



**TOMORROW IS NOW**

**ANNUAL REPORT 2020**



**Save the  
Children**

# 2020 HIGHLIGHTS

In the UK and around the world, we make sure children are safe and healthy. We support them to learn, grow and become whoever they want to be.

## 44.9 MILLION CHILDREN

and 38.3 million adults directly supported by the Save the Children movement, working across 117 countries\*

## 18.5 MILLION CHILDREN

and 12.5 million adults supported by the Save the Children movement in 136 humanitarian emergency responses across 77 countries

## £289 MILLION

raised by Save the Children UK and our supporters

## 4,500 VOLUNTEERS

in the UK gave their time, energy and skills to support our cause†

## 4.1 MILLION CHILDREN AND ADULTS

took part in Save the Children's Christmas Jumper Day, raising over £3.1 million to help children in the UK and around the world

\* This estimated total reach figure includes data from 80 countries, out of a total of 117 countries where we worked. While the proportion of offices that report continues to increase, this process does not yet reflect all programming across the Save the Children movement. For details of our relationship with the wider Save the Children movement, see page 7. A person is reached directly when she/he/they have received one or more project/programme inputs from Save the Children or a partner or has participated in activities or accessed services provided by Save the Children or a partner or by institutions or individuals supported by Save the Children or our partners.

† Refers to active volunteers holding a formal volunteering role as of 31 December 2020. Many more volunteers will have supported us throughout the year.

**WHO WE ARE**

We believe that children's potential is our brightest hope for a better future. We are committed to ensuring children survive, have the chance to learn and get protection when they're in danger.

Save the Children UK is a member of the Save the Children movement, which is made up of 30 member organisations, working in 117 countries.

To find out more about our strategy and vision, see page 7.

**IN MEMORY**

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

Front cover: Isha, aged seven, outside her home in Sheffield, UK. During lockdown, she missed her friends and school. But she also shared this message of hope: "Better days will come – keep smiling!" (Photo: Hanna Adcock/ Save the Children)

Names marked with \* have been changed to protect identities.

# CONTENTS

Message from a child campaigner in South Sudan	2
Letter from HRH The Princess Royal	3
<b>TRUSTEES' REPORT</b>	
Message from the Chief Executive	4
Message from the Chair	6
A global movement delivering impact at scale	7
Where we worked in 2020	10
Coronavirus: a global crisis	12
Breakthrough: survive	16
Breakthrough: learn	22
Breakthrough: be protected	27
Tackling child poverty	32
The climate crisis: our response	34
Progress against strategic priorities	36
Diversity, inclusion and anti-racism	38
Our people and culture	40
Our supporters in 2020	42
Financial performance	44
Annual trustee risk statement	49
Structure, governance and management	53
<b>FINANCIAL STATEMENTS</b>	
Independent auditor's report	67
Statement of Trustees responsibilities in respect of the Trustees' Annual Report and the financial statements	70
Financial statements	71





**“Leaders: we are children  
looking at you.”**

**Achol, 14, South Sudan**

**It's a pleasure and honour to write the introduction for Save the Children's Annual Report for 2020. I am happy to cast light on the issues faced by children in the whole world, particularly in South Sudan.**

I am an activist, raising the concerns of children at different forums, starting from my school, state and national levels. I have also been nominated by South Sudanese children to represent them in a pre-session meeting with the United Nations Convention on the Rights of the Child committee on 9 February 2021.

When campaigning, I focus mainly on the inclusion of all children in education, including girls and those with disabilities; gender-based violence targeting children; sexual abuse, including forced and early marriage; and violence against children. During the Covid-19 outbreak and flooding in South Sudan I focused on ensuring children were safe by talking to them about the World Health Organization's preventative and response measures, as well as highlighting the dangers of floods and how to keep children safe.

Coronavirus has affected girls in South Sudan negatively – many dropped out of school during the lockdown. It resulted in child marriage, as many girls thought schools would not open again. Here, it is only when a girl is going to school that she can avoid getting married before she is 18. The situation, peer pressure and demands from parents force them to marry earlier, if they are not occupied with

books. Child labour has also increased due to the complex crises of Covid-19 and flooding, especially in Bor.

The lack of basic needs due to economic crises, widespread poverty and hunger are also issues children face in my country.

It is my hope and dream that one day children in South Sudan and the entire world live, learn and stay in a safe and protective environment. I want to take this golden opportunity to ask the government of South Sudan to prioritise children's rights and provide equitable basic services, especially in health, education and security, and ensure the South Sudan Child Act 2008 is implemented.

The cases of child rights violations have slightly reduced, according to my personal observations.

**When we advocate, we see that our efforts lead to some change and this keeps me wanting to do more.**

This is one reason I am eager to represent children in Geneva, to tell the world about what life is like for children and share ideas and experiences with my colleagues from around the world.

Finally, I want to tell leaders that we children are looking at you, to ensure our rights are prioritised and you give us the education we need, because we are seeds of tomorrow.

**Achol, age 14, child campaigner, South Sudan**

# STANDING STRONG



**In a year that has been challenging for us all, the coronavirus pandemic has had a huge impact on children's futures. The lives of today's children will be deeply marked by the turmoil and long-term damage the pandemic has caused, and sadly the crisis is not over yet.**

A great challenge calls for a great response, and throughout this demanding time I have been impressed with how quickly and effectively Save the Children has adapted to help children affected by the virus. At the start of the outbreak, we launched our Covid-19 Appeal, and once again were very grateful for the public's unstinting generosity. In the UK, we delivered learning materials, food vouchers and household essentials to families. Globally, we provided protective equipment and medical supplies, and worked with local health authorities to set up hospitals. At a time when it has never been more important to support children's education, we have been making sure children can continue their learning even when their schools are closed.

Part of rising to the challenge of the coronavirus pandemic has been making sure our other life-saving work could continue. We are still on the ground responding to emergencies, and our work to prevent killer diseases like pneumonia and malaria is more important than ever. Around the world, the commitment of Save the Children's local staff, partners and health workers is as strong as it always has been. It is this commitment that means we can work together to meet children's immediate needs, while dealing with the added demands a pandemic brings.

It has been an incredibly difficult year both for our programme work and for our fundraising. Sadly, we have

seen the temporary closure of all our 120 retail shops across the country, events cancelled and considerable disruption to many of the other ways we raise money for our cause. Staff have had to adapt to new ways of working. I have joined some really informative and innovative video discussions with staff and supporters.

Despite these challenges, as difficult and widespread as any I have witnessed throughout my years of service, Save the Children supporters have been unwavering in their dedication. They have refused to accept that children be allowed to fall behind because of coronavirus. This kindness and dedication are what sums up Save the Children's supporters, volunteers and staff. You have given your time, energy and talent to help children, no matter what.

I thank you for everything you have done for children this year. Your support is needed more than ever before. Thank you for being with us, and being there for children.

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

We wish to thank Her Royal Highness The Princess Royal for dedicating 50 years to Save the Children UK, serving as both President and Patron.

# MESSAGE FROM THE CHIEF EXECUTIVE

## OUR MISSION

2020 was a year like no other. The Covid-19 pandemic took a terrible toll on the lives of people around the world, and the ripple effects disrupted health systems, forced schools into lockdowns and triggered economic recessions. Children are carrying some of the deepest scars.

Reports from our programmes tell a story of rising child poverty, worsening malnutrition and increased stress on child health systems. One country after another documented the devastating effects of school closures on children lacking any learning support.

Here in the UK, the pandemic has left more children in poverty and more parents struggling to provide nutritious meals. Already extreme inequalities in education have widened.

As part of our global movement, I'm proud that Save the Children was on the ground responding to crises triggered by Covid-19.

In Bangladesh, our Emergency Health Unit established a Covid-19 isolation ward. Across the Horn of Africa, we expanded our nutrition programmes and worked with

governments to establish distance learning opportunities for children. With an international funding shortfall in Yemen, we supported 58 health facilities in the north of the country in their provision of vital health and nutrition services. In the UK, we expanded our emergency grants programme, providing urgently needed financial and home learning support to some of the families most in need.

We also linked local action to advocacy for – and with – children. At an international level, we engaged with the World Bank, UN agencies and donor governments to mobilise financial support for countries and communities bearing the brunt of the crisis. Our global campaign Safe Back to School worked to get children back into a learning environment – and to keep adolescent girls out of early marriage.

## OUR ORGANISATION

Covid-19 severely disrupted our plans for the year. Many of our staff were furloughed. Our shops were closed for significant periods and events were cancelled, which affected our fundraising. Lockdown meant that most of our staff had to transition to working from home.



**Lexi-Mae, 5, and her mother Georgina** outside their home in Sheffield. During lockdown, Georgina was struggling to make ends meet. We helped out with vouchers to buy food and a bed for Lexi-Mae, and provided an early learning pack.

PHOTO: HANNA ADCOCK/SAVE THE CHILDREN



Despite everything, we were able to achieve some extraordinary results – many of which are documented in this report. For that I want to pay tribute to the professionalism, commitment and resolve of our extraordinary people. They went way beyond the call of duty.

Our fundraising surpassed expectations, not least thanks to a brilliantly creative Christmas Jumper Day. We were able to secure significant new institutional funding from international donors, especially in education. Our smooth transition to home working owed much to an enormous amount of hard work and support from teams across the organisation.

As ever, we were able to draw on the energy, enthusiasm and backing of our supporters, volunteers and partners. We are privileged to be able to do so.

I was also thrilled by the appointment of our new Chair, Dr Tsitsi Chawatama, a consultant paediatrician with a wealth of clinical and development experience. Appointed through an open and transparent process, Dr Chawatama joined us in January 2021 and brings with her a deep commitment to child rights.

I also want to take this opportunity to remember the colleagues who we lost in 2020. Our thoughts are with their loved ones.

## OUR CULTURE

Last year, we continued our journey on organisational culture. Save the Children is built on an unrelenting ambition for children. But that ambition must be harnessed to a culture of kindness, respect and support for staff.

In March, the Charity Commission delivered its inquiry report into our handling of allegations of misconduct and harassment of staff in 2012 and 2015. We accepted the report's recommendations in full and collectively apologised for letting down the women affected, and for letting down our organisation.

## OUR COMMITMENT TO ANTI-RACISM

The work we do through our fundraising and campaigning, and through our programmes in some of the world's toughest places, makes a positive difference. But Save the Children is also part of a colonial history in which people of colour were dominated and oppressed, and we did not

always speak out when we should have done. We should be honest enough and confident enough to acknowledge this – and that our organisation is not insulated from the pervasive institutional racism endemic in British society and experienced by our colleagues today.

During 2020 we actively discussed and acted on these issues and launched our [Free To Be Me](#) Diversity and Inclusion strategy. Co-created with staff, the strategy outlines a compelling vision backed by practical measures for its delivery. I'm indebted to our staff equalities networks for their courage in raising concerns and their constructive guidance and advocacy in driving change.

## LOOKING FORWARD

We're now preparing to tackle the crisis facing so many children across the world. The aftershocks of Covid-19, conflict and climate change are magnifying old inequalities linked to wealth, gender and other markers of disadvantage, and creating new fault lines within and between countries. For the first time in over three decades, there is a real danger of reversals in areas like child survival, nutrition and education. That must not happen on our watch.

I joined Save the Children as CEO just after governments around the world agreed to the 2030 Sustainable Development Goals. Those Goals include ending preventable child deaths, eradicating poverty and providing all children with the learning opportunities they need to thrive.

Today, that ambition may seem out of reach. But in these moments, I find inspiration in these words of our founder, Eglantyne Jebb: "Save the Children is often told that its aims are impossible – that there has always been child suffering and there always will be. We know. It's impossible only if we make it so. It's impossible only if we refuse to attempt it."



A handwritten signature in black ink, which appears to read 'Kevin Watkins'. The signature is stylized and fluid.

**Kevin Watkins**  
Chief Executive

# MESSAGE FROM THE CHAIR

**I have always been a passionate advocate for child health, and for children's rights and wellbeing. Joining Save the Children UK – a values-based global movement that is at the forefront of this work – is both humbling and a privilege. Having personal experience of the impact of girls' access to education, Save the Children's ambition is close to my heart.**

The welcome I have received since joining in January 2021 has been tremendous. The passion for our purpose and the enthusiasm of the team are both inspiring and infectious. This is even more impressive given the backdrop of 2020, which was a challenging year, with a global pandemic and the intensified spotlight on long-standing societal inequalities and injustices. However, through resilience, solidarity and teamwork the organisation has continued to be an important voice in advocating for and with children and ensuring programmes achieve impact at a time when this has been needed most. Our mandate – to pursue our founder Eglantyne Jebb's vision of a world where children realise their right to be healthy, happy and fulfilled – has never mattered more.

I firmly believe our focus on achieving the best outcomes for children must remain the beating heart of Save the Children. The 2022–24 strategy development process is a timely opportunity to focus on our role and contribution to the wider Save the Children movement, while ensuring we are forward-looking and remain fit for purpose. It will require continued emphasis on strengthening our organisational people and culture work, including commitments to our ambitious Diversity and Inclusion strategy.

I would like to thank Charles Steel for serving as Interim Chair and for his stewardship and leadership during this time. Together with the rest of the Board of Trustees, I am committed to ensuring that this good work continues.



**Dr Tsitsi Chawatama**  
Chair of the Board of Trustees



**Ten-year-old Ferhana\* longs for the conflict in Afghanistan to end and to get back to school with her friends. She's living in a settlement in Balkh province after fighting forced her family to leave their home. We've supported them with cash to buy food.**



PHOTO: JIM HUNT/ROCK CASINI/SAVE THE CHILDREN



# A GLOBAL MOVEMENT DELIVERING IMPACT AT SCALE

**Save the Children was founded on the belief that every child deserves a better future. Yet around the world, many children today are still denied that chance simply because of who they are and where they're from.**

We have a bold ambition: a world in which all children survive, have the chance to learn and are protected from abuse, neglect and exploitation.

## A GLOBAL MOVEMENT

Save the Children is a [global membership organisation](#), made up of Save the Children International and 30 national members, including Save the Children UK. We share one name and one vision for children. Through our work, and our work with local and global partners, the Save the Children movement directly supported 44.9 million children in 2020, in 117 countries around the world.

In all our work, we aim to:

- innovate – develop and demonstrate evidence-based, replicable solutions to the problems children face
- achieve results at scale – by expanding effective and sustainable approaches
- be the voice – campaign for better practices and policies to fulfil children's rights and ensure that their voices are heard
- build partnerships – with children, communities, governments, civil society and private sector organisations to influence others and increase our impact.

## Our 2030 ambition for children

All members and country offices of Save the Children are working to deliver a [shared vision for 2030](#), focused on three global breakthrough goals:

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

These ambitious outcomes are aligned to the Sustainable Development Goals, and while Save the Children is unable to reach these alone – we recognise our role as



part of a worldwide movement of grassroots and global organisations, local leaders and national governments, individuals and corporations, and institutional bodies who are driving these essential changes for children.

We use our Global Results Framework to develop a clear understanding of how our work leads to progress for children, at the national, regional and global level. The framework is a causal pathway showing how our day-to-day work contributes to the 2030 Breakthroughs for children and is integrated and used in our strategy planning, reporting and analysis. We use it to review progress, make informed decisions, hold ourselves to account and ask ourselves if we are delivering on our commitments to children.

As a movement we put children's rights at the core of everything we do and prioritise the most deprived and marginalised children wherever we work. Our 2019–21 strategy emphasised three breakthrough objectives:

- tackling childhood pneumonia
- expanding access to good-quality early learning
- protecting children in conflict.

Our fundamental belief in the rights of children means delivering food, medicine and protection, and – critically – holding governments to account to provide these basic needs. We involve children in what we do, listening to them and amplifying their voices for the world to hear.

### Save the Children UK – part of the global movement

As Save the Children UK, we've aligned [our plans](#) with the whole Save the Children movement – from other members to country offices – to make the most of our collective strength.

We work in places where our expertise and partnerships make us best placed to change children's lives. We are a major contributor to the movement's humanitarian capacity, including hosting a dedicated Emergency Health Unit (see pages 14 and 17).

We have an integrated advocacy, policy, research, media and campaigns team. We work with other parts of the movement, along with our partners and the children we support to maximise our collective influence over key decision-makers – and to change the world for children.

Working with major donors, corporate partners and the public enabled Save the Children UK to raise a total of £289 million for our work for children in the UK and around the world in 2020.

### Covid-19: revising our priorities


The Covid-19 pandemic pushed 1.6 billion children out of school, saw child poverty and malnutrition surge, and exacerbated inequality. The crisis demanded that we revisit the priorities set out in [our 2019–21 strategy](#).

As part of our push for a high-quality education for millions of children, we will prioritise distance and accelerated learning. We will strengthen financial safety nets to help combat growing poverty and malnutrition. We will provide more and better technical expertise to support local programmes and advocacy work. And we will deepen our resolve to make diversity, inclusion, gender equality and anti-racism a central part of our organisation and culture.

### A KEY PRINCIPLE: WORKING IN PARTNERSHIP

Many of our most important partners are those we work with day to day.

The Suchana Programme in Bangladesh, for example, brings together a consortium of eight expert organisations led by Save the Children, funded by the EU and UK government,



For Niamh, 5, and her brother Jensen, 7, from Sheffield, lockdown has been tough. "It's been stressful at times. The children get frustrated," says their mum Charlie. Financially it hit the family hard too. "My wages have been cut. I think I'm down about £200 a month," says Charlie.

PHOTO: HANNA ADCOCK/SAVE THE CHILDREN



to tackle chronic malnutrition during a child's critical first 1,000 days after conception. This programme supports 250,000 families using an integrated approach, with the highly acclaimed Bangladesh global health research institute icddr,b providing robust analysis.

And our subsidiary Elrha has had a successful year, rapidly adapting their work to support innovation projects and research studies around the world to manage the changes brought on by Covid-19. Elrha scaled-up promising solutions to support handwashing and hygiene behaviours in countries affected by crisis and as part of an urgent funding call supported 15 health research studies to rapidly contribute to the Covid-19 response in humanitarian settings.

Across the world, Save the Children works with more than 50,000 volunteers and over a thousand partner organisations. As a movement, we have committed to the principle of localisation and in 2020 agreed to go much further with this approach in the years ahead. Across our development, humanitarian and domestic work, we'll seek more diverse partners, and encourage and support their empowerment.

Since Save the Children UK was established a century ago, the Save the Children family has grown to become a global movement fighting for the rights of children everywhere. We share common values and apply 'common approaches', adapted to the specific context. By bringing together our collective strength we achieve far more than we could

alone. This has been more important than ever in 2020, as we responded together to the coronavirus crisis.

