**, is a 17 months project that started in January 2020. The project locations are Paoua and Bossangoa (Ouham-Pende and Ouham prefectures). The project aims to tackle 3 specific issues: Children suffer poor psychosocial well-being as a result of exposure to conflict and poverty; Children are unable to solve their own problems, Teachers are not equipped with appropriate behaviour management methods to effectively respond to their pupils' psychosocial needs.
-

- This protection response for conflict-affected and displaced youth in Birao is funded by the **CAR Humanitarian Fund (UNOCHA)**. The project improves access to a safe environment for young girls and boys affected by conflict and displacement in order to identify, prevent and mitigate child protection risks. It also provides tailored and specialized protection services to youth affected by conflict and displacement.
-

- The **UNICEF**-funded child protection project strengthens the resilience of children affected by armed conflict in the Ouham and Ouham-Péndé Prefectures, notably in Bossangoa, Boguila and Markounda (in Ouham Prefecture); and in Paoua, Bocaranga, Kouï, Ngaoundaye and Ndim (in the Prefecture of Ouham-Pandé). Targeting children associated with armed forces and groups, separated and unaccompanied children in Ouaka, Basse-Koto and Ouham Pende Provinces, the project focused on psychosocial support for vulnerable children, reintegration of children in their families, communities and society (school, economic activities), and prevention against the violation of child rights through child friendly spaces.
-

DEMOCRATIC REPUBLIC OF CONGO

- The **DRC Humanitarian Fund (UNOCHA)** is funding this action, aiming to implement a multisectoral package of activities, mainly in education and protection for children and women in Mutena health zone, Kamonia territory, Kasai province. The project also addresses the priority cross-cutting themes within this first 2019 standard allocation of humanitarian funds, namely hygiene, immunization, reproductive health, nutrition and birth registration, linking them to the protection to place special emphasis on the centrality of protection.
 - **Never too Late to Learn**, a project funded by **Directorate-General for International Cooperation and Development (DEVCO)** though the Norwegian Refugee Council (NRC) has enabled us to provide early childhood care and development services as well as child protection awareness raising and training for internally displaced children under five-year-old, and host communities of the Rutshuru territory in North Kivu. Additional support was provided for classrooms equipment and trainings on the project by the generous contributions of the Geoff Herrington Foundation, the Allan and Nesta Ferguson Foundation and the Belacqua Trust.
 - The **DFID**-funded Aid Connect project is in its design phase and will aim to address the root causes of child labour and modern slavery around the mining industry in the Masisi territory of North Kivu. It specifically focuses on those forcibly recruited into armed conflict, used in prostitution, forced labour or hazardous work in fragile contexts. Over 24,200 people will benefit directly, of which 14,547 are children including 7,126 boys and 7,412 girls.
-

■ A protection monitoring project funded by **UNHCR** has been implemented in Kasai, including the deployment of protection monitors in the province to identify cases of protection within the communities. As part of this project we also supported the prevention and response to protection cases and incidents, including through the first cash for protection methodology implemented in the DRC, designed to respond to severe protection cases through direct access to services.

■ This project funded by the **Dutch Relief Alliance** aims at addressing the gaps in education and protection in the Masisi territory, North Kivu. Our activities include teachers training, catch-up classes, prevention and response to violence, exploitation, abuse and neglect in communities (child protection), psychosocial support (through the DEALs methodology), GBV intervention through prevention and response, capacity building of community protection structures (Protection) and community awareness on children rights and child protection.

IRAQ

■ **Dubai Cares** funded an education project in west Mosul. This is centered around the rehabilitation of seven schools in the city. To complement this work and to start to build the capacity of the damaged education infrastructure in the area, we are training teachers in education in emergencies school management (head teachers etc.) and establishing and training Parent Teacher Associations.

■ The **Development Alternative Consortium** (the consortium) will bring youth leadership to the heart of a new approach to development, to accelerate progress and to offer development actors and communities proven models to work together for greater impact. Through a three-phase programme (phase 1: 18 months, phase 2: 18 months, and phase 3: 3 months) this programme will demonstrate how youth leadership makes civil society more effective and improves development results by: 1) Focusing on in-depth comparative testing to demonstrate how young people and community members can work with development actors to increase the effectiveness of development spend. 2) Co-creating solutions with youth civil society to increase its impact, accountability, and effectiveness. 3) Building evidence on livelihoods, youth leadership and youth civil society to leverage stronger and more collaborative partnerships with development actors

■ This **IHF** funded project directly supports highly affected out-of-camp IDPs and returnee communities in underserved displacement and return areas in Tilkaif, Tuz, & Kirkuk districts through the provision of specialized child protection services and community-based support interventions. For this purpose, WCUK, World Vision International (WVI) and Public Aid Organisation (PAO) have established a Child Protection (CP) consortium to deliver coverage of key protection assistance in 4 out of the 9 underserved priority locations in Ninewa and Saladin governorates with critical CP needs as identified by the Child Protection Sub Cluster's (CPSC) allocation strategy: (1) Al Quba in Tilkaif District of Ninewa; (2) Hay Komari-120 in Tuz District in Saladin; (3) Rahim Awa in Kirkuk District of Kirkuk.