Our work depends on our generous funding partners, from individuals to corporate and philanthropic organisations to governments and international agencies. These partnerships involve far more than money; the most challenging problems require collaborative approaches, and we work together with our partners to co-create innovative interventions. In 2020, for example, we:

- worked with 95 partners in the UK to deliver our emergency grant programme to more than 10,000 children, to help families in the UK purchase food and other essentials (see page 13)
- strengthened our partnership with UNICEF, to get children safely back to school and learning
- worked through the Collaborative Cash Delivery Platform to improve the way \$2.2 billion of humanitarian cash assistance is delivered
- as grant custodian, helped support Start Network launch a Covid-19 Global Fund, which allocated over £7.2 million to 51 responses, reaching more than 6.7 million people
- hosted the Scaling Up Nutrition (SUN) Civil Society Network, which is part of the global SUN movement to end malnutrition, helping the network disburse ten small grants of around \$5,000 to national civil society alliances in countries tackling high rates of malnutrition.



# WHERE WE WORKED IN 2020

## OUR WORK AT HOME IN 2020

Even before 2020, 30% of children in the UK were living in poverty. When the coronavirus pandemic hit, we revamped our services in some of the poorest parts of the country to make sure children stuck at home could keep learning. We rapidly developed an [emergency response plan](#) and campaigned across the UK to help families get the support they needed to make it through the crisis.

Read more about our response to Covid-19 in the UK on page 13.

Save the Children works with children and communities across the UK, with staff, partners, branches and community fundraising groups, shops and regional offices throughout the country. We work closely with the communities we serve.



### CAMPAIGNING AND ADVOCACY

We supported the fantastic work of #MumsOnAMission, who have successfully taken the government to court over the way childcare support is provided via Universal Credit.



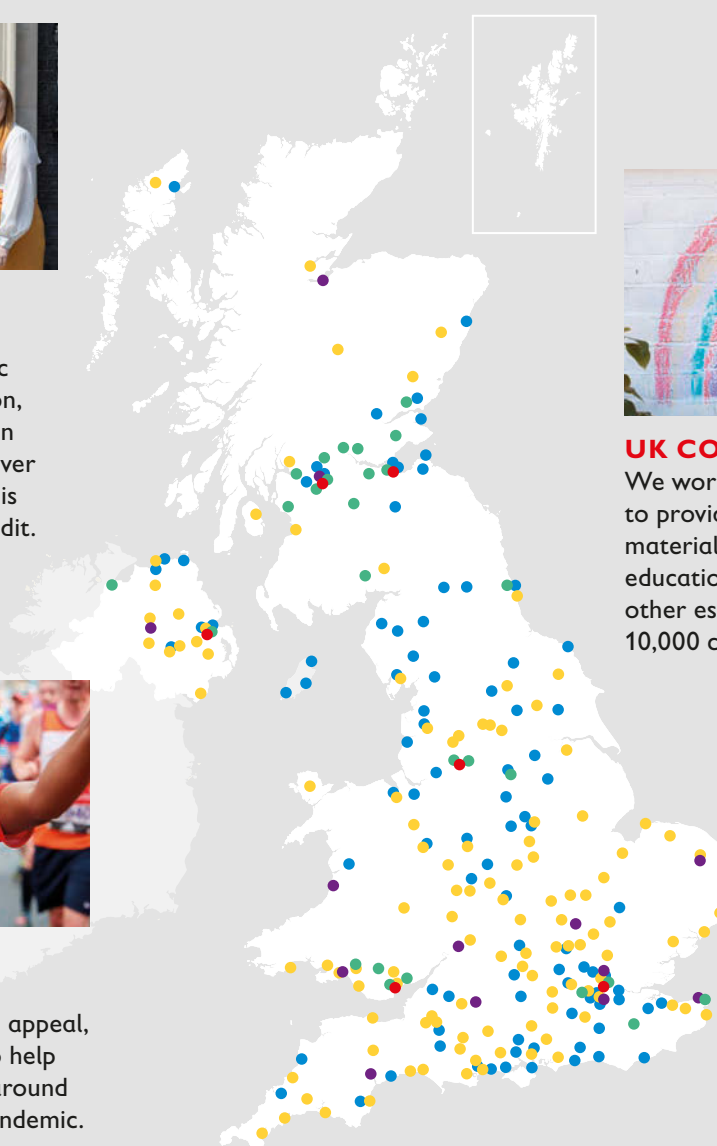
### FUNDRAISING

The public generously supported our Covid-19 appeal, donating £2.3 million to help families in the UK and around the world during the pandemic.



### UK COVID-19 RESPONSE

We worked with partners to provide early learning materials, food vouchers, educational toys and other essentials to around 10,000 children (see page 13).



- Offices
- Programmes
- Community fundraising managers
- Branches and community fundraising groups\*
- Shops

\* Branches and community fundraising groups are run by volunteers who raise money and engage with people and organisations in their community, such as schools, companies and MPs, on behalf of Save the Children UK.

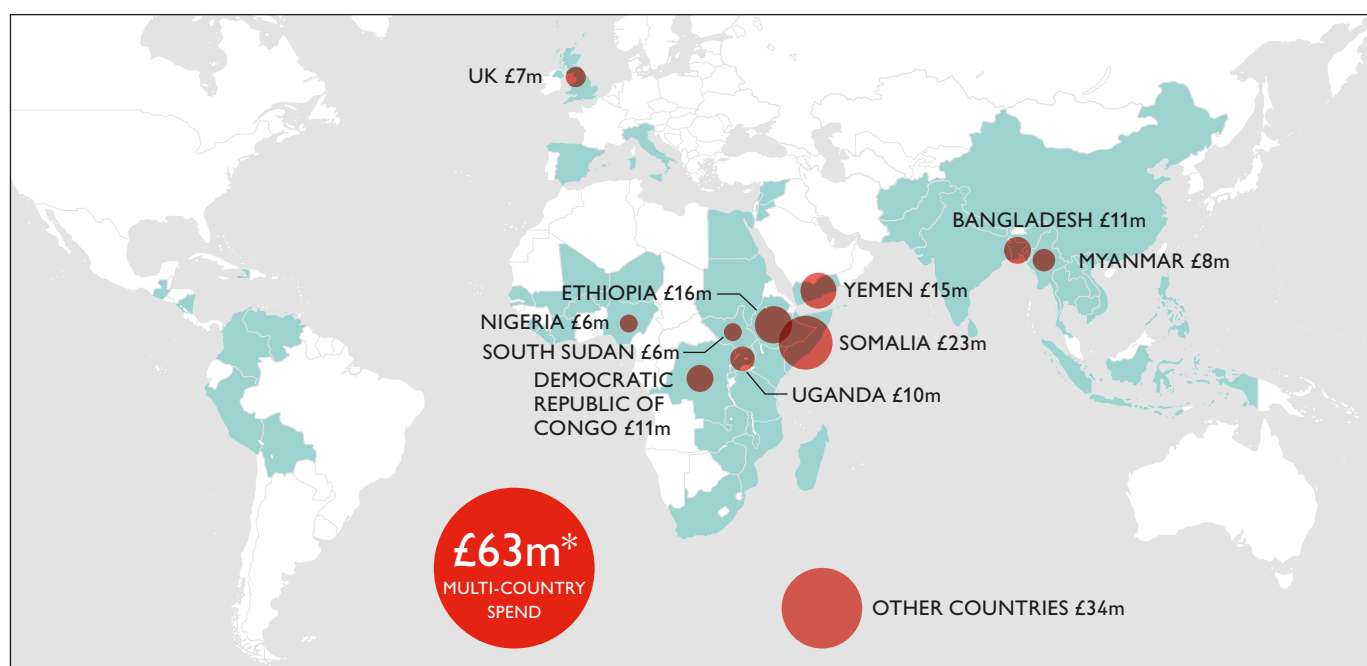
## OUR GLOBAL RESPONSE IN 2020

The Save the Children movement works in 117 countries, putting the most deprived and marginalised children first to help them survive, learn and be protected.

In 2020, Save the Children UK supported the movement in 53 of these countries with technical expertise, funding, strategic and governance support, advocacy and policy influencing, programme management and humanitarian

response. We also supported staff, partners and the wider sector with capacity building programmes. To find out more about our global response this year, including our response to the Covid-19 crisis, see pages 12–33.

Save the Children UK spent £210 million on programme work across the world in 2020. The map below shows where those programmes were and highlights the ten countries where we spent the most.



\* Around £63 million of global programming spending is multi-country. This includes Start Network grants, for which we have a contract with donors as the grant custodian (£33 million), and our subsidiary entity Elrha (£8 million). It also includes humanitarian spend (£14 million) through our Emergency Health Unit and humanitarian department; programmatic contributions to Save the Children country offices (£5 million); and contributions to Save the Children International's pooled funds (£3 million).

## COVID-19'S DETRIMENTAL IMPACT ON OUR DATA-GATHERING

When the World Health Organization declared the Covid-19 outbreak a pandemic in March 2020, Save the Children technical advisers quickly developed internal guidelines to adapt all the activities of our projects in countries affected by the crisis.

We brought in social distancing and other procedures to avoid exposing the people we serve to the risk of infection. We also reviewed the ways in which we collect evidence to ensure they're safe, feasible and worthwhile. As a result, some planned evaluations were delayed, and others adapted. In many cases, we turned towards remote data collection, over the phone or online.

Since many of our programmes are delivered in places with limited phone or internet coverage, our data collection has inevitably been less comprehensive and robust. For instance, we had planned to measure the impact of our Girls Education Challenge programmes in Mozambique and the Democratic Republic of Congo using an independent think tank to test the students. Instead, as schools were closed, we had to rely on phone interviews and reports from their teachers.

While we are pleased with the impact evidence in this report, it has to a small degree been impacted by this setback.

# CORONAVIRUS: A GLOBAL CRISIS

**The Covid-19 pandemic has caused untold damage to children's health, wellbeing and education. But significant societal disruption can also offer an opportunity to come together and reshape the future for children.**

Miss that opportunity and we risk throwing 30 years of progress – in reducing poverty, cutting child deaths and expanding access to learning – into reverse.

In 2020, as coronavirus spread at terrifying speed, Save the Children and our partners rapidly adapted. We launched [Protect a Generation](#), our four-pronged global fightback against the pandemic, to support children across four key pillars.

It's the beginning of a long-term response towards building a better post-Covid-19 world.



## PILLAR 1

Mitigate the impact of Covid-19 on child survival



## PILLAR 2

Help children learn, stay safe and return to school



## PILLAR 3

Support family survival and food security through safety nets



## PILLAR 4

Keep children safe in their home and in communities

### 29.5 MILLION CHILDREN AND ADULTS

supported across 87 countries by our movement's [Covid-19 response in 2020](#), including:

- 1.1 million households supported to access safe water and handwashing facilities with soap
- 391,000 children under five treated for acute malnutrition
- 117,000 community health workers supported or trained
- 3.4 million children supported with distance learning
- 87,000 children with disabilities supported with distance learning
- 553,000 households given cash transfers and/or vouchers
- 112,000 children received case management support
- 246,000 children and 378,000 adults received mental health and psychosocial support

### THE HIDDEN IMPACT OF COVID-19 ON CHILDREN

We conducted the [world's largest study](#) on the impact of Covid-19 on children, with more than 8,000 children and 17,000 parents and caregivers across 37 countries:

- **Finances:** Three-quarters of households lost income because of the pandemic, with poorer families most affected. Four in five families struggled to pay for food.
- **Health:** Most caregivers and parents reported difficulties in accessing healthcare because of Covid-19 disruptions.
- **Domestic violence:** Nearly one-third of households had a child and/or parent/caregiver reporting violence in the home, including verbal and physical abuse. Violence was reported at higher rates by children when schools were closed.
- **Education:** During school closures 84% of children reported learning little or nothing. Children's priority message for their leaders was the importance of reopening schools.
- **Mental health:** 83% of children reported more negative feelings, directly linked to school closures. Children who were not in touch with friends were ten times more likely to experience negative feelings.



# THE IMPACT OF COVID-19 IN THE UK AND OUR RESPONSE

**Here at home, families already struggling to make ends meet fell rapidly into crisis. They faced financial pressures, increased stress and the demands of home schooling, often with little or no access to the internet or a computer. We acted quickly, launching a tailored emergency response for parents and children at home in April.**

## REVAMPED BUILDING BLOCKS

We rapidly adapted our existing Building Blocks programme and worked with partners to identify families who were most vulnerable and provide support last year to around 10,000 children across the UK. Our emergency grant, distributed with our partners, delivered early learning packs with educational toys, activities, books and games for children and parents to use together; supermarket and Argos e-vouchers; toys and games from partners Hasbro and LEGO; and household essentials, such as children's beds, high chairs and dining tables.

Through our partners we also delivered 35,700 packs put together by early years experts with guidance and activities for parents and children.

- 98% of families said supermarket vouchers were of most help, giving more autonomy and financial stability.
- 87% gave the items and vouchers they received a rating of 5 out of 5.

Their feedback will shape how the programme evolves. It also provides robust evidence to call on the government to increase financial support for families.

## UK POVERTY: STANDING UP FOR FAMILIES PUSHED INTO CRISIS

The pandemic has been devastating for families already living in poverty and has pulled many more into hardship. Job losses, reduced working hours and less disposable income from furlough have hit family earnings hard, while having children at home during working hours has squeezed finances even tighter.

We partnered with the Joseph Rowntree Foundation to campaign for extra social security support. And we supported the fantastic work of #MumsOnAMission, who have [successfully](#) taken the government to court over the way childcare support is provided via Universal Credit. We worked closely with the Food Foundation and Marcus Rashford's team in their campaign to help schoolchildren who were going hungry during lockdown and we called for a 'Winter Plan for Children', asking the government to provide more income, childcare and food support to families who were set to face a difficult winter.

## LIFE UNDER LOCKDOWN

We want to make sure that the experiences of children living under lockdown are understood, and that they shape our national conversation about what happens next. Drawing on online sessions with friends and supporters, conversations in communities where we work, and insights from other organisations, our [Life Under Lockdown](#) report portrays the experiences of children and families.

Many of the experiences of children in the UK and around the world are universal, and it is critical that their views are heard, and help shape decisions to recover from this crisis.

Seona, Zen and Ziggy, in Dundee, Scotland. A single mum with baby twins and little support, Seona found the first lockdown really tough. A cut in her working hours meant she struggled to make ends meet. Our emergency grant eased the pressure. "The vouchers have been my absolute lifeline," she says.

"I felt looked after  
and that was  
a lovely thing."

Seona, Scotland



# FIGHTING CORONAVIRUS ACROSS THE WORLD

**In 2020, we worked with partners to prevent and contain the spread of the virus through communities facing pre-existing vulnerabilities – in refugee camps, conflict zones and urban slums.**

Where cases were already high, we provided protective equipment, medical supplies and training for local health workers, and helped set up hospitals to isolate and treat coronavirus patients. And we made sure children could keep learning during the pandemic.

Visit Save the Children's [Resource Centre](#) to read about the impact of our movement's Covid-19 response in 2020.

## KEEPING OVERSTRETCHED HEALTH SYSTEMS UP AND RUNNING

The Covid-19 pandemic has stretched already fragile health systems to their absolute limits. Crucial services, such as routine immunisations and primary healthcare, were disrupted, putting children at risk.

Save the Children UK's Humanitarian Public Health Technical Unit and our Emergency Health Unit provided technical leadership, expertise and operational support for the Save the Children movement's global Covid-19 response. We supported public health programmes in 40 countries, including establishing eight Covid-19 isolation and treatment centres (ITCs).

Operating alongside local health workers, our Emergency Health Unit – medical teams who deliver rapid, high-quality healthcare for children caught up in crises – helped countries provide lifesaving Covid-19 treatment. The teams trained health and support staff and advised community health workers on managing Covid-19 cases.

In April 2020, the Johns Hopkins Centre for Humanitarian Health predicted a catastrophic Covid-19 outbreak in the

world's largest refugee camp in Cox's Bazar, Bangladesh. In anticipation, and as part of the health sector response led by the World Health Organization, our Emergency Health Unit responded rapidly in May, setting up a 60-bed isolation and treatment centre in the camp to provide care for Covid-19 patients. The isolation centre was not fully utilised as thankfully, a large-scale outbreak did not materialise in 2020.

Save the Children UK's public health experts found ways to help keep life-saving services going in countries around the world by finding new ways of working. Directly and through our partners, we:

- taught parents how to screen their children for malnutrition
- gave mothers telephone consultations on pregnancy and nutrition
- trained health workers on Covid-19 infection prevention.

## HARNESSING HYGIENE TO FIGHT THE SPREAD OF INFECTION

Through the Hygiene & Behaviour Change Coalition, established by Unilever and the UK government, we promoted improved handwashing and hygiene practices to tackle the spread of Covid-19 among communities most at-risk. With support from our partners, we've already:

- reached hundreds of millions of children and adults indirectly with information on Covid-19 and hygiene
- distributed more than 580,000 critical hygiene and sanitation products and services, including 400,000 bars of soap provided by Unilever
- trained 1,600 Save the Children staff, health workers and others in infection prevention and Covid-19 messaging
- provided over 180,000 critical water, sanitation and hygiene (WASH) supplies to 117 health facilities.

## COVID-19 RESPONSE: HAVE WE DELIVERED?

Our global movement Covid-19 mid-action review found that overall, Save the Children delivered a strong response for children:

- We delivered for children, finding innovative ways to adapt and keep our existing programmes running.
- We came together. Staff in all parts of the organisation collaborated in new ways, learned from each other and demonstrated a sense of shared purpose.
- We engaged with others. We were heavily involved in the UN's Global Humanitarian Response Plan and played a leadership role through the Global Education Cluster.

However, the response also faced challenges:

- We were slow to recognise the nature and scale of the crisis; though, once we did so, we moved fast.
- Following the profound changes that are taking place, we are not yet clear or aligned on our positioning for the future.
- We struggled to get funds to the places most in need.

We used these findings to develop a management response plan for implementation in 2021, adapting our approaches where necessary. We will learn from our Covid-19 response, build on what worked, and take steps to make further improvements.

# ADVOCATING FOR THE COVID GENERATION

**Today's generation of children carry our hopes of a brighter future, of a better post-Covid-19 world. It is the decisions that we, as adults, take at this pivotal moment that will either make building that future easier for this generation or much more difficult.**

## COVID'S KIDS

As we slowly emerged from the heat of the coronavirus outbreak into a new normal, our [Covid's Kids: Repaying our debt to the Covid Generation](#) report, published in October 2020, set out a five-pillar framework that should be prioritised for the world's children:

- creating economies in which all children can thrive
- rescuing childhood for the children who've lived through Covid-19
- saving children's natural inheritance
- governing for children's rights – by sharing and building power
- governing for children's rights – through international cooperation

Urgent, transformative action is needed in all five of these areas if children's rights are to be upheld and their life chances improved over the coming decade.

## PROTECTING GIRLS: PROGRESS IN PERIL

Joint analysis with UNICEF allowed us to develop our own short-term projections of the impact of the Covid-19 crisis on girls. We estimate that the economic impact of the coronavirus pandemic in 2020 alone could put as many as 2.5 million more girls at risk of child marriage by 2025. This is in addition to the 12 million girls who already marry each year.

We published these projections as part of our [Global Girlhood Report 2020: How Covid-19 is putting progress in peril](#). Covered by over 1,000 media outlets in 80 countries, the report raised awareness of the risks that the pandemic poses to girls.

This is our first adolescent-friendly global flagship report. It created a platform for girls to raise their voices and showcase their leadership. As part of our work to promote girls' political empowerment, we designed this research for children to use to advocate for themselves.



## SAVE OUR EDUCATION

Like millions of children around the world, 13-year-old Hawo has been unable to attend school due to closures.

The rapid spread of coronavirus forced the world's schools to shut their doors to an estimated 1.6 billion learners.

Save the Children UK worked with colleagues across the Save the Children movement to call on global leaders to protect education and put it at the very heart of the global recovery effort.

Debt repayments often prevent countries investing sufficient funds in education. Our advocacy helped to pressure the World Bank to agree to a suspension of debt service payments ahead of its Spring Meetings in April 2020.

The campaign also pioneered digital hangouts – an opportunity for young people from across the world to meet virtually with government representatives to put across their recommendations for continuing children's education during the pandemic.

To find out more about how Covid-19 may impact the funding of education, the most at-risk countries, and the change we want to see, see our [Save Our Education](#) report. To read about our [Safe Back to School Practitioner's Guide](#), see page 23.



# BREAKTHROUGH: SURVIVE

## Global breakthrough: by 2030, no child will die before their fifth birthday from preventable causes.

The number of children dying before their fifth birthday has dropped significantly, by almost 60% since 1990. Child mortality rates today are the lowest they have ever been.

Despite this dramatic progress, we are a long way from reaching the UN's Sustainable Development Goal to reduce child mortality to at least as low as 2.5% in every country by 2030.

More than 5 million under-fives continue to die every year – ten children every minute – and most from illnesses that are entirely preventable. Every one of these deaths is a tragedy.

The coronavirus pandemic threatens to stall the progress we've made. In our 2020 report [Nutrition Critical: Why we must act now to tackle child malnutrition](#), we estimated that without immediate countermeasures, an extra 168,000 children under five will die from malnutrition by the end of 2022 because of the pandemic. The crisis has also disrupted critical childhood immunisation programmes in around 70 countries.

Our 2019–21 strategy, including our revised priorities in light of the pandemic, aims to get us back on course. It demands a relentless focus on the health and nutrition of the poorest and most marginalised children – those left furthest behind.

Alongside children and their communities, we are working closely with local experts, national governments and global partners to strengthen both our own response and national policies and systems, so that no child dies from a preventable cause.

Through our advocacy and campaigning work, we're making the case for universal health coverage, so that the most deprived children can get the healthcare they deserve. And we're prioritising the areas where we can save most lives. In 2020, we and our partners:

- delivered life-saving healthcare and nutrition to 9 million children caught up in humanitarian emergencies, including the coronavirus pandemic
- tackled pneumonia – the single largest infectious killer of young children worldwide – by helping to supply children in hospital with oxygen, make life-saving vaccines more widely available, and convene global health experts and decision-makers to find new ways of fighting the disease
- fought undernutrition – linked to nearly half of all deaths in children under five – by warning the world of the additional child malnutrition deaths the coronavirus pandemic threatens to cause and rolling out a new method of malnutrition detection in Kenya.

Our project activities to help children survive are part of coherent country programmes, guided by country office-led strategic plans, delivered in partnership with local organisations, and financed by a range of Save the Children members and donors.

## 27.9 MILLION CHILDREN

reached through our movement's health and nutrition programmes in 2020

Suhaar, 2, and health worker Muna at a camp for displaced families in Somalia. Muna diagnosed Suhaar with pneumonia and treated her successfully. She also referred Suhaar to our clinic for treatment for malnutrition.



# DELIVERING EXPERT CARE IN EMERGENCIES



Brian, aged seven months, and his grandmother Gloria during a nutrition survey by our Emergency Health Unit in Zimbabwe. We're providing families with cash grants to buy food, identifying and treating children who are malnourished, and improving access to clean water.

PHOTO: SACHA MYERS/SAVE THE CHILDREN

In 2020, working alongside our partners, the Save the Children movement responded to at least 136 emergencies across 77 countries, directly supporting more than 31 million people, including 18.5 million children. Save the Children UK deployed emergency response specialists and contributed significant funding to our movement's emergency response – from Bangladesh to Zimbabwe to South Sudan.

The coronavirus pandemic dominated our emergency work in 2020. In May, we launched a global movement-wide coronavirus response plan. To find out how we supported children and communities around the world affected by the pandemic, see pages 12–15.

## MEASLES OUTBREAK IN SAMOA

The Polynesian islands of Samoa have a population of around 200,000 people. An outbreak of more than 5,700 cases of measles endangered children's lives and threatened to overwhelm the country's health services.

At the request of the Samoan government and the World Health Organization, we deployed our Emergency

Health Unit, through the World Health Organization's Emergency Medical Team mechanism, to fill critical gaps in services. The team:

- [treated children and pregnant women](#), including many with measles
- delivered babies, and provided them and their mothers with vital care
- advised Ministry of Health staff on infection prevention and control measures
- provided critical surge support, allowing the Ministry of Health to complete a mass vaccination campaign and end the outbreak.

From December 2019 to January 2020, the Emergency Health Unit reached more than 600 children and adults.



# NO CHILD LEFT WITHOUT HEALTHCARE

We've made rapid recent progress, but so many of the world's children are still being left behind – because of poverty, ethnicity or gender. And every year more than 5 million children die before their fifth birthday – many from preventable causes, such as pneumonia.

We're pressuring governments and working with global partners to improve healthcare for millions.

Every day, with vital support from local partners, our health teams are saving lives in hard-to-reach communities around the world.

## THE GROWING GLOBAL DRIVE AGAINST PNEUMONIA

Pneumonia is the single largest infectious killer of young children, claiming more than 800,000 lives every year.

Almost all these deaths are readily preventable with vaccines and treatable with low-cost antibiotics and oxygen. The poorest children are most at risk because of malnutrition, low vaccine coverage and limited access to treatment.



Eight-month-old Umera Bibi is treated for pneumonia at a hospital we support in Cox's Bazar, Bangladesh.

PHOTO: ALLISON JOYCE/SAVE THE CHILDREN

With our colleagues across the movement and through our strategic partnerships, we have kept up the pressure for global action on pneumonia. The culmination of these advocacy efforts was the [Global Forum on Childhood Pneumonia](#), which took place in Spain in January 2020. It was co-hosted by Save the Children, ISGlobal, UNICEF, Every Breath Counts, the Bill & Melinda Gates Foundation, the “la Caixa” Foundation, USAID, Unitaid, and Gavi, the Vaccine Alliance. It brought together 350 of the world's top researchers with high-level government representatives, donors, corporations and civil society staff from 60 countries to work out better ways to fight pneumonia.

We used the Global Forum to prompt a number of specific commitments, including:

- the Nigerian government's introduction of a first-of-its-kind integrated national Pneumonia Control Strategy, developed with our support, which could have far wider application
- Gavi's decision to provide the pneumococcal vaccine (PCV) to Indonesia, a country not previously eligible, and introduce new rules that make it easier for fragile countries to use PCV
- the release by youth representatives of the world's first [‘Youth Call to Action on Pneumonia’](#), demanding bold steps from world health leaders.

The Global Forum and its declaration have created a platform on which we can build. We and our partners are now working with several governments represented at the Forum on vital issues such as immunisation, oxygen therapy and Covid-19 responses.

## OXYGEN THERAPY FOR HYPOXIC CHILDREN IN NIGERIA

Nigeria is one of five countries that account for over half of all global pneumonia deaths. Oxygen therapy is a critical part of pneumonia treatment, but Nigerian health services suffer from a shortage of oxygen supplies.

Our pioneering INSPIRING project in Nigeria – run in partnership with GSK and the government of Nigeria – is working to address this shortage. It established an oxygen delivery system at Dutse General Hospital in Northern Nigeria. The system connects all beds in the paediatric ward to supply oxygen to hypoxemic children suffering from severe pneumonia and other causes of respiratory distress – including Covid-19 – for free.

This is a remarkable achievement – the hospital's most significant advance since it was established over 20 years ago, according to the hospital director.



## INJECTING NEW LIFE INTO THE FIGHT TO IMMUNISE EVERY CHILD

[Immunisation](#) is one of the most successful, cost-effective and far-reaching ways of saving lives. Yet the percentage of children worldwide who receive their full course of routine immunisation has stalled at 86%. In 2019, roughly 14 million children had never received even their first diphtheria-tetanus-pertussis (DTP) dose – pointing to a lack of access to both routine immunisation services and primary care.

The number of children missing out on life-saving vaccinations is widely expected to increase due to Covid-19.

To counter this dangerous trend, with support from the Bill & Melinda Gates Foundation Anchor Grant and alongside key partners in the UK and globally, we worked for 18 months in the lead-up to the UK-hosted [Global Vaccine Summit](#) in June 2020 to secure increased government investment in Gavi, the Vaccine Alliance. Since its inception in 2000, Gavi has helped to immunise more than 822 million children and is estimated to have prevented more than 14 million deaths, halving child mortality in 73 countries.

We worked closely with the UK government and Gavi, alongside national and global civil-society coalitions, to strengthen immunisation policy in low- and middle-income countries. Our advocacy efforts also focused on wealthier nations to ensure commitments to routine immunisation as part of the global aid budget.

Our advocacy culminated in the Global Vaccine Summit, which secured a record \$8.8 billion in immunisation funding for 2021 to 2025. These funds mean Gavi can now accelerate the roll-out of current vaccines, reach 300 million more children in developing countries by 2025 and contribute to saving an estimated 8 million more lives. These funds will also ensure that health and immunisation systems are strengthened in order to be able to roll out the Covid-19 vaccine in low- and middle-income countries.

### “MY MIRACLE BABY!”

#### KANGAROO MOTHER CARE IN KENYA

Preterm birth – that is, before 37 completed weeks of pregnancy – is the leading overall cause of death in children under five globally. Kangaroo Mother Care (KMC) – caring for a premature baby skin-to-skin on the chest of their mother or caregiver, and exclusively feeding breastmilk – is a cost-effective intervention. KMC helps meet a baby's basic needs for warmth, nutrition and protection from infection. Compared with conventional care, KMC is associated with a 40% lower risk of mortality at discharge.

KMC was not an established part of care for preterm newborns in Kenya. That's why, in 2014 working with

Kenya's Ministry of Health, and with funding from GSK we introduced KMC to Bungoma County by:

- developing national KMC guidelines and training materials
- training 'master trainers' in Bungoma County and provided nine health facilities with basic equipment and training so they could provide KMC services
- providing supportive supervision and mentoring for health workers and community awareness-raising sessions on KMC.

National interest in KMC grew and we supported scale-up with additional funding from GSK and the County Innovation Challenge Fund. We supported:

- five facilities to become centres of excellence for KMC and host learning visits from decision-makers in other counties
- the formation of a group of national-level master trainers to support counties across Kenya to roll out and implement KMC.

Now babies from 31 counties in Kenya are benefiting from KMC.

Many mothers who provided KMC to their premature babies became KMC champions, like Esther from Bungoma: “My miracle baby! KMC saved my baby's life and I never hesitate to encourage mothers. I have become a KMC champion. I come to the KMC ward, I talk to the mothers and encourage them, giving them my example.”

## KEEPING ADOLESCENT GIRLS FREE FROM HIV

In 2020, Save the Children improved and increased access to HIV and AIDS prevention, care and treatment for adolescent girls and young women in Turkana County, Kenya. We worked in partnership with AIDS, Population and Health Integrated Assistance, the county health management team (CHMT), Elizabeth Glaser Paediatric AIDS Foundation, community health volunteers and Kenya Red Cross, with funding from the Elton John AIDS Foundation.

We tested 50,000 people for HIV, focusing on adolescent girls and young women. All of those who tested positive (373) were enrolled into anti-retroviral treatment – 100% compared with the county average of 23%. To date, every one of them has remained on treatment and is able to go about their normal life.

As an endorsement of our approach's success, the CHMT is planning to roll it out across the county.

# LEADING THE FIGHT AGAINST MALNUTRITION

Good nutrition saves lives. It is the difference between children just barely surviving or thriving. In the wake of the coronavirus pandemic, and with a global recession widely anticipated, it is more important than ever.

## NUTRITION CRITICAL

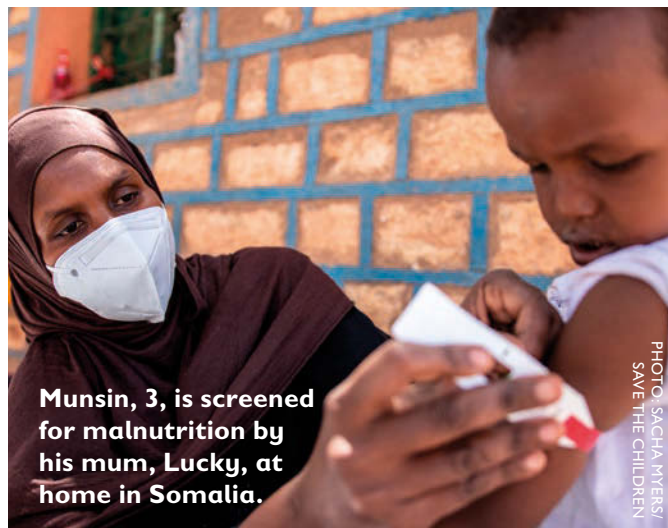
[Nutrition for Growth \(N4G\)](#) is a global forum that seeks to unite financial commitments and policy solutions on malnutrition from governments, donors and other stakeholders. Participants at the N4G Summit in 2013 committed \$23 billion for nutrition. This year, Save the Children sat on the Government of Japan's advisory group as it prepared for N4G 2020, and helped to develop the N4G [Commitment-Making Guide](#) and principles of engagement.

When the summit was postponed until 2021, our efforts to secure new pledges for nutrition were knocked back. However, in response, we and our partners offered the Japanese government a vision for a 'Year of Action' to secure urgently needed pledges in 2021. In December 2020, at the kick-off event of the Year of Action, more than \$3 billion was committed.

At the end of 2020, we launched a new report highlighting the nutrition crisis exacerbated by Covid-19. [Nutrition Critical](#) revealed that, unless we act now, on average an additional 153 children will die every single day over the next two years due to malnutrition.

The pandemic could reverse years of progress, with children in Asia and sub-Saharan Africa hardest hit – especially those in poorer households or conflict zones. The report found that families in Nigeria, Mauritania, Niger and Chad are being forced into agonising decisions between buying food or paying for healthcare or education.

We also continued to host the [Scaling Up Nutrition Civil Society Network](#) Secretariat, which brings together thousands of civil-society organisations in 60 country platforms. The Secretariat helps these platforms foster good governance and become financially self-sustaining, with the ambition of ending malnutrition for all by 2030. In 2020, more country platforms were funded than ever before.



Munsin, 3, is screened for malnutrition by his mum, Lucky, at home in Somalia.

PHOTO: SACHA MYERS/  
SAVE THE CHILDREN

## A CRUCIAL METHOD OF MALNUTRITION DETECTION

The task of detecting acute malnutrition often falls to health workers, who have to care for large numbers of children and families. This can mean that early signs are often missed, and children who have acute malnutrition go longer without the treatment they need. The later acute malnutrition is spotted, the higher the chance of complications arising, and the harder it becomes to treat.

In Kenya and Somalia we are working with partners, including UNICEF, to roll out an innovative approach, known as Family MUAC. It involves training families in how to use colour-coded arm-measuring bands – known as mid-upper arm circumference, or MUAC, bands – to detect acute malnutrition in their children. This means families can act faster when their children become unwell, so they can seek treatment sooner. It also minimises the need for contact between families and health workers, reducing the risk of Covid-19 transmission.

Through our Global Malnutrition Initiative, in 2020 we trained more than 6,600 mothers and caregivers in how to use MUAC bands in Somalia and Kenya, and the diagnoses made using this method are 95% accurate. Family MUAC has become a crucial method of detection, especially at a time when health workers are less able to travel to communities to check children's nutrition levels.

**“I feel more empowered to be at the forefront in assessing for malnutrition among my children at home.”**

Asinyen, 32, Kenya

# COLLABORATING AND INNOVATING TO SAVE LIVES

Collaboration is key to our approach. We cultivate strategic partnerships, working with experts in fields such as medicine, education and protection to drive innovation in life-changing products, processes and services. It enables us to deliver results at scale so that many more children get the chance to grow up healthy, educated and safe.

Building on our long-standing [partnership with GSK](#), for instance, we mobilised a joint response to the Covid-19 crisis. Together we adapted our existing health programmes in more than 15 countries, including Yemen and Nigeria, supporting communities' resilience to the disease and equipping health workers to keep life-saving health services going.

We also worked closely with governments and global institutions. For example, we formed a new partnership with the French Development Agency to support Sudan's Covid-19 response in hard-to-reach provinces. To find out more about some of our key partnerships, see pages 9 and 42.

## START-UP COLLABORATION: RESEARCH PARTNERSHIP WITH NESTA

Collaboration with innovative start-up organisations could be a key element of building the adaptable new global aid system we urgently need. In 2020, we partnered with Nesta, the UK Innovation Foundation, to explore the potential of start-up collaboration.

As part of ground-breaking research, we held roundtables with third sector and start-up experts, carried out interviews to identify common barriers and good practices and analysed examples of third sector–start-up collaboration. We found many mutual benefits and examples of how collaboration can help organisations increase their impact, including ensuring long-term viability and rejuvenating internal culture and methods.

We published our findings in our report, [Better Together](#), to help third sector leaders understand the role of start-ups in delivering innovation strategies. The work has provided a platform on which to build the innovative collaborations essential to achieve more impact for children.

## BUILDING CAPACITY AMONG LOCAL HUMANITARIANS

The Humanitarian Leadership Academy (HLA) offers learning and accreditation to humanitarian workers in countries across the world. Its mission: to enable people to prepare for and respond to crises, acting quickly and effectively together to strengthen resilience and to save lives. Formerly a subsidiary of Save the Children UK, the HLA merged with our humanitarian capacity building team and is now a central part of our organisation. This work is a product of both teams.

In 2020, the HLA saw a surge in demand for its services as a result of the Covid-19 pandemic, with the number of people using its online learning platform, Kaya, rocketing from 138,000 to 281,000. In collaboration with colleagues across the Save the Children movement, we developed a Covid-19 online learning pathway to help emergency responders adapt to the new working environment safely – reaching learners from 163 countries.