■ The activities funded by **Dubai Cares** will contribute to a stronger education support system in Iraq at every age. The activities are designed to contribute to meet immediate needs and contribute to long term objectives defined by the recovery effort. The project builds well-being and resilience in direct beneficiaries and contributes to long term systems strengthening to equip the Iraq system to take increased ownership moving forward.

■ This project adopts an integrated approach to PSS and football, combining War Child's DEALs methodology and **GIZ's** Sport for Development coaching methodology to create a War Child Football Club intervention. The project continuous with groups of 20 children from the first phase of the project who were selected based on vulnerability criteria. War Child will also expand upon the success of phase one by establishing football clubs in Mosul and Baghdad, targeting two schools in each location with 25 children per group. Each school will target 2 groups over the course of the project.

■ Heartland Alliance International (HAI), together with Humanity and Inclusion (HI) and War Child, has formed a uniquely qualified consortium with complementary expertise and experience to implement the **Marla Ruzicka War Victims Fund** to support civilian victims of conflict in Iraq, specifically in Baghdad, Anbar, and Basra. The project aims to ensure civilian victims of conflict and their families and communities access the necessary resources to recover in safety and dignity, and contribute to the rebuilding of a democratic, just and inclusive Iraqi state.

YEMEN

■ This project funded by the **Yemen Humanitarian Fund (OCHA)** directly assists a total of 16,366 beneficiaries of IDP and host community children and their families, school personnel and community members in Al Udayn district, Ibb governorate and in AlMukha, Ash Shamayatan, Dimnat Khidar, Al Ma'afer, At-Taiziyah districts in Taiz governorate. This project is identifying, referring and providing specialized child protection services, PSS services, providing awareness raising sessions and mine risk education on various protection related issues for 11,701 beneficiaries as well as cash assistance within our protection component for 485 most vulnerable IDPs. The education activities focus on the rehabilitation of 9 schools, the establishment of 20 semi-structured temporary learning classrooms (TLC), the distribution of 4000 school kits, 100 recreational kits, 8 teacher kits as well as 2,000 hygiene kits and the facilitation of national exams for 3,000 students in Ibb and Taiz governorates.

■ The **Yemen Humanitarian Fund (OCHA)** is funding assistance to 2035 beneficiaries of IDP and host community children and their families, school personnel and community members in At-Taiziyah district of Taizz governorate. The activities are as follows: The establishment of 10 Temporary Learning Spaces (TLS) with furniture and supplies, the distribution of 1000 new and 600 repaired desks to other learning spaces. In addition, 2,000 children receive school bags and essential learning material, 100 teachers' kits and 5 recreational kits will be distributed.

■ This is the most recent project funded by the **Yemen Humanitarian Fund**. We signed the contract for the project to start in January 2020 for 12 months, however we are still awaiting the sub-agreement from the National Authority for Management and Coordination of Humanitarian Affairs and Disaster Response (NAMCHA) in order to be able to start implementing. The project will improve access to quality accredited formal education for most vulnerable children in Sana'a and Al-Hodeidah governorates facing barriers to access education.

UGANDA

■ **BT Supporters Club via Comic Relief** is funding the TeamUp project. This project aims to increase the resilience and psychosocial wellbeing of refugee children and vulnerable children in host communities through structured movement-based and sports activities. It will be implemented in Arua and Yumbe districts in northern Uganda and will reach a total of 4,000 children during two years of implementation.



Haval is a calm and peaceful presence. He is 13 years old. He has lived in a camp in northern Iraq for 3 years. Haval attends IDEAL sessions at the War Child CFS in the camp.

Photo credit: Hanna Noori

15 FUNDING FROM DFID

War Child is an implementing partner of grants which are funded by the Department for International Development (DfID).