The HLA's progress in 2020 saw it shortlisted for the prestigious Learning Technologies Awards in five categories, resulting in three bronze medals. It has also developed several new learning programmes and services:

- The online Field Manager in Emergencies Learning and Development (FIELD) programme is designed to fill crucial knowledge gaps for mid-level field managers and to be as accessible and inclusive as possible, so anyone anywhere can use it, free of charge. Since November 2019, FIELD has reached more than 6,700 learners, about a third of whom are women, from 165 countries – most prominently Nigeria, Yemen, Kenya, Somalia and Bangladesh.
- The Covid-19 resource 'grab bag' was co-created rapidly with our network of subject matter experts to provide field managers with pandemic-response resources.
- The Supporting Effective Humanitarian Partnerships learning programme was locally adapted and implemented in South Sudan and Yemen. It put local organisations in the driving seat, enabling them to develop a shared competency framework to define the skills and experience their staff need, and to access the relevant learning content, provided through a bespoke online course, hosted on Kaya. The programme reached 75 local organisations in 2020.

In addition to the humanitarian capacity building led by the HLA, in 2020 Save the Children created six new learning modules and guidelines on how to implement health, nutrition and WASH programmes in a Covid-19 context – hosted on COMPASS, our open-access platform for humanitarians.



# BREAKTHROUGH: LEARN

## Global breakthrough: by 2030, all children will learn from a good-quality basic education.

Education empowers children to rise above poverty, realise their potential, and build a better future. The effects ripple outwards – supporting families, communities and nations.

As part of the Sustainable Development Goals, the world has committed to ensure that, by 2030, every child has a good-quality education. In 2019, more children were in school than ever before, but progress towards inclusive and equitable education is still too slow.

Even before the coronavirus pandemic, more than 200 million children were projected to be out of school in 2030.

Inequalities in education are being exacerbated by the Covid-19 pandemic. In low-income countries, children's school completion rate is now 79% in the richest 20% of households and only 34% in the poorest 20%. At the height of the pandemic, more than 1.6 billion learners were out of school. And we know from previous crises that the longer children are absent, the greater the risk that they do not

return – more than 9 million children could miss out on education for good because of the pandemic.

In 2020, we worked to tackle the global education crisis, providing children in the UK and around the world with adapted learning support during lockdowns and school closures (see pages 13–14). We worked with communities, partners and governments to:

- make sure children living in conflicts and emergencies – including refugee children – can get the education they tell us is their number one priority
- fight for girls' right to an education and tackle obstacles, such as child marriage, that stand in their way
- improve learning for children during their crucial early years – around the world and among the UK's poorest communities – when it can make the biggest difference.

In 2020, we made sure some of the world's most marginalised children, including in the Democratic Republic of Congo (DRC), Afghanistan and Sierra Leone, could keep learning and even pass their exams. We pushed for children in conflict zones to be kept safe from military attacks on their schools. And where children needed extra support in their early, most crucial years of development – including in the UK – we worked to help them get it.

Our projects to support children's learning are designed to form part of coherent country programmes, guided by country office-led strategic plans, delivered in partnership with local organisations and financed by a range of Save the Children members and donors.

## 12 MILLION CHILDREN

reached through our movement's education programmes in 2020

**Mahadiya's school in Ethiopia had to close because of the pandemic. Regular visits to her village by our camel library have made it possible for her to keep reading and studying.**



# EDUCATION IN EMERGENCIES

Even before the coronavirus pandemic, more than 75 million children in crisis-affected countries were not getting the education they needed to build a better life. Save the Children aims to make sure that despite everything that's happening to them, children in conflicts and areas hit by disaster can get an uninterrupted, high-quality education.

## LEARNING THE LESSONS OF THE PANDEMIC FOR REFUGEE SCHOOLCHILDREN

When armed groups in the Democratic Republic of Congo attacked the area where 10-year-old Victoire lived, she was forced to flee. Victoire is now part of a Save the Children programme which helps displaced children return to school.

The coronavirus pandemic hit all schoolchildren hard, but refugee children perhaps hardest of all.

They have less access to the technology necessary for remote learning and are often excluded from national education systems, making it less likely they will be included in Covid-19 response efforts.

With almost half of all school-aged refugee children – 3.7 million – out of school even before the pandemic, an effective, well-funded and well-coordinated international education response for refugees is now an urgent priority.

That's why, in September 2020, Save the Children, Education Cannot Wait, the World Bank and the Abdulla Al Ghurair Foundation for Education co-hosted a high-level, [virtual roundtable event](#). It brought together donors, including multilateral organisations, philanthropists, foundations and NGOs to discuss what we have learned about delivering and funding refugee education during the pandemic and what gaps still need to be urgently met.

It looked at ways of financing refugee education, creating more access to distance learning and ensuring that other school services, such as school meals and mental health support, could continue while schools are closed.

You can read our eight key learnings, notably the need for donors to increase and coordinate their education funding and deliver it at speed, in our [outcome paper](#).

## STOPPING ATTACKS ON SCHOOLCHILDREN

Attacks on schools. Soldiers in the classroom. Violent clashes on the route to school. Every year, thousands of children living in conflict zones are denied access to a safe education.

It's a problem the world is finally waking up to. Last year, the UN General Assembly proclaimed 9 September 2020 the inaugural International Day to Protect Education from Attack. Save the Children held a number of events worldwide – from Japan to Ukraine to Niger – to mark the day. We highlighted the impact of attacks on children

and called on governments to endorse and implement the commitments set out in the Safe Schools Declaration.

In New York, the day was marked with a UN Security Council Open Debate on Attacks on Education, with particular attention on the Sahel region – the first-ever such debate on the issue. We supported Hadiza, a girl from Niger whose school was attacked, to address the Security Council.

## A SAFE RETURN TO SCHOOL

Even before Covid-19, 258 million children across the world were out of school. In April 2020, in the midst of the global pandemic, this reached a peak of 1.6 billion children. To support children's safe return to school, Save the Children led the development of the [Safe Back to School Practitioner's Guide](#).

This guide has been developed as a 'global good', endorsed by both the UN Global Education and Protection Clusters. It builds on the UN Framework for Reopening Schools, providing concrete actions that can be taken to implement these global policy recommendations.

More than 19,000 technical experts have been reached through webinars on the guide. Governments and partners are using it to develop national guidelines for safe return to school in Mozambique, Afghanistan, Yemen and Nepal.



Forced to flee her home in DRC, ten-year-old Victoire\* is getting catch-up classes so she can go back to school.

PHOTO: HUGH KINSELLA CUNNINGHAM/  
SAVE THE CHILDREN



# LEARNING WHEN IT MATTERS MOST

Learning begins long before a child ever walks through the door of their first classroom. The most critical brain development occurs from conception to age three – and can have a profound effect on the course of a child's whole life.

But most children in low- and middle-income countries don't receive any form of early-learning support before they start school.

In 2020, in partnership with governments, education experts, schools, parents and communities, Save the Children continued to help children across the world get the best possible start in life.

## EARLY CHILDHOOD DEVELOPMENT IN TANZANIA

Since 2018 we've been working with local partners to support early learning in rural Tanzania – where many children live in poverty and struggle to succeed in school.

In 2020, more than 2,650 parents and caregivers attended our parenting sessions, received home visits and were given learning materials so they can provide a more supportive environment for their children at home. Working with our Tanzanian partner, APD Mbozi, to challenge gender stereotypes, we've encouraged fathers to be more engaged in caring for their children.

Assessments found that since 2018, more than 5,000 girls and boys have benefited from their parents demonstrating increased knowledge and practising simple activities that support their learning and development.

The impact on children's lives has been significant. Mid-term evaluations showed that 73% of caregivers were using practices that support their children's development, versus 44% for those not participating in the project. And children aged 2–3 were more likely to score above average in all areas of their development than their non-participating peers.

We are using this evidence to influence how government and other education providers support early childhood development in Tanzania.

## SIERRA LEONE: REACHING CHILDREN LEFT BEHIND

Our ground-breaking education projects in Sierra Leone made sure children could continue their education in 2020, even amid the coronavirus pandemic.

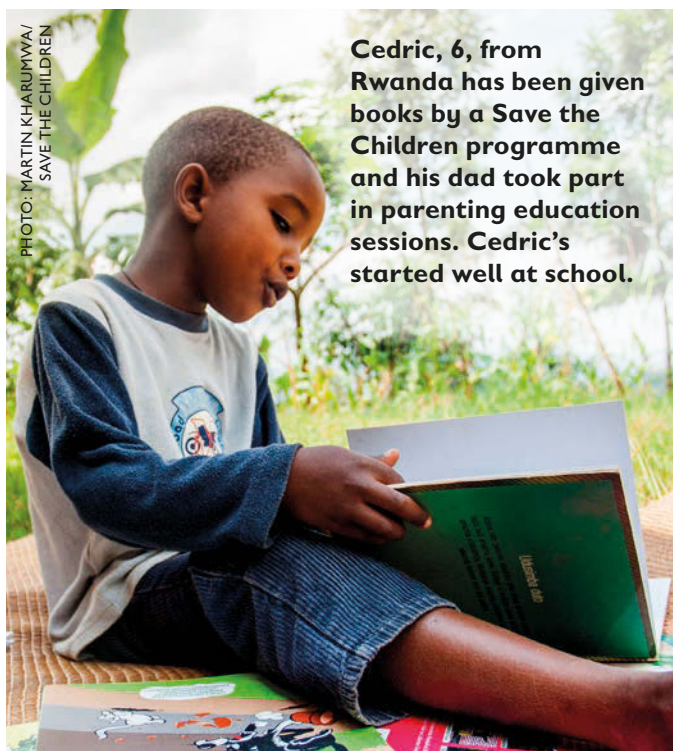
Our Accelerated Education Project (AEP) is specifically designed for students aged between 10 and 16, who were previously out of school and have fallen behind their peers.

During school closures, AEP and our Kimi project adjusted and continued to support children's learning in spite of the challenges of the pandemic. The Kimi project mobilised strong community involvement to keep children learning, supported volunteer teachers to implement community-reading clubs, and supplied teachers and children with radios and learning materials so they could participate in education programmes delivered on the radio.

This support helped the children achieve some outstanding results in their final-year exams, despite the pandemic. Of the 69 Kimi participants – the majority of whom were girls – 91% passed the National Primary School Examinations, while 88% of the 279 students in the AEP also passed the examinations.

## ACCELERATING LEARNING FOUNDATIONS: A NEW PARTNERSHIP WITH UNICEF

In October 2020, Save the Children and UNICEF launched Accelerating Learning Foundations – a strategic partnership to tackle the global learning crisis by rapidly helping children to get back to learning. By scaling up proven interventions, we will work with governments, teachers and local partners to improve foundational literacy and numeracy and support children's wellbeing, focusing on the most marginalised children, including girls at risk of early marriage and children with disabilities, who



**Cedric, 6, from Rwanda has been given books by a Save the Children programme and his dad took part in parenting education sessions. Cedric's started well at school.**

PHOTO: MARTIN KHARUMWA / SAVE THE CHILDREN





PHOTO: OLIVIA HARRIS/SAVE THE CHILDREN

face the greatest barriers to accessing a good education and stand to gain the most.

Through country, regional and global education clusters we will ensure effective and inclusive humanitarian coordination with partners. We already coordinate efforts in 25 countries, supporting 27 million children – expecting to rise to 61 million in 2021 with the coronavirus pandemic.

Investment in education is a critical priority for protecting children against the scars caused by the pandemic. We will work with UNICEF and our partners on national and global advocacy and campaigning to mobilise additional financial and political support to address the learning crisis.

### **FAMILIES CONNECT: BOOSTING HOME LEARNING IN THE UK**

The coronavirus pandemic risks widening the attainment gap between children living in poverty and their better-off peers. In areas of disadvantage, there are many families experiencing a range of challenges, such as a lack of time, resources, confidence or skills, to support their children's learning at home.

Our [Families Connect](#) programme supports parents to engage in their children's learning. It focuses on the social and emotional development, literacy and numeracy of children aged 3–6. In the face of lockdowns and school and nursery closures, we adapted the programme so it could be accessed online.

In 2020, with funding from the Scottish government, we trained 80 teachers and family learning professionals – from local authorities such as North Ayrshire, East Dunbartonshire and Edinburgh – to deliver Families Connect in Scotland. We plan to train a further 50 Families Connect facilitators in Spring 2021.

Feedback from the training has been extremely positive. “I really enjoyed the training sessions and found them useful,” one facilitator told us. “I feel confident, equipped, and excited to deliver this with parents and carers.”

Schools in Scotland are due to start delivery in early 2021. The focus of the programme is to strengthen communication between families and schools and nurseries at a time when it is needed more than ever.

# GIRLS' EDUCATION: FIGHTING FOR EQUALITY

Save the Children is reaching more than 67,000 of the most marginalised girls with our UK government-funded Girls Education Challenge Transition projects: **REALISE** in the Democratic Republic of Congo, **STAR-G** in Mozambique, and **STAGES** in Afghanistan.

## DEMOCRATIC REPUBLIC OF CONGO: REALISE

In the Democratic Republic of Congo, as part of our **REALISE** consortium project, 19,000 paper-based learning packs were delivered to the most marginalised girls and boys to make sure they could continue their learning during the coronavirus pandemic. The packs reportedly contributed to exam success: 85% of target students sat for the national exam and recorded a 91% pass rate, in spite of the school closures. In Ituri, of the 3,306 students we supported, including 1,801 girls, 79% took the exam, of whom 66% passed – a great success in a region badly affected by conflict, as well as the pandemic.

## MOZAMBIQUE: STAR-G

In Mozambique, our **STAR-G** project distributed over 50,000 workbooks which, alongside national education radio programmes, supported children's learning at home during the pandemic.

## AFGHANISTAN: STAGES

In Afghanistan, our **STAGES** project distributed 4,275 home-study packs to ensure students could keep learning during school closures.

The **STAGES** project has also trained and equipped 262 adolescent girls to become teachers. As well as increasing the girls' individual career prospects, it's work that helps address the critical shortage of female teachers in Afghanistan, which in turn will increase the prospects of more girls getting an education in the future.

**“Education is essential for girls. Education allows girls to support their families financially, to become independent women who are not financially dependent and to help others. I want to finish my studies and help other girls with their education.”**

Mariam, 17, Afghanistan



Children at a temporary learning space in Mozambique after homes and schools were destroyed by Cyclone Idai.

PHOTO: SAMAN SAIDI/SAVE THE CHILDREN



# BREAKTHROUGH: BE PROTECTED

## Global breakthrough: by 2030, violence against children will no longer be tolerated.

Right now, across the world, millions of children are caught up in conflicts they played no part in creating. Their rights are frequently violated with total impunity.

The protection of children in conflict – and with it the realisation of the promises made in the declarations, conventions and statutes of the 20th century – is one of the defining challenges of our time.

The nature of conflict – and its impact on children – is changing. The world is witnessing deliberate campaigns of violence against civilians, including the targeting of schools, the abduction and enslavement of girls, and military strategies of mass starvation.

2020 was the second year of Save the Children's three-year campaign to Stop the War on Children. It aims to:

- improve the monitoring of, and response to, child rights violations in war zones
- make it easier to bring perpetrators of violence against children to account
- provide children with psychosocial support to help them recover from the effects of war
- by 2021, significantly strengthen and expand our movement's programmes to protect children in conflict.

Millions of children around the world are exposed to other forms of violence too: sexual exploitation, harsh discipline at school, severe punishments in the home. Many others face violence and abuse after being shut away in institutions, caught up in the chaos of natural disasters or confined to detention centres as they flee across national borders. Others are attacked because of a disability or their ethnicity, sexual orientation, gender identity or gender expression.

In 2020, we worked to help children on the frontline of some of the world's worst conflicts – pushing for peace in Yemen, the repatriation of children trapped in Syria and justice for the persecuted Rohingya communities of Myanmar. We helped provide expert psychological support for Palestinian children who've endured Israeli military detention and those left emotionally scarred by the massive explosion in Beirut. And we trained community volunteers in India to protect children at high-risk of abuse.

Our project activities to help protect children are part of coherent country programmes, guided by country office-led strategic plans, delivered in partnership with local and national organisations, and financed by a range of Save the Children members and donors.

## 3.1 MILLION CHILDREN

reached through our movement's child protection programmes in 2020

**Shogofa\*, 9, with her younger sister Fatima\* at a settlement for displaced families near Mazar-e Sharif, Afghanistan. When their home was hit by a rocket, Shogofa suffered severe head injuries and lost several fingers. At the camp she goes to a safe space we run for children, where she gets psychosocial support and the chance to play with other children.**





# STOP THE WAR ON CHILDREN

In the shadow of the Covid-19 pandemic, 2020 marked another defining moment for children living in conflict. At the onset of the pandemic, more than 420 million children were living in conflict zones – the second highest number ever recorded – 160 million of whom live in the midst of high-intensity conflicts, like those in Yemen and Syria.

## KILLED AND MAIMED

More than 93,000 children have been killed or maimed in conflict in the past decade according to UN data – the equivalent of 25 children a day.

In 2020, Save the Children published [\*Killed and Maimed: A generation of violations against children in conflict\*](#), the latest in the Stop the War on Children report series. It explored both the scale of violations against children in conflict and the core areas where action is not just possible, but essential.

It called on states to urgently curb the use of the weapons most harmful to children and to endorse a political declaration aimed at curbing the use of explosive weapons in populated areas.

## YEMEN: THE PUSH FOR A POLITICAL BREAKTHROUGH

As the conflict in Yemen enters its seventh year, the fighting continues to take a devastating toll. Children and their families are killed or terribly wounded in airstrikes, shelling and ground fighting, and vital infrastructure such as schools and hospitals is destroyed. The added pressures of the Covid-19 pandemic make the need for a concerted humanitarian response in Yemen more urgent than ever.

Save the Children is working with partners in Yemen to ensure that the British government steps up and does its part to protect children and young people trapped in this brutal conflict.

In 2020, alongside the UK government we co-hosted 'Future Generations: Voices of Yemeni Youth'. Our Yemeni partners Youth Platform for Peace and the Sana'a Centre for Strategic Studies Youth Initiative used the event to make the voices of Yemen's young people heard, bringing new and diverse perspectives into discussions about securing a sustainable peace.

**“One of the most frightening things about this war is that it may rob young Yemenis of their ability to dream and hope.”**

Anonymous, Yemeni youth activist

## REPATRIATING BRITISH CHILDREN STRANDED IN SYRIA

Throughout 2020, we continued to call on the UK government to repatriate the British children who remain stranded in desolate camps in north-east Syria. While three children were brought to the UK in November 2019, as many as 60 British children remain in Syria.

As the only child-focused agency working with these communities, we brought global attention to the desperate conditions in the camps. In August, we spoke out about the rapid deterioration of health facilities in Al Hol camp, which saw eight children under five die in the space of five days. We called on the UK and other governments with nationals in the camps to undertake urgent repatriations in light of the dangers posed to children – threats exacerbated by the spread of Covid-19.

In September, the UK government repatriated a young British child from one of the camps, where they were being cared for by Save the Children staff. In announcing the successful repatriation, Foreign Secretary Dominic Raab tweeted: “Pleased we have been able to bring home



An airstrike in Yemen left Rami\*, 15, unable to walk. We've given him a wheelchair and will help him to have an operation.

PHOTO: SAMI M. JASSAR/  
SAVE THE CHILDREN

a British child from Syria. Safely facilitating the return of orphans or unaccompanied British children, where possible, is the right thing to do.”

We continue to advocate for the repatriation of the remaining British children from the camps.

### JUSTICE FOR ROHINGYA CHILDREN

Three years ago, a campaign of violence – which the UN described as ethnic cleansing – saw more than 700,000 people from the Rohingya community forced to flee their homes in Myanmar. There are now approximately half a million Rohingya children living in the camps of Cox’s Bazar, Bangladesh. Many of them have experienced or witnessed horrific acts of violence and abuse.

In February 2021, the same military involved in the violence against the Rohingya in 2017 seized control of Myanmar in a military coup. At the time of writing, at least 43 children have been killed in the military crackdown, demonstrating the utter disrespect of armed forces for the lives of children.

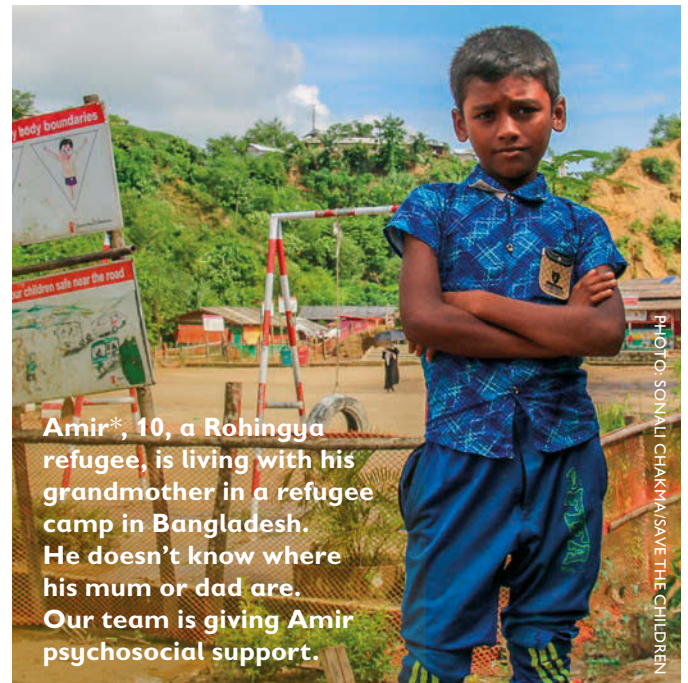
To mark the third anniversary of the assault on the Rohingya, we supported campaigners to meet MPs and delivered an online solidarity book containing messages from the British public to the UK government. We worked closely with government officials to organise a ministerial roundtable on the issues facing Rohingya children and organised two virtual events in Parliament: one with the British Rohingya diaspora group and the Shadow Foreign Secretary, and the other with a cross-party parliamentary group, attended by the Foreign Secretary, the former UN Special Rapporteur on Myanmar, and Philippe Sands QC, the renowned international lawyer.

These lobbying efforts saw the UK government announce new funding of over £47 million to provide Rohingya refugee families with food, healthcare, water and sanitation, as well as care and counselling for those traumatised by violence.

### THE IMPACT OF ISRAELI MILITARY DETENTION ON PALESTINIAN CHILDREN

Growing up under military occupation and amid recurring conflict has had a profound impact on the physical and mental wellbeing of Palestinian children – especially those who have endured the Israeli military detention system. Living under Israeli military law, they are the only children in the world who are systematically prosecuted in military courts. They face trials that fail to meet juvenile justice standards.

In the past 20 years, an estimated 10,000 Palestinian children have been held in Israeli military detention.



Amir\*, 10, a Rohingya refugee, is living with his grandmother in a refugee camp in Bangladesh. He doesn't know where his mum or dad are. Our team is giving Amir psychosocial support.

We're working with our partners to provide legal representation for children who are detained without it. We're also giving children who've been detained psychosocial support, catch-up classes to help them return to school, and vocational training to help them find work when they're old enough.

In 2020, we surveyed more than 470 girls and boys across the West Bank to hear about their experiences of detention, as part of our [report](#) on the impact of the Israeli military detention system on Palestinian children. The majority reported they had endured:

- a distressing or violent arrest or detention, in most cases at night
- coercive interrogation
- physical and emotional abuse in detention
- denial of essential services, including an adequate education.

Every one of these abuses constitutes a breach of rights enshrined in international law.

Our research also revealed the lasting impacts of detention on children's lives – anxiety, depression, behavioural changes, eating and sleeping disorders, and physical symptoms including chest pains, exhaustion and numbness.

We're calling on the Israeli government to respect international law and to end the detention of children under military law and their prosecution in military courts.



# HEALING CHILDREN'S PSYCHOLOGICAL SCARS

One in six children live in conflict zones around the world, often with prolonged long-term mental health consequences. And when disasters strike, children can suffer severe psychological trauma. Severe and prolonged stress can alter the architecture of a child's brain, impeding their development and increasing the risk of mental health problems in adulthood. Save the Children works to make sure children caught up in conflict can get the expert psychological support they need.

## BEIRUT EXPLOSION: DELIVERING PSYCHOLOGICAL FIRST AID

In August, a warehouse exploded in Beirut's main port, killing more than 200 people, and injuring around 6,500. Thousands of families lost their homes as 3,000 buildings were badly damaged by the blast, including hospitals and schools.

The explosion was incredibly frightening for children and has left many suffering night terrors. We delivered psychological first aid sessions to 369 children and their parents to help them process what they've been through. We also provided 54 children and carers with sessions to support their long-term emotional recovery.

We teamed up with the Lebanese Ministry of Public Health to deliver psychological first aid training sessions to 61 partner staff so we can help more children now and in the future. We set up 140 child-friendly spaces, or pop-up

play tents, so that children could play together and regain some sense of normality.

Our psychosocial support was part of a comprehensive response to the explosion. With support from local partners, we also provided:

- 5,000 debris-removal kits, including helmets, goggles and shovels, to the Lebanese Red Cross
- 16,800 hot meals to families in the immediate aftermath of the explosion
- 1,914 families with cash grants so they can buy what they need to support their children
- 236 families with cash to cover their rent while they get back on their feet
- 2,171 shelter kits to help weatherproof homes before the winter, and we began repairing houses for the long term.

Our team in Lebanon will continue to support families and help them rebuild their lives.

## ARSENAL FOUNDATION: COACHING FOR LIFE

As part of a unique partnership, Save the Children UK and the Arsenal Foundation have developed the three-year 'Coaching for Life' programme. Through football, children aged 12 to 18 get the support they need to explore and manage their emotions, develop their decision-making and conflict-management skills, and build resilience and relationships.

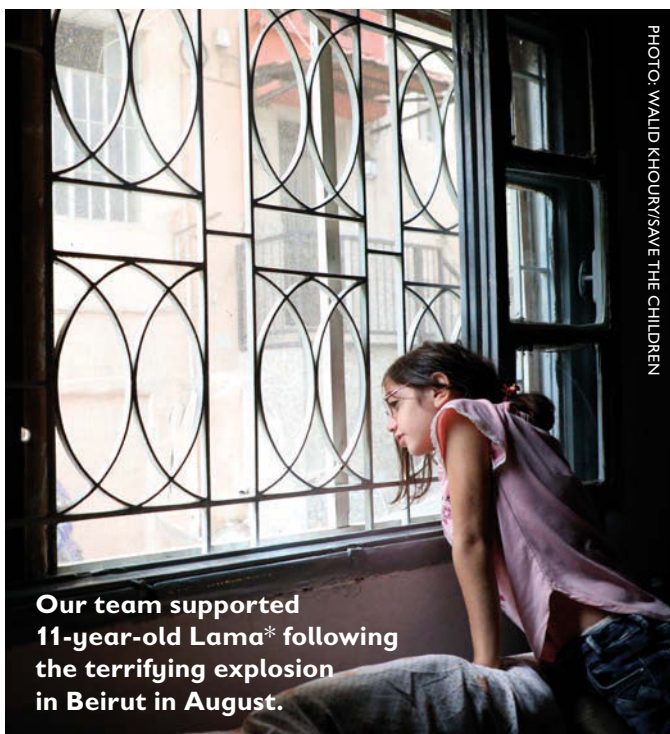
During the first half of 2020, almost 1,000 Syrian refugee children living in Za'atari camp in Jordan and 344 children from the slums of Indonesia's capital Jakarta took part in the sessions.

An impact evaluation found that children showed a significant increase in their resilience and wellbeing scores after participating in the programme.

As Indonesia and Jordan went into lockdown, we adapted the programme so it could be delivered remotely, holding sessions with children and their parents through digital platforms, moderated by our coordinators. Children were able to discuss and share their feelings, and learn about ways of staying healthy, active and safe.

As 13-year-old participant Azima told us: "Staying in contact with us during the curfew was the biggest support [that] has helped us to pass the crises of Covid-19."

We even created a video with Arsenal and the Jordanian Ministry of Education featuring football exercises to help the children stay active. It was broadcast on Jordanian TV as part of a national home-learning initiative.



Our team supported 11-year-old Lama\* following the terrifying explosion in Beirut in August.



# KEEPING CHILDREN SAFE FROM ABUSE

Meera\*, 10, has spent most of her life on the streets. Recently, she has started coming to a shelter that we help fund through local organisations. Here she gets a meal, clothes, some informal education, and the chance to play with other children.

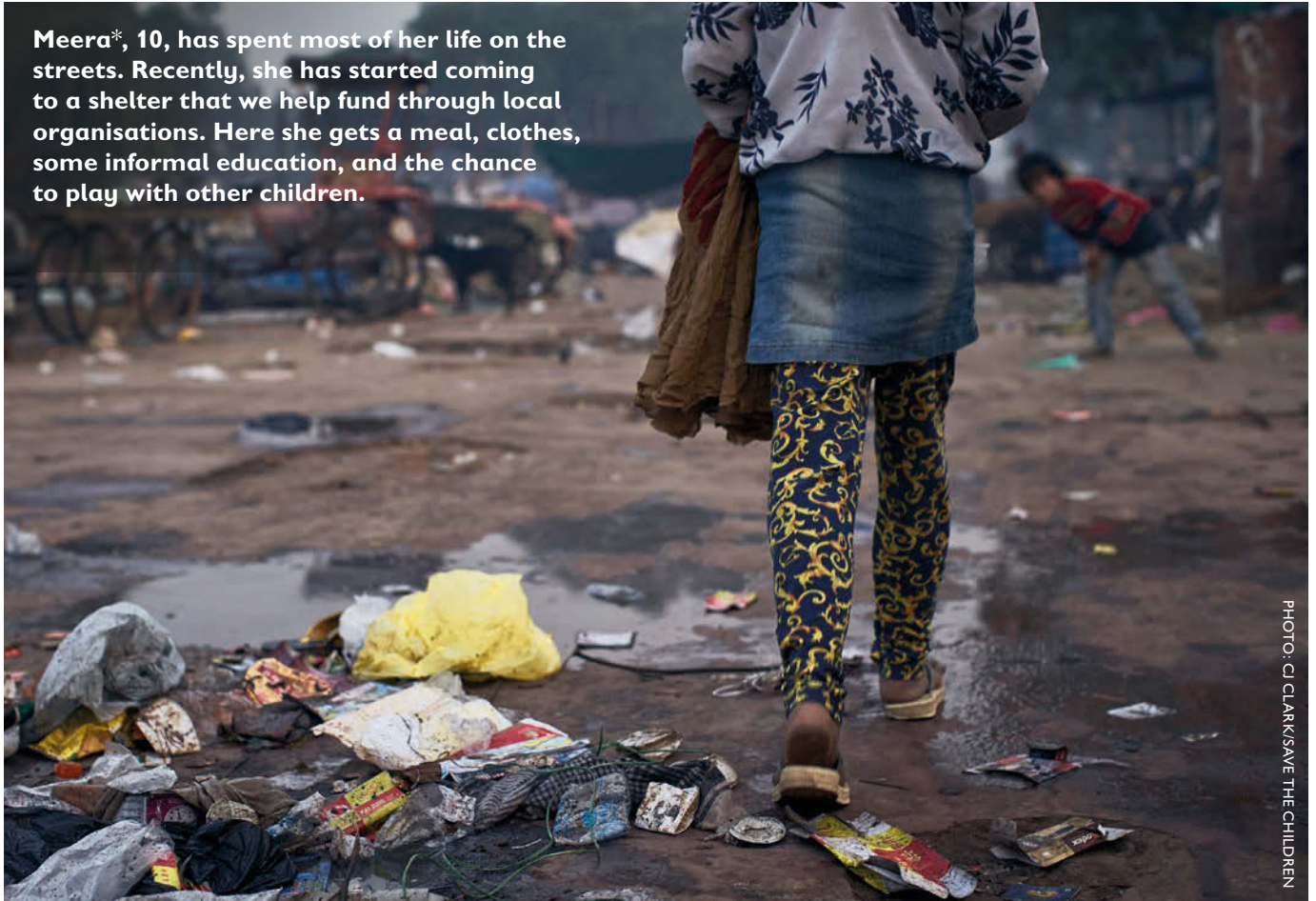


PHOTO: CI CLARK/SAVE THE CHILDREN

Violence takes many forms, including physical, emotional and sexual abuse and exploitation, and neglect or deliberate deprivation. Worldwide, 152 million children are victims of child labour. One in 10 girls has been sexually abused by the age of 20. And 20% of women aged 20 to 24 were married as a child.

We're committed to keeping children safe from abuse. As well as working to support children at risk of abuse, we're helping governments around the world strengthen their child protection systems and train social workers.

## THE TRAINED VOLUNTEERS PROTECTING CHILDREN IN INDIA

Millions of children in villages across India have little protection from violence, abuse and exploitation, such as child marriage, hazardous child labour and trafficking. The necessary laws and policies exist but are often not implemented.

Save the Children has partnered with four Indian organisations and the governments of two states – West Bengal and Jharkhand, which are both child-trafficking

hotspots – to support the creation of a new cadre of community-level child protection volunteers.

We've trained them to identify children at risk of abuse and refer those at critical risk to the government's District Child Protection Unit. They also provide case management to children at medium risk, ensuring they are referred to critical services or support at the community level, to protect them from violence, abuse, exploitation and neglect.

An external project evaluation confirmed that the new community volunteers were able to identify and assess vulnerable children and provide them with protection services. Almost 3,000 of these children in the two states have been identified and referred for such services and support.

Government officials and workers also reported that there has been a reduction in child marriage and dropout rates from school, and an increase in the reporting of community-level protection cases. There are now ongoing discussions about scaling up the model and replicating it in other Indian states.

# TACKLING CHILD POVERTY

Poverty affects children disproportionately. Globally, one child in five lives in extreme poverty, on less than \$1.90 a day. Their families struggle to afford the basic health care and nutrition they need for a healthy start in life, or the education they need to flourish.

## 4.5 MILLION CHILDREN

reached through our movement's child poverty programmes in 2020

### SOCIAL PROTECTION: A TOOL TO END CHILD POVERTY

Social protection – the government programmes and policies that ensure children and adults reach an adequate standard of living, improve their ability to cope with risks, and enhance their social status – plays a crucial role in the lives of children.

This has never been more publicly apparent than in 2020. In the UK alone, there was intense public discussion about the importance of social protection programmes like free school meals, Universal Credit and furlough payments. We stood up for children in the UK hit hard by the Covid crisis (see page 13).

As the coronavirus pandemic devastated the lives and livelihoods of families around the world, social policy experts from Save the Children UK co-authored a major new report – [A Foundation to End Child Poverty: How universal child benefits can build a fairer, more inclusive and resilient future](#). It sets out a strong, evidence-based case for increasing access to social protection for children and caregivers. And it calls on governments to consider how to make that access universal and deliver on every child's right to social protection so they are guaranteed an adequate standard of living.

Following on from this work and from proposals we made to the government of Ethiopia, its Ministry of Women, Children and Youth included universal child benefits in its proposed 10-year plan. This is a huge step forward in putting children's right to social protection at the heart of government decision-making.

### Protecting children from extreme poverty in Nigeria

In Nigeria home to the highest number of children and adults living in extreme poverty in the world, our government-funded Child Development Grant Programme (CDGP):

- supported the design and approval of the first-ever state social protection policies in Kaduna and Zamfara states
- successfully advocated for the ring-fencing of an annual state budgetary commitment for social protection in Kaduna state, worth approximately £1 million in 2021
- supported Jigawa state to roll out its first ever cash transfer programme, designed for pregnant women and breastfeeding mothers to prevent maternal and child malnutrition
- helped secure the release of 90 million naira (£154,000) of state funding in Jigawa to tackle child malnutrition, using a model developed by CDGP
- supported Nigerian civil society to establish platforms that will hold state and federal governments accountable for investing in social protection.

In response to Covid-19, we also worked with the federal government to adapt its national cash transfer programme, so it could continue delivering income support to families in vulnerable circumstances in a safe and timely manner.

### The power of cash in a crisis

Since 2016, Save the Children UK has played a pivotal role in promoting the uptake of cash and voucher assistance in many of the movement's programmes.

At the forefront of delivering cash transfers to millions of families are Save the Children's country offices and national and local partners. In 2020, these teams in-country delivered over \$96 million directly into the hands of families living in poverty in some of the world's toughest places, either in the form of cash or vouchers.

That's why, in 2020, we worked intensively with country offices to help make sure they had the systems and capacity in place to provide cash transfers in a timely, safe and cost-efficient manner. According to our new rating system, of the 22 countries that adhered to the initiative, 16 recorded an improvement in their preparedness rating.

## BETTER DATA TO TARGET INEQUALITY

The Sustainable Development Goals pledge to leave no one behind, but across the world, there remain deep and persistent inequalities – in health, incomes and education. With Covid-19 threatening to derail progress and further deepen inequality, it has never been more important to prioritise reaching those children and adults who are the most marginalised.

A vital first step towards tackling inequality is improving the global data that tracks it. So in 2020 we stepped up our efforts to push for better data.

### On the GRID

At the beginning of the year, we launched a large update to our [Child Inequality Tracker](#), GRID. It gave us better data-driven insights into how child outcomes vary by gender, wealth or region, and into inequality trends across countries. We use data from GRID in our policy work, including the [Global Girlhood Report 2020](#), and also to advocate for more and better data on inequalities with multilateral agencies and governments. Our GRID data is increasingly referenced by other development partners, for instance by the [Global Nutrition Report](#) – a multi-stakeholder initiative of global institutions, and the world's leading independent assessment of the state of global nutrition.