Income received in the year ended 31 December 2019:

Project Name	Grant holder	Income £000
Effective Approaches to End the Worst Forms of Child Labour	World Vision	294
Civil Society Unleashed: A Model for Youth & Community Driven Change	Restless Development	102
Improving the psycho-social well-being of children affected by war and violence in Central African Republic	War Child	99

14 RESTRICTED FUNDS

	2017 £000	Income £000	Expenditure £000	2018 £000
Afghanistan - Other grants & donations	-	10	-	10
Afghanistan - Terre des Hommes	5	78	(83)	-
Afghanistan - UNICEF	186	852	(959)	79
Afghanistan - War Child Holland	-	147	(142)	5
Central African Republic - Common Humanitarian Fund (CHF)	15	30	(45)	-
Central African Republic - Children in Conflict	-	78	(78)	-
Central African Republic - Hemraj Goyal Foundation	-	11	(11)	-
Central African Republic - Other grants & donations	-	-	-	-
Central African Republic - Stanley Thomas Foundation	22	26	(22)	26
Central African Republic - UNICEF	-	650	(337)	313
Central African Republic - UNPBF	-	342	-	342
Central African Republic - War Child Australia	-	14	(14)	-
Central African Republic - World Vision	-	19	(10)	9
Democratic Republic of Congo - Children in Conflict	-	33	(33)	-
Democratic Republic of Congo - European Commission	-	(103)	103	-
Democratic Republic of Congo - Mission de l'Organisation des Nations Unies pour la stabilisation en République démocratique du Congo (MONUSCO)	-	77	(77)	-
Democratic Republic of Congo - NRC	-	771	(201)	570
Democratic Republic of Congo - Other grants & donations	38	73	(38)	73
Democratic Republic of Congo - Start Fund	-	65	(65)	-
Democratic Republic of Congo - UNDP	-	210	(210)	-
Democratic Republic of Congo - UNHCR	-	818	(818)	-
Democratic Republic of Congo - UNICEF	-	178	(178)	-
Democratic Republic of Congo - World Bank	45	329	(322)	52
Democratic Republic of Congo - World Vision	-	20	(17)	3
Iraq - British and Foreign School Society (BFSS)	-	13	(13)	-
Iraq - Children in Conflict	-	78	(78)	-
Iraq - Dubai Cares	172	109	(281)	-
Iraq - OCHA	43	289	(332)	-
Iraq - Other grants & donations	-	20	(20)	-
Iraq - UNICEF	-	2	(2)	-
Iraq - War Child Holland	20	182	(194)	8
Iraq - War Child Australia	-	14	(14)	-
occupied Palestinian territories - Other grants & donations	-	10	(10)	-
Syria response - Allen & Overy	191	192	(231)	152
Syria response - BFSS	-	13	(13)	-
Syria response - Department of Foreign Affairs and Trade (DFAT)	33	-	(28)	5
Syria response - Other grants & donations	30	(8)	(22)	-
Syria response - Vitol	100	(100)	-	-
Syria response - War Child Holland	195	1,862	(1,802)	255
Uganda - Other grants & donations	-	5	(5)	-
United Kingdom - Other grants & donations	-	20	(20)	-
United Kingdom - Restless Development	-	60	(3)	57
United Kingdom - World Vision	-	22	(5)	17
Yemen - Children in Conflict	-	47	(47)	-
Yemen - Yemen Humanitarian Fund (OCHA)	-	245	(21)	224
Yemen - Other grants & donations	-	54	(54)	-
Yemen - War Child Holland	69	716	(785)	-
	1,164	8,573	(7,537)	2,200

17 CONNECTED CHARITIES

War Child has close relationships with other organisations overseas which use the War Child name, some independent and some under a licence agreement. These organisations are considered separate from War Child as they have their own constitution, their own Board of Trustees and are subject to the laws of their respective countries.

War Child Australia

War Child Australia is an independent non-profit organisation based in Australia. War Child Australia received a loan of £40,669 from War Child in 2018 which will be paid back by 2021.

18 RELATED PARTIES

Children in Conflict

Children in Conflict is an independent non-profit organisation based in the United States. Sacha Deshmukh, our chair of the Board of Trustees, and Rob Williams, CEO, are both Directors of Children in Conflict. Children in Conflict has a remaining loan balance of £67,760 which will be paid back by the end of 2020. Children in Conflict also provided grants of £538,500 to War Child in 2019.

Other related parties

Sacha Deshmukh, our chair of the Board of Trustees, is a Director of the Fundraising Regulator. War Child paid a voluntary levy of £4,000 to the Regulator in the year to 31 December 2019. Sacha Deshmukh was appointed as the new CEO of UNICEF UK in December 2019, a position which he will take up in April 2020.



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