### Data-driven investment

To reduce inequality, governments need to invest more in children, especially those who are most marginalised. This kind of targeted investment requires accurate data – data that will help civil servants and development organisations make better funding decisions. Currently, many governments lack data on how much their spending on education or health actually benefits the poorest people in society. That is why we worked with UNICEF in 2020 to propose a [new indicator](#) to the UN Statistical Commission, which was approved in March. The indicator requires governments to measure what percentage of spending on social services directly benefits people living in poverty. This indicator helps governments and civil servants to better understand how their policies impact people in the most vulnerable situations. It also enables citizens and civil society organisations to hold their governments to account.

## Tracking the impact of Covid-19

To respond effectively to the Covid-19 pandemic, we needed to gain as clear a picture as possible of the impact it was having on children. We:

- established the [Covid-19 live tracker](#) at the onset of the pandemic to monitor the latest evidence and research on its effect on children
- added a Covid-19 module to GRID as another way of helping us track the pandemic's impact
- collaborated with UNICEF to estimate how the pandemic was [affecting children living in poverty](#)
- analysed data to project the potential influence of the pandemic on the numbers of [children out of school](#) and rates of [child marriage and teenage pregnancy](#).

## FROM UNPAYABLE DEBT TO INVESTMENT IN CHILDREN

Throughout 2020, we and our partners pushed for urgent action to ensure the world's poorest countries have the financial resources to protect children from the worst impacts of the coronavirus crisis.

Our calculations show that 40 of the world's poorest countries are scheduled to spend more on debt repayments this year and next than on health. We are [advocating for debt relief](#) for the poorest countries, pushed into or towards debt distress by the pandemic.

At the start of the crisis, an international group of 205 influential leaders – including former UK Prime Minister Gordon Brown and more than 100 former heads of government and other eminent individuals – called on the G20 to invest in the response to Covid-19, and to take urgent economic counter-measures, including debt relief. We added our signature to their call.

We also joined efforts to urge the UK government to show leadership on the debt issue at the G20. In 2020, the G20 announced the Debt Service Suspension Initiative, offering suspension on debts owed to them by 73 of the world's poorest countries up to June 2021, alongside agreement on a new 'common framework' for debt restructuring. These are steps in the right direction, but more robust action is needed to ensure that money for critical investments in children's health, wellbeing and education is not diverted to pay off unsustainable debt.



# THE CLIMATE CRISIS: OUR RESPONSE

**The climate crisis directly affects children around the world and is an existential threat to our mission for children.**

It cuts across their rights to health, education and protection. Unless the world addresses the crisis directly, today's children will bear the burden, especially those living in regions most vulnerable to poverty and emergencies.

Save the Children has a unique role to play in supporting children's call for action, protecting them from climate emergencies and developing evidence about the impact of this monumental crisis on children.

## **PROTECTING CHILDREN'S RIGHT TO A FUTURE**

We're already helping families to cope with the impact of increasing climate shocks like floods and droughts and to build their resilience. But the scale of the threat means we need to do much more.

In 2020, we joined other Save the Children members in making a declaration of action to tackle the climate crisis. As a child rights issue, the climate crisis will be central to our upcoming 2022–24 strategy.

Save the Children UK is an active member of the movement's global Climate Crisis Task Force, working under our environmental sustainability and climate crisis policy, with growing resources and budget, and leading on our 2020 commitments across four pillars:

### **PILLAR 1: ADVOCACY**

We will scale up our climate crisis advocacy by supporting children from around the world to be agents of their own change. World leaders need to address the climate crisis as a children's rights crisis – and recognise that children must be part of the solution.

We are calling on national governments and donors to back the use of social protection systems to help families cope when crises hit, and to design them with sensitivity to the needs of children.

### **PILLAR 2: PROGRAMMING**

We will continue to provide emergency support when crises hit and support communities to adapt and build their resilience to shocks. Early action is crucial for families facing crisis. That's why we're developing new models based on

forecasts of shocks and detailed data about support needs. We are working with environmental partners to tackle the climate crisis with collective strength. In Myanmar, for example, we are working with WWF, the Ministry of Education, and the Ministry of Natural Resources and Environmental Conservation on the [Green Generation Environmental Education partnership](#). Piloting in 130 primary and secondary schools, the partnership aims to equip children to identify and tackle environmental problems.

### **PILLAR 3: OPERATIONS**

We will minimise the environmental impact of our programmes and operations so that we deliver impact for children with minimal footprint.

### **PILLAR 4: FUNDING**

From 2023, the Save the Children movement aims to leverage significant climate finance from donors such as the [Green Climate Fund](#) (GCF). Save the Children Australia, on behalf of the Save the Children movement, became the first non-environmental NGO to be accredited to the GCF. In 2020 Save the Children made encouraging progress: 13 projects have been given pre-clearance to be developed into proposals. Save the Children UK will lead the programme design on the projects proposed for Somalia, Malawi, Sierra Leone and Ethiopia.

## **CRACK THE CRISES**

In 2021, the UK will host two critical summits, the G7 in June and the UN COP26 summit in November. With the world facing challenges such as Covid-19, poverty and injustice, and the climate crisis, UK decision-makers have an opportunity to demonstrate their global leadership.

Save the Children has convened a coalition of organisations across the UK to advocate for a better future for people and planet. We're bringing people together to [#CracktheCrises](#) – by taking individual actions, by supporting others and by calling on decision-makers to act.

## **HUMANITARIAN RESPONSE RESEARCH**

Ahead of COP26, we're collaborating on an innovative research project with UK-Med and the Humanitarian and Conflict Response Institute (HCRI) at the University of Manchester, and with the support of the Disasters Emergency Committee, that aims to help those who deal with humanitarian crises prepare for the future. A key

challenge will be simultaneous crises across many different parts of the globe. The research aims to:

1. identify the likely scale of response required to address the humanitarian effects of the climate crisis in the next ten years
2. offer a range of estimates of the required human resources and funding in the humanitarian sector, as well as the structural changes necessary to face climate-induced crises up to 2030 and up to 2050
3. provide recommendations for incorporating the climate crisis within emergency preparedness and response mechanisms and for the funding required, and evaluate current humanitarian approaches
4. influence, inform and advocate to ensure adequate resources and capabilities are available to the sector.

## MEASURING OUR IMPACT ON THE ENVIRONMENT

Save the Children UK has measured the carbon emissions of our UK operations since 2011, and [publicly reported](#) since 2013.

The coronavirus pandemic has forced us to think and act differently. While we started to reduce travel in 2019, it was severely impacted in 2020 due to restrictions. Coupled with office and shop access restrictions, our 2020 emissions are at the lowest levels since monitoring started. In 2021 the global movement will review comprehensive emissions data and commit to reduction targets to continue this positive change.

In 2020, we continued our work to make our head office heating, ventilation, air conditioning and lighting systems more environmentally friendly. And we introduced new restrictions to our pension funds to exclude companies involved in the upstream (extraction) segment of the fossil fuel industry as well as any companies that derive more than 10% of their revenues from fossil fuel activity.

### Energy and emissions reporting

This section includes our mandatory reporting of energy and greenhouse gas emissions for the period 1 January to 31 December 2020, pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, implementing the government's Streamlined Energy and Carbon Reporting (SECR) policy.

Our methodology to calculate our greenhouse gas emissions is based on the 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance (March 2019)' issued by DEFRA, using DEFRA's 2020 conversion factors. In some cases, consumption has been extrapolated from available data or direct comparison made to a comparable period.

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

During the reporting period no energy efficiency actions have been taken and all previous plans relating to buildings were put on hold during the coronavirus pandemic, due to restricted access. The table below includes total energy consumption (reported as kWh) and greenhouse gas emissions for the sources required by the regulations, along with our intensity ratio.

	1 January – 31 December 2020
Total energy consumption – used for emissions calculation (kWh)	2,423,728
Combustion emissions, scope 1 (tCO <sub>2</sub> e)	87
Purchased electricity emissions, scope 2 (tCO <sub>2</sub> e)	384
Vehicle fuel combustion emissions, scope 1 (tCO <sub>2</sub> e)	25
Vehicle fuel combustion emissions, scope 3 (tCO <sub>2</sub> e)	4
Total gross reported emissions (tCO <sub>2</sub> e)	500
Staff	913
Intensity ratio: staff (tCO <sub>2</sub> e/staff member)	0.55

The information we have provided here has been developed by Purchase Direct to meet our SECR obligations. A more comprehensive look into our impact on the environment in 2020 will be available on our website in 2021. We thank Purchase Direct for their generous support.

# PROGRESS AGAINST STRATEGIC PRIORITIES

Our [2019–21 strategy](#) is designed to help us deliver our breakthroughs for children by 2030. Central to our strategy are three transformational shifts that we need to make:

- strengthening the impact of our global Save the Children movement
- deepening our connection to supporters
- becoming a stronger organisation.

This table highlights the progress we made against these strategic priorities in 2020, lists some of the key challenges and learning, and sets out our priorities for 2021.

The coronavirus pandemic and its impact on children, their communities, our people and our organisation made it necessary for us to review and adjust our priorities for both 2020 and 2021. We remain committed to adjusting our priorities for the year ahead as the situation continues to evolve. The pandemic has created cross-cutting challenges for each delivery pillar – just a few are highlighted here.

DELIVERY PILLAR	KEY ACHIEVEMENTS IN 2020	CHALLENGES AND LEARNING
<b>STRENGTHENING THE IMPACT OF OUR GLOBAL SAVE THE CHILDREN MOVEMENT</b>  The best measure of our strategy's success is the impact it enables us to have for children. Through our international and domestic programmes, our humanitarian responses, and our advocacy and campaigns, we work relentlessly to save lives and transform futures.	<p>To see how we've helped children survive, learn and be protected in 2020, see pages 12–33.</p> <p>We also measured our performance in 2020 against some key strategic enablers:</p> <p><b>Partnerships</b></p> <ul style="list-style-type: none"> <li>• strengthened and diversified our partnerships, receiving our first contract from the Agence Française de Développement in Sudan, securing new multi-year funding from Irish Aid in Ethiopia, and developing our role as grant holder for the Global Partnership for Education (Ethiopia and Zimbabwe)</li> <li>• made progress on our thematic priorities by:               <ul style="list-style-type: none"> <li>– helping organise the Global Forum on Childhood Pneumonia (see page 18), resulting in crucial global commitments from the international community</li> <li>– confirming a new education partnership with UNICEF, focused on improving learning outcomes in five countries</li> <li>– continuing to develop our climate crisis capacity and proposition, including establishing an exciting new partnership with Community Jameel on drought resilience in East Africa.</li> </ul> </li> <li>• raised more than £29 million towards our Covid-19 response, including significant contributions from the Disasters Emergency Committee (DEC), the Foreign, Commonwealth and Development Office (FCDO) and Unilever, and securing funding from the UN's Central Emergency Response Fund for the isolation and treatment hospital in Cox's Bazaar, Bangladesh.</li> </ul> <p><b>Country offices as agents of change</b></p> <ul style="list-style-type: none"> <li>• shifted technical expertise resource to country and regional offices, by reducing 38% of our UK technical expertise. Also contributed over £1 million to a new \$10 million annual fund for country offices to recruit the expertise they need</li> <li>• invested in protecting children in conflict and tackling pneumonia at country level.</li> </ul> <p><b>Financing and accountability</b></p> <ul style="list-style-type: none"> <li>• successfully advocated for stronger accountability and data on girls' rights, including through the UN Generation Equality Forum process and the Covid-19 Global Gender Response</li> <li>• advocated for a significant and immediate increase in funds to protect children from the impacts of Covid-19, forging new partnerships with the World Bank, UNICEF and Commitment to Equity Institute to support this work</li> <li>• in the UK, we advocated for a Covid-19 response that put children first and supplied emergency support to more than 10,000 children (see page 13).</li> </ul>	<p>Key challenges from Covid-19:</p> <ul style="list-style-type: none"> <li>• reaching income targets where donor budgets have been tightened and global humanitarian appeals underfunded</li> <li>• building relationships with partners without face-to-face contact</li> <li>• need for rapid adaption of practices and processes, such as new ways of working with country offices remotely</li> <li>• gathering Covid-19 data in the face of restrictions on movement. We stepped up advocacy on the need for more and better data and established innovative ways of tracking the impact of Covid-19 on children.</li> </ul> <p>The UK government reduced its focus on international development by merging the Department for International Development and the Foreign Office and cutting the aid budget from 0.7 to 0.5%. Our work on global development and financing has never felt more urgent.</p> <p><b>PRIORITIES FOR 2021</b></p> <p>In the final year of our 2019-21 strategy, we will continue to focus on our breakthrough goals and taking our strategic enablers to the next level. We will:</p> <ul style="list-style-type: none"> <li>• advocate for urgent increases in funding and government spending to help support the global response to Covid-19</li> <li>• continue to build strong technical expertise in our country offices and review the feasibility and implications of further and faster progress on localisation</li> <li>• work with the UK government in preparation for G7 and the COP26 climate summit</li> <li>• focus on children facing malnutrition in some of the world's toughest places</li> <li>• support country offices to design their Green Climate Fund programmes, and adapt our work in the face of increasing climate challenges</li> <li>• develop a Technology for Development strategy, seeking non-profit and for-profit partners to co-create projects, coordinating our efforts as a Save the Children movement to identify private and public donors.</li> </ul>



DELIVERY PILLAR	KEY ACHIEVEMENTS IN 2020	CHALLENGES AND LEARNING
<p><b>DEEPENING OUR CONNECTION TO SUPPORTERS</b></p> <p>We're creating a platform for our supporters in the UK to make their voices heard – and to make a difference – for children around the world. We're nurturing and growing active, long-term relationships with our supporters and expanding our campaigning work with children to create substantial and sustainable change.</p>	<p>Despite the extraordinary challenges of 2020, we have continued to make progress against our goal of building deep and lasting supporter connections. Our achievements included:</p> <ul style="list-style-type: none"> <li>• launching a new operating model in January that seeks to make the delivery of our supporter-engagement activity more audience-centric, more integrated, more seamless and more rewarding for our staff</li> <li>• maintaining our focus on creating a deep brand connection with our audiences, while rolling out new engagement activities in response to the Covid-19 pandemic – for example, Save with Stories (a social media campaign where celebrities read bedtime stories for children), The Den (an online ideas hub for keeping children inspired during lockdown), Wonderbooks (our subscription children's book service), and Lockdown Birthdays (a fundraiser for children celebrating their birthdays during lockdown, co-created with Beano Studios)</li> <li>• continuing to engage our supporters on key campaigning issues – for example, boosting Universal Credit in the UK, opposing cuts to the aid budget, the ongoing humanitarian crisis in Yemen</li> <li>• securing support from a diverse range of corporate partners and philanthropists</li> <li>• launching an integrated Christmas campaign under the 'Protect the Magic' banner.</li> </ul>	<p>Key challenges from Covid-19:</p> <ul style="list-style-type: none"> <li>• reworking fundraising budgets and activity plans</li> <li>• developing and launching new activities</li> <li>• protecting volunteers, staff and supporters at shops and in regions</li> <li>• planning for a significantly different future.</li> </ul> <p>We will use what we have learned from these developments to create deeper connections with all supporters and volunteers in 2021.</p> <p><b>PRIORITIES FOR 2021</b></p> <p>Our priorities for 2021 are to:</p> <ul style="list-style-type: none"> <li>• maximise our core fundraising to protect our financial stability</li> <li>• to build brand experiences that are loved by supporters and that offer a compelling reason to support our cause</li> <li>• better integrate our fundraising and campaigning work to make us more than just the sum of our parts</li> <li>• increase the proportion of new supporters we gain with the potential to create more long-term impact for children</li> <li>• unlock greater value from corporate partners and philanthropists.</li> </ul>
<p><b>BECOMING A STRONGER ORGANISATION</b></p> <p>To deliver real change for children, we are committed to building a stronger organisation through bold changes in our operating model, organisational culture, and our systems and processes.</p>	<p>In 2020 we focused on the following key priorities:</p> <p><b>Working effectively during the Covid-19 pandemic</b></p> <ul style="list-style-type: none"> <li>• moved to remote working and provided strong IT support to our home-based staff</li> <li>• rapidly adjusted our operational and financial plans, providing regular revised financial projections to the Board</li> <li>• streamlined our organisational change projects portfolio and strengthened our change governance to ensure that we continue to deliver our key change priorities, particularly our commitments on people and culture</li> <li>• published the first draft of our Wellbeing Strategy and offered wellbeing support to all staff</li> <li>• launched our new internal comms operating model to meet the needs of a remote workforce, doubling the level of staff engagement, increasing the visibility of our leadership team, and maintaining strong connections between staff and organisation.</li> </ul> <p><b>Strengthening the use of technology</b></p> <ul style="list-style-type: none"> <li>• increased security and compliance, gaining the UK government's 'Cyber Essentials' accreditation and formally adopting the 'Principles of Digital Development'</li> <li>• re-energised plans to increase partnership working across the movement and established new teams to deliver organisation-wide technology and systems change.</li> </ul> <p><b>Changing organisational culture</b></p> <ul style="list-style-type: none"> <li>• implemented a new HR model with increased expertise, a focus on the user, and streamlined processes</li> <li>• formed the People and Culture group, to bring the voice of staff into organisational change projects</li> <li>• developed and published our first <a href="#">Ethnicity Data and Pay Gap Report</a> and Diversity and Inclusion strategy</li> <li>• following extensive staff consultation, updated and developed key employee-relations policies, including those to support diversity, inclusion and staff wellbeing.</li> </ul>	<p>Key challenges from Covid-19:</p> <ul style="list-style-type: none"> <li>• shift to home working, with new challenges to protect staff's physical and mental health, and transition to new ways of remote working</li> <li>• intermittent closure of our shops</li> <li>• spending and recruitment freezes to reduce costs.</li> </ul> <p>Remote working has, however, largely resolved barriers between headquarters staff and those working elsewhere. With increasing engagement across teams and offices, we have become more inclusive.</p> <p>Our <a href="#">2020 Ethnicity Data and Pay Gap Report</a> highlighted the work needed on our pay structures. High turnover in diversity and inclusion specialists provoked some challenging but necessary conversations. As a result, we have upgraded the permanent diversity and inclusion role to Director level.</p> <p><b>PRIORITIES FOR 2021</b></p> <p>As we support our organisation to work effectively through the Covid-19 pandemic, our key priorities are to:</p> <ul style="list-style-type: none"> <li>• build the 'Organisation of the Future' – a strategic, sustainable response to Covid-19 with new habits and practices</li> <li>• develop Save the Children UK's 2022–24 strategy and ensure it is aligned with the Save the Children movement</li> <li>• embed new tools to keep people connected as they work from home</li> <li>• fully integrate the Diversity and Inclusion strategy across all aspects of our work</li> <li>• embed the People and Culture agenda, including a people-management development programme, an integrated wellbeing service, and a new framework to support staff career development.</li> </ul>

# DIVERSITY, INCLUSION AND ANTI-RACISM

**We have a responsibility to defend all children everywhere – as well as our staff, volunteers and the people we work with – against discrimination.**

Institutional racism and discrimination exists within the charity sector and our organisation, and we are committed to tackling it.

We acknowledge that meeting our legal obligations does not make us impervious to the underlying behaviours and attitudes that exist within our society that disadvantage people of colour. We continue to strive to make our workplace a culture which is truly diverse and in which all of our staff can equally thrive.

## **DIVERSITY AND INCLUSION AT SAVE THE CHILDREN UK**

As an organisation, we recognise we do not reflect the racial diversity of London, where most of our staff are based, nor the children or communities we serve. Only around 18% of staff at Save the Children UK are people of colour. People of colour are also underrepresented at senior levels of the organisation.

We lack diversity in other areas too. People with diverse sexual orientation, gender identity and expression, and people with disabilities are all underrepresented.

We know from regular consultation that some of our staff have experienced discrimination at work, not only on the basis of race, gender identity, sexual orientation and disability, but also concerning their faith, parental or carer status, and socio-economic background. This is inexcusable.

While we have been investing in significant, concrete improvements to our workplace culture for some years, in 2020 we produced our first multi-year [Diversity and Inclusion strategy](#). It was co-created with staff and tailored to reflect Save the Children UK's identity, culture and external work. It incorporates learning from the [2018 Shale review of our workplace culture](#), organisational reports from the BAME and LGBT+ Allies staff networks, and staff feedback.

It is a strategy to achieve a more equitable and inclusive workplace and tackle the stark underrepresentation of marginalised minority groups among our staff, including senior leadership.

Staff were provided with a range of ways to engage with the strategy-development process, such as an anonymous staff survey, feedback meetings with staff-equality networks, a Q&A at an all-staff meeting, and attendance at strategy-shaping workshops.

Our new Diversity and Inclusion team will, alongside staff stakeholders, make sure the strategy is delivered effectively. A diversity and inclusion forum will be created in 2021, and departmental diversity and inclusion reps will ensure the strategy is delivered in an accountable and collaborative – not top-down – way.

Save the Children UK chief executive Kevin Watkins said: “Articulating what needs changing is a first step towards healing. The next steps are more difficult. Achieving change will require transformative cultural and structural shifts – and that includes people with power and privilege acknowledging their part in the problem, listening to and learning from those at the sharp end of systemic oppression and injustice, and acting as allies for change.”

## **EXECUTIVE DIRECTOR'S ANTI-RACISM COMMITMENTS**

The following commitments by the Executive Leadership Team do not replace the strategies being co-created with our People and Culture and Diversity and Inclusion steering groups. They represent the commitments we are making as executive leaders and reflect our outsized positional power.

*The harm that has been caused – and continues to be caused – by racism at Save the Children UK is a threat to our mission and an affront to our values. We take responsibility as leaders in a sector in which racism, colonialism and white supremacy are deeply embedded. We embrace the discomfort involved in an examination of the white privilege from which most of us benefit.*

*Our most urgent task now is identifying where harm is being done and repairing it. That is merely the first step on our journey to being an anti-racist organisation.*

*The actions we have committed to mark the start of that journey. We will review our progress, mistakes and lessons learned.*

*We have made these commitments publicly, and actively invite feedback on them. We embrace the challenges ahead – knowing that we will make mistakes and have to commit again and again*

Staff members Jordan, Carmel and Jennifer take part in a 'Thankathon' to supporters.



PHOTO: KATE STANWORTH/SAVE THE CHILDREN

to the work of active anti-racism. As executive directors, we will embed these commitments in our own personal objectives, and the accountability and reporting mechanisms for our Board of Trustees.

### External impact

We're testing whether our programme and influencing work is actively dismantling white supremacy and other forms of oppression and putting the most deprived and marginalised children at its heart. We're creating brave spaces where all colleagues can shape our thinking about how we become actively anti-racist in our work. We're seeking more diverse partners – sharing power and supporting their empowerment.

### Our storytelling

We are testing whether our fundraising, communications and campaigning work stereotypes, 'others' or strips agency and dignity from children. We're removing white saviourism and the white gaze from our communications about our international work. And we're ensuring the lived experience of families of colour in poverty is at the heart of our communications about our UK work.

### Supporter engagement

We're looking at how to engage Black communities and communities of colour more effectively in our cause, and whether our volunteering offer is inclusive.

### Our people and culture

We're working to dramatically improve diversity and inclusion at all levels of the organisation, but particularly at our executive director and director levels. We are committed to narrowing our pay gaps (see page 62), and will publish our diversity, ethnicity and pay gap data on our [website](#). In 2021 we will launch Breaking Barriers – our new pilot mentoring programme available to colleagues from Black, Asian and minority ethnic communities, colleagues with disabilities, colleagues who identify as LGBTQI+ and colleagues from less privileged backgrounds. We are ensuring that all of our policies and practices create the conditions for reporting and resolving racism and microaggressions.

### PROGRESS IN 2020

When we published our [Statement of Solidarity](#) in June 2020, we committed to providing quarterly public updates on our progress and mistakes. To see some examples of the progress we have made towards our commitments in 2020, visit our [website](#).



# OUR PEOPLE AND CULTURE

Save the Children UK is built on compassion, trust and respect. We're committed to creating a safe and respectful working environment where our staff and volunteers feel valued, where they recognise one another's contribution, where they know inappropriate behaviour won't be tolerated and where they feel safe to raise concerns.

Our commitment to this aspiration is reflected in our People and Culture strategy, which was shaped by the priorities identified in an independent review of our workplace culture. It is underpinned by our new set of workplace behaviours, co-created with staff, which we are in the process of embedding across Save the Children UK. The behaviours focus on how we speak and listen to each other, how we challenge and how our actions match our words.

As for so many others, this year has been extremely difficult for us, as we worked hard to manage the impact of Covid-19 on our organisation. Our staff showed incredible commitment and determination to keep delivering their work for children, while managing significant personal and professional challenges.

## OUR PEOPLE

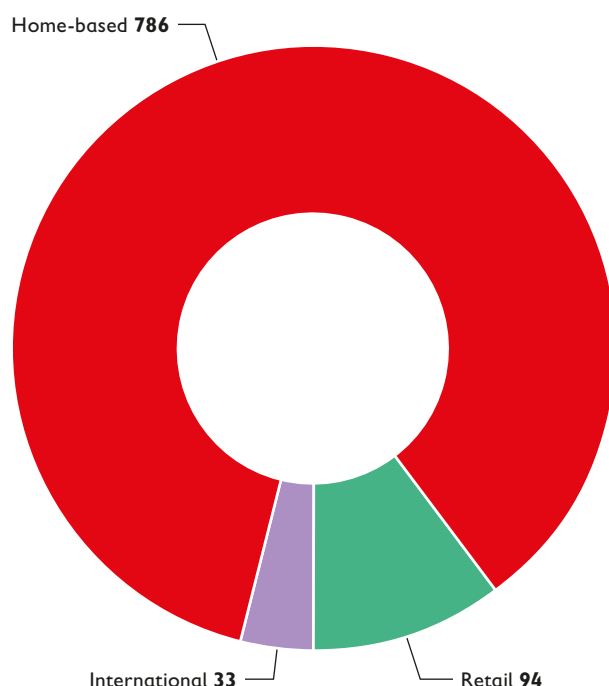
The Save the Children movement has around 25,000 staff working around the world.

As of 31 December 2020, 913 staff worked at Save the Children UK and 4,577 people were working in a formal volunteering role.

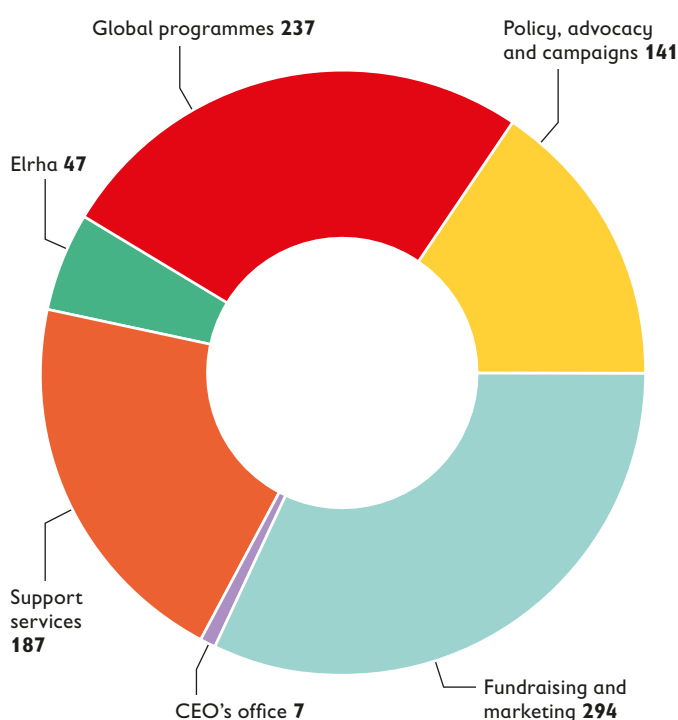
To find out about our approach to pay and overheads, and for details on our gender and ethnicity pay gaps, see page 62.

As of 31 December 2020, all UK-based staff were working from home due to the coronavirus pandemic. We used the government's furlough scheme for 250 of our employees in 2020. A very limited number of staff, including some facilities, IT support and retail staff, worked from the office or our shops when necessary, and in line with strict safety protocol.

## Save the Children UK staff by location (total: 913)



## Save the Children UK staff by division



## SUPPORTING OUR STAFF DURING THE PANDEMIC

The coronavirus pandemic has had a significant impact on how we manage and conduct our work at Save the Children UK. During an incredibly difficult year, we have done everything possible to prioritise change for children and support our staff.

In March 2020, to protect staff, prevent the spread of the virus and adhere to government guidelines, we shifted almost entirely to remote working, closed our shops for intervals during the year and suspended in-person events. We intend to remain a predominantly remote-working organisation until at least June 2021 and are considering how we will work differently beyond the pandemic.

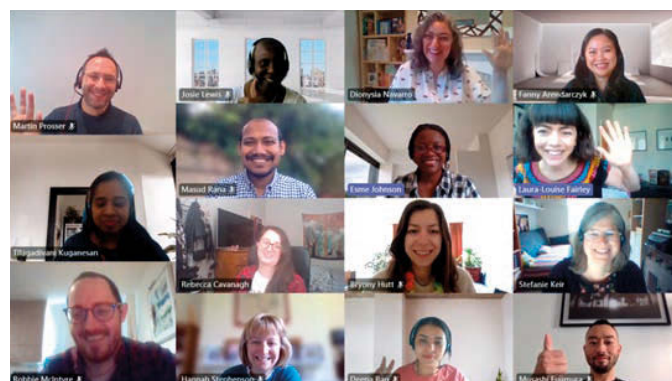
We used the government's furlough scheme for 250 of our staff in 2020, topping up the government's contribution to ensure they received full pay.

We have engaged closely with staff throughout the year. Their feedback on our internal communications and on online working has been very positive. We set up a new staff sounding board to ensure that different perspectives were carefully considered before decisions about working arrangements were taken.

### Wellbeing

Staff wellbeing has been a critical priority throughout the pandemic. Our Wellbeing team developed a comprehensive strategy to provide clear and accessible support to all staff during the crisis and beyond. Support in 2020 included:

- offering voluntary furlough, flexible working and increased annual special leave from 10 to 35 days for staff with caring responsibilities
- monthly bulletins and lunchtime panel sessions for all staff on, for example, grief, sleep, work-related stress, domestic abuse, isolation, men's mental health and kindness



**The shift to home-working has not always been easy on our staff, but they have come together virtually to support each other throughout the year.**

- two training courses: 'coping with grief: supporting yourself and others' and 'how to create a wellbeing plan'
- guidance for line managers on individual and team wellbeing
- allocating a dedicated Mental Health First Aider for each department (continuing in early 2021)
- re-opening offices, when government restrictions allowed, for staff who struggled to work remotely
- psychological screening before and after overseas deployments during the pandemic.

The number of staff accessing support from the wellbeing service tripled during the first UK lockdown. The team provided both short- and long-term one-to-one support to more than 120 members of staff (15% of total workforce) in 2020 on a range of issues. They gave tailored individual support to those who were managing a pre-existing mental health diagnosis.



Last year Rachael Cummings (left) and Dr Nabila led the Covid-19 response in the refugee camps in Cox's Bazar, Bangladesh (see page 14).

# OUR SUPPORTERS IN 2020

**Children needed us more than ever in 2020, and your support meant we could be there for them. We can only recognise some of our supporters here, but we are immensely grateful to them all.**

## INSTITUTIONAL DONORS

Our partnerships with governments and global institutions are crucial to our work, generating £160 million of income in 2020. The UK government, a strategic partner, supported our response to the Covid-19 pandemic in Bangladesh, Nepal, Myanmar and Tanzania. It funded our work on girls' education, malnutrition and our humanitarian responses in northern Nigeria, Somalia and Yemen. In September 2020, we resumed tendering for new UK government-funded projects.

Our work with the World Bank and partners in fragile contexts continued in 2020. In December, the World Bank approved £22.3 million in grants for Save the Children to help increase access to basic services and economic opportunities for populations affected by the conflict and coronavirus pandemic. Alongside UNICEF and the World Food Programme we plan to finance a package of evidence-based interventions to 1,000 schools.

Our partnership with the European Union secured £7.5 million in 2020 to fund our Covid-19 response in Nigeria, respond to children affected by armed conflict in Syria and improve crisis prevention and management systems in West Africa. Through our new partnership with the French government's development agency (AFD), we contributed to Sudan's Covid-19 response in hard-to-reach provinces. This builds on our existing partnership with the French Ministry of Europe and Foreign Affairs, which supports communities in Syria and Yemen. We also began working with Irish Aid in Ethiopia to help women and girls live healthy and productive lives free from violence and abuse.

In 2020, Education Cannot Wait and the Global Partnership for Education provided us with significant funding to transform children's education around the world, including in emergencies. Both partners also led the way in supporting our efforts to keep children across six countries learning, even when their schools had to close because of Covid-19. We value our partnerships with a range of UN agencies that have supported our emergency health response in Cox's Bazar and other vital programmes.

## CORPORATE PARTNERS AND FOUNDATIONS

Our business partners support our programmes, share their expertise and stand with us to make sure children's voices are heard.

- Through our Coaching for Life programme with the Arsenal Foundation, we are helping children in Jordan and India increase their emotional wellbeing and resilience.
- Through our new partnership with Collinson, we provided 53 disadvantaged young migrants in Guangdong Province, China, with the skills and training to improve their chances of finding decent employment.
- With our long-standing partner GSK we launched a joint response to the Covid-19 crisis, adapting our existing health programmes in more than 15 countries.
- We are grateful to IFR Awards, whose annual events have raised over £28 million for children.
- The Morgan Stanley International Foundation provided expertise and resources to support our Boosting Parenting Power programme, transforming early learning in London's Tower Hamlets. Morgan Stanley & Co. International PLC also supported our Covid-19 response in Italy, Spain and the UK.
- With Prudence Foundation and the Philippines Department of Education we rolled-out an innovative mobile app across the Philippines that enables schools to report and rapidly assess the impacts of natural disasters. Meanwhile Prudential PLC, our founding Emergency Fund partner, continued its life-saving support.
- In partnership with Unilever we're supporting vanilla farmers and their families in Madagascar, alongside Symrise and Deutsche Gesellschaft für Internationale Zusammenarbeit. Our Unilever partnership is also providing families with hygiene education and supplies to reduce the spread of Covid-19 in nine countries and supporting the health and nutrition of families in Indonesia with Unilever's Lifebuoy brand.
- The LEGO Group UK generously donated 2,784 LEGO sets to our UK Covid-19 response. Over the next three years we will work in partnership with the LEGO Group and LEGO Foundation in Margate to embed play in children's early lives, support parents engaging with playful approaches to learning, and advocate for the power of play in children's development.
- The Bill & Melinda Gates Foundation continued to support our child survival advocacy, including our push for a global response to the Covid-19 pandemic and the Global Forum on Childhood Pneumonia.

We are grateful for the continued support of many other partners including Axa XL, Bvlgari, Castle Water, Clifford



Chance, Discovery, Entertainment One and Peppa Pig, Hikma, Jacobs, Pearson, QBE European Operations, Revolut, Sanofi Espoir Foundation, Twinings, Wilko and Yoox Net-A-Porter.

## PHILANTHROPISTS

Philanthropists and charitable trusts generously shared their time, expertise, and connections to strengthen our work.

We give special mention to H.E. Sheikh Thani Bin Abdullah Al-Thani and the Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund; the Cuppy Foundation and Mr Femi Otedola; the Abdulla Al Ghurair Foundation for Education; Her Highness Sheikhha Jawaher bint Mohammed Al Qassimi with NAMA Women's Advancement Establishment; The Big Heart Foundation; Community Jameel; the Olayan Foundation; People's Postcode Lottery; the Stavros Niarchos Foundation; the National Lottery Community Fund; the Latin American Children's Trust; the American Express Foundation; Natasha Kaplinsky; Michael Edwards OBE; and Graham and Susan Tobbell.

For their generosity and commitment we thank our fundraising boards, including the Women's Network, the Global Malnutrition Board, the Africa Advisory Board, and the UK Appeal Board. Thanks also to our Gala Event committees for organising a Christmas Prize Draw.

We are very grateful to our Vice-Presidents for their continued support and fundraising: Sophie McCormick, Charlotte Ransom, Andrew Sibbald, Michael Edwards OBE, Gordon Campbell-Gray, Keith Mullin, Michael Ridley, Graham and Susan Tobbell, Erland and Rose Marie Karlsson, Ann and Bart Becht, Amanda Richards, Dora Loewenstein, Asa and Martin Hintze, John Reynolds, and Peter Mallinson.

## VOLUNTEERS

We are enormously grateful to our more than 4,500 dedicated volunteers. Their support in 2020 – as community fundraisers, shop volunteers, campaign champions, speakers and researchers – was outstanding. Our community branch fundraisers raised more than £400,000 in unrestricted funds and our network of 255 campaign champions spoke out in support of our issues.

## OUR PATRON

Over the last five decades, The Princess Royal has devoted time to visit Save the Children's programmes, meeting with children and their families, as well as local colleagues. In the UK she values every opportunity to talk with our committed supporters and volunteers, and throughout her long association with the organisation continues to be a powerful advocate of our work. We are honoured to have The Princess Royal as our Patron and are ever thankful for her unwavering support.

## PUBLIC SUPPORT

Our work is only possible thanks to our incredible supporters. In 2020 they organised virtual events, took on personal fundraising challenges and donned crazy

Christmas jumpers. More than 4.1 million people signed up to take part in Save the Children's ninth Christmas Jumper Day, raising over £3.1 million for children.

The public generously supported our Covid-19 appeal, donating £2.3 million. They also gave a combined total of £2.4 million to our Syria and Yemen emergency appeals, and supported our Emergency Fund with £2.4 million, allowing us to respond within hours of a disaster.

Public support is the bedrock of our campaigns. In 2020, our campaign champions lobbied MPs to press for justice for Rohingya children. In the UK, we helped people with lived experience of Universal Credit to speak out about its failings and demand change. And when the Department for International Development merged with the Foreign Office, more than 5,000 supporters sent messages to the Foreign Secretary, calling on him to protect the aid budget.

## LEGACIES

We're extremely grateful to have been remembered with gifts in the wills of 778 generous supporters, worth over £17 million in 2020. Each one is extraordinary and valued. One wonderful gift was left in memory of a mother who had volunteered in one of our shops for 25 years by a woman whose own daughter now carries on this family tradition. And a teacher who had taught languages to children around the world throughout her life continued her financial support for our cause by leaving an amazing legacy.

## OUR SHOPS

The Covid-19 lockdowns and restrictions significantly reduced our ability to trade across our retail portfolio in 2020. Thanks to the commitment and hard work of our staff and volunteers, we re-opened 63 shops by September for a limited period, with additional safety measures in place. We are extremely grateful to all our customers and donors for their continued support.

## AMBASSADORS AND HIGH-PROFILE SUPPORTERS

Our dedicated ambassadors and high-profile supporters helped us find creative ways of reaching our audiences in 2020. Ambassador Poppy Delevingne spearheaded our Save with Stories campaign. It saw 74 of our high-profile supporters, including Helen Mirren, George the Poet and Benedict Cumberbatch, read much-loved children's stories to raise money for our Covid-19 appeal. Meghan, Duchess of Sussex celebrated her son Archie's first birthday with a special reading, driving 6,130 pieces of media coverage across 88 countries and a 9,000% increase in visits to our website, raising valuable awareness and money for the campaign.

Singer Mika organised a star-studded virtual concert, raising over £300,000 for our response to the explosion in Beirut. Claudia Winkleman, Erin O'Connor, T'Nia Miller and Konnie Huq took part in Christmas Jumper Day; Ambassador Myleene Klass visited the Kyangwali refugee settlement in Uganda virtually to raise awareness; while Jon Snow launched our virtual quiz.

# FINANCIAL PERFORMANCE

**In what has been a tough year, and in the face of challenging economic times, we're extremely grateful to all our supporters for their continued generosity. We're committed to making sure our income is used efficiently, effectively and responsibly so that we make every pound count.**

## HEADLINES

Our total income in 2020 was £289 million and our total spend was £283 million, a reduction of £18 million and £26 million respectively on the previous year.

£m	2020	2019	Decrease
Restricted income	214	215	(1)
Unrestricted income	75	92	(17)
<b>Total income</b>	<b>289</b>	<b>307</b>	<b>(18)</b>
Restricted spend	211	217	(6)
Unrestricted spend	72	92	(20)
<b>Total spend</b>	<b>283</b>	<b>309</b>	<b>(26)</b>

## Impact of the coronavirus pandemic

As a result of the restrictions during the year to manage the coronavirus pandemic, we've seen substantial reductions in our unrestricted income – primarily caused by the fall in income from our portfolio of shops (down £6.5 million compared to 2019), in fundraising income raised through special events (down £2.4 million compared to 2019) and from our community branches (down £0.7 million compared to 2019). To manage the impact of these income shortfalls on our reserves, we substantially reduced our unrestricted spend. We decreased our investments in fundraising and advocacy in the year, and implemented spending and recruitment freezes across the organisation. We did, however, receive £1.3 million of income from the government's furlough scheme and £0.9 million in retail grants.

Across our restricted income and spend, our ability to deliver our programmatic work through Save the Children International has been delayed in some countries due to national and local lockdowns. This has been offset by Covid-19 response grants.

Given the uncertainty caused by the Covid-19 pandemic, the Board sought to reduce spending and investment costs in 2020; spending from reserves remained a last resort. The Board also agreed four financial triggers to be monitored to determine whether additional cost cuts should be introduced. Fortunately, none of the four triggers were breached and a significant drawdown on reserves was avoided.

## INCOME

### Institutional donors: £160 million (2019: £180 million)

The income we receive from our institutional donors is primarily restricted income given in grant form for specific in-year or multi-year programmes across the world. As such, it fluctuates each year. Our largest institutional donors have historically been the UK government through the Foreign, Commonwealth and Development Office (FCDO), the European Commission and the United Nations. Our overall income in the year from institutional donors has reduced by £20 million. We have seen lower income from the UN (down £8 million) and the European Commission, down £10 million, as we have been transferring responsibility of funding from EU accounts to other European members of Save the Children. Income from the UK government is also down £6 million on last year. While we were able to begin rebidding for funding from the UK government in September 2020, we expect income in 2021 to be further impacted by FCDO budget cuts. Funding from Education Cannot Wait increased in 2020 by £5 million, with £13 million of income recognised in the year for two major programmes in Uganda and Ethiopia.

### Individual donations and legacies: £65 million (2019: £73 million)

Income from individuals was £48 million, down £1 million on 2019. Regular donations from individuals were slightly down on 2019, continuing the downward trend in unrestricted regular giving. The Covid-19 restrictions resulted in lower one-off donations and reduced income from our community fundraising groups and from events. These reductions were partially offset by an increase in restricted appeal income from individuals in 2020, primarily for our Covid-19 appeal and our continuing Yemen appeal. We received £17 million of legacy income in 2020, a reduction of £7 million on 2019, which had been a record year for legacies due to several high-value gifts.

### Corporates, major donors and trusts: £49 million (2019: £34 million)

Strong relationships with our corporate partners generated £22 million in 2020, up £2 million on 2019. GSK remains our largest corporate partner (£9 million in 2020), funding a number of our key health programmes around the world. Other significant partnerships in 2020 included IKEA funding for the Start Fund and a new multi-country Covid-19 response programme funded by Unilever.

Our income from major donors and trusts was £27 million in 2020, an increase of £14 million on 2019. This increase is due to a substantial grant from the Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund for drought response in Somalia, which was primarily implemented in 2020.

In addition, we continue to receive generous donations from other major donors and trusts, providing vital funding for our Emergency Health Unit and the Research for Health in Humanitarian Crises programme run by our subsidiary Elrha.

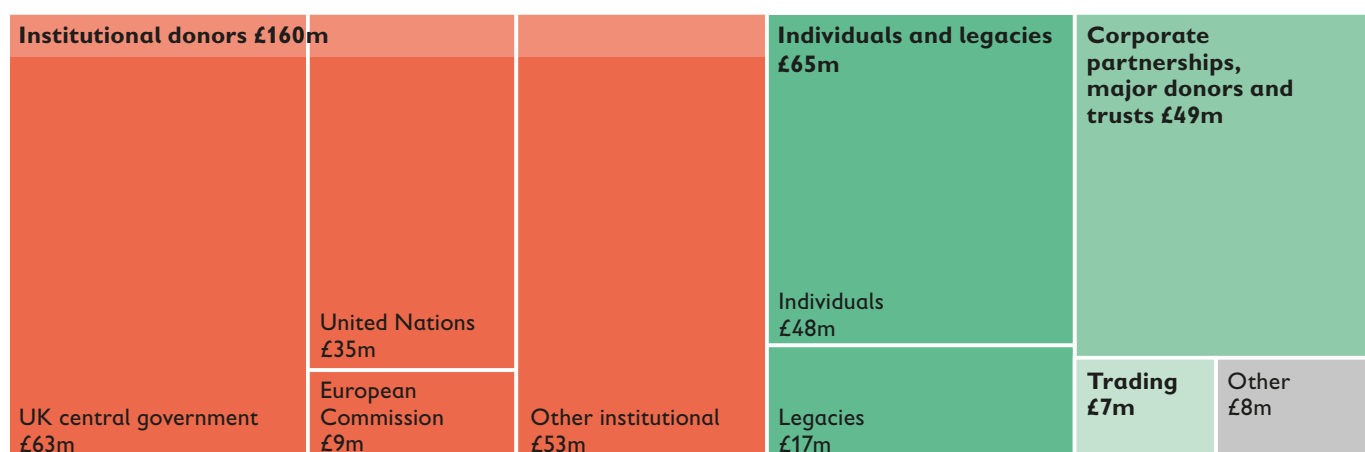
### Trading: £7 million (2019: £13 million)

Due to significant shop closures in the year, our retail trading income for 2020 of £4 million was down £6 million compared with 2019. Of our 120 shops, 57 have remained completely closed since March 2020 and 63 partially reopened during the year in accordance with national and local lockdowns.

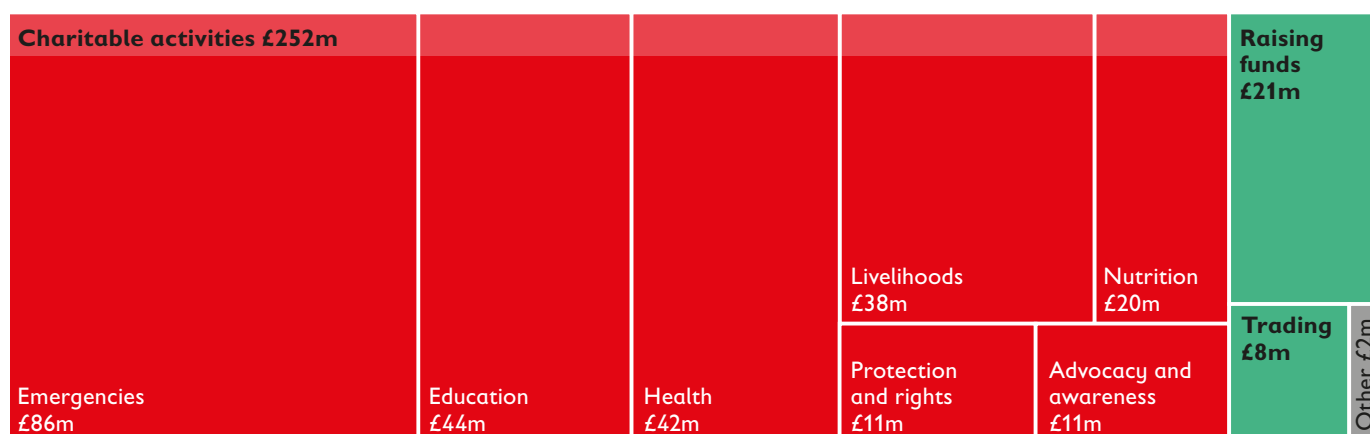
The remaining £3 million in trading income was generated from the People's Postcode Lottery, which helped fund our UK programmatic work, our Global Malnutrition Initiative, our Emergency Fund and a project on organisational strengthening.

## 2020 income and expenditure

### Income £289 million



### Expenditure £283 million



Expenditure in the above diagram is shown after the allocation of support costs to the activities they support. See expenditure graphic on page 46 for more details.



## EXPENDITURE

Our total expenditure in 2020 was £283 million, a reduction of £26 million on the previous year.

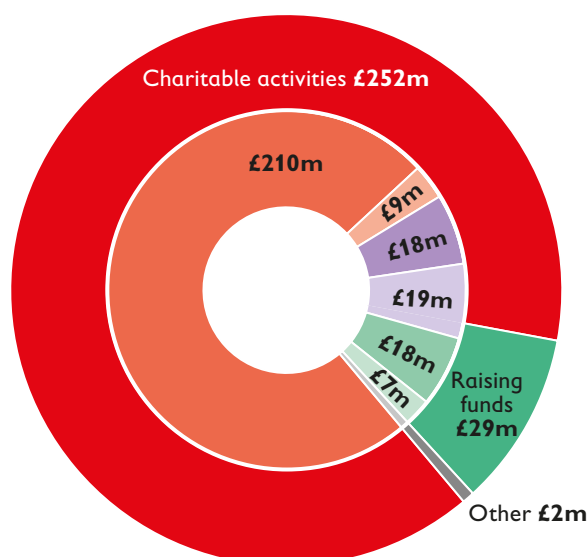
### Charitable activities: £252 million (2019: £271 million)

Our charitable expenditure includes £210 million spent on programmes in the UK and internationally, and £9 million on advocacy and campaigns. £33 million of our support costs (see expenditure graphic below) go towards our programming, advocacy and awareness work. The diagram on page 45 shows our charitable expenditure according to our thematic areas of work and on page 11 we present a geographical summary of our £210 million of global programming spend. Our emergencies spend in 2020 was £86 million. This includes grant expenditure through Start Network (£34 million), our humanitarian entity Elrha (£13 million), our humanitarian department and specific in-country emergency response. In 2020, expenditure on livelihoods increased by £9 million to £38 million due to the Somalia drought response programme funded by the Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund; this large award (£14 million) made Somalia our country of highest spend in 2020.

Direct spend on advocacy and awareness in 2020 was £9 million, a £4 million reduction on 2020. Our advocacy efforts included tackling child malnutrition and childhood pneumonia, supporting children in conflict, and pushing for every child to have access to good-quality learning opportunities. We unite with others to drive long-term and sustainable change, including through an advocacy grant from the Bill & Melinda Gates Foundation on child survival.

## Expenditure 2020

### Total expenditure £283 million



### Raising funds: £29 million (2019: £36 million)

Expenditure on raising funds included the direct costs of running our diverse fundraising channels and activities (£21 million) and the cost of our retail shops (£8 million). Investment in fundraising channels and activities was reduced by £6 million in 2020, due to cost savings that needed to be made as part of our financial management of the coronavirus pandemic. We expect the impact of this reduced investment to be felt in future years' fundraising income. However, we're exploring options for remobilisation of investment in income growth and impact once the financial situation allows.

Despite shops being closed for long periods of 2020, our costs only reduced by £1 million as many overhead costs of rent and staff were still incurred. This resulted in a retail loss for the year of £4 million, compared with a £1.5 million surplus in 2019.

### Support costs

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

Management and administration support costs were £19 million in 2020, a £2 million reduction on 2019. This includes spending on finance, human resources, technology, legal and governance activities (such as child safeguarding), protection against fraud, and audit costs. While these costs are necessary in running the organisation, we continually look for efficiencies that will free up more resources to deliver our frontline strategy. However, in 2020, in order to achieve necessary spending reductions, we deferred investment in some of our technology and transformation projects that can deliver efficiencies in the longer term.

### Charitable activities – £252m includes

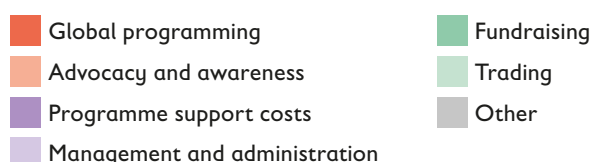
£210m of global programming  
 £9m of advocacy and awareness  
 £18m of programme support costs  
 £15m allocation of management and administration support costs

### Raising funds – £29m includes

£18m of fundraising costs  
 £7m of trading costs  
 £4m allocation of management and administration support costs

### Other – £2m

Costs relating to the sub-let of certain floors of the HQ building. Rental income is received to offset this.



Programme support costs were £18 million in 2020, a reduction of £1 million on the previous year. These are costs incurred directly in designing and monitoring our programmes and by Save the Children International in delivering our overseas programmes. During 2020, the programme support costs incurred directly by Save the Children UK reduced as we transferred some areas of programme support over to Save the Children International. We also had a reduced share of the overall membership contributions to Save the Children International. However, we made some additional contributions to support member growth and to projects to improve procurement, and financial and programme management in Save the Children International; these projects aim to bring about greater efficiency and lower costs.

## TOTAL FUNDS

As at the end of 2020, the closing funds are made up of the following balances.

	2020 (£m)	2019 (£m)
General reserve	34.1	32.2
Revaluation reserve	4.4	4.8
Designated funds	6.4	7.9
Pension reserve	(2.8)	(0.6)
<b>Total unrestricted funds</b>	<b>42.1</b>	<b>44.3</b>
Restricted funds	11.6	9.2
Endowment funds	4.9	4.4
<b>Total restricted funds</b>	<b>16.5</b>	<b>13.6</b>

## Restricted funds

Restricted funds of £17 million (2019: £14 million) represent funds that have been given for a particular purpose and the trustees have no discretion to reallocate for other use. See restricted funds note 22 of the financial statements for further details of how this balance is split by region, specific appeal or thematic area; these balances will be spent on programmes in these areas in future years. The endowment fund represents the value of a donated asset; the fund is permanent and only the income generated by the fund can be expended.

## Unrestricted funds

All other funds are unrestricted. Unrestricted funds are further classified as designated or part of the general reserve. At the year end, the general reserves amounted to £34 million (2019: £32 million), this is the part of the charity's funds that are not restricted or designated to any particular purpose. The balance on the revaluation reserve is the unrealised gain on our investment portfolio.

Designated funds are funds that have been invested in fixed assets, associates or programme-related investments, or have been allocated for a specific purpose by the Trustees (further details in note 21 of the financial statements). Along with the revaluation reserve and pension reserve, these funds are not readily available, so are not included in the calculation of general reserves.

## RESERVES POLICY

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

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

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

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

In 2020 our target reserves range was £30–£40 million; our closing general reserves of £34 million are therefore within the target range. Ahead of approving the 2021 financial budget, the Board reviewed an update of the detailed risk assessment used to assess the level of general reserves that is appropriate for the charity to maintain. The assessment shows that we have withstood some major risk events, including Covid-19, in recent years without having to draw down on reserves. Based on the risk assessment, the Board reduced the target range for 2021 to £28–£33 million.

## INVESTMENTS

The trustees have the authority conferred by the memorandum and articles of association to invest as they think fit any of Save the Children's money that is not immediately required.

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

We maintain the majority of our investments in equities and bonds so we have the opportunity of long-term growth. Given the increased market volatility in 2020, we sold £4 million of investments in the year and held these funds as cash balances. Overall, the portfolio reported a gain of £1 million in 2020, following a gain of £3.7 million in 2019.

## PENSION SCHEME

The valuation of Save the Children's Pensions Trust Defined Benefit scheme, for the purposes of FRS102, showed a funding deficit of £2.2 million at the end of 2020 (2019: surplus of £7.2 million). The FRS102 valuation is different to the triennial actuarial valuation, which had its latest triennial valuation in September 2020. Preliminary results show a current deficit of £9.2 million. We are currently making deficit contributions of c.£5 million per annum based on the 2017 triennial valuation, which showed a deficit of £27 million. Based on the latest valuation we will be agreeing a revised schedule of deficit contributions with The Pensions Trust. We also have a defined benefit Growth Plan scheme, which at the end of 2020 had a deficit of £0.5 million (2019: deficit of £0.6 million). See note 25 of the financial statements for further details on both schemes.

## GRANT-MAKING POLICY

Save the Children works in partnership with many organisations and during the year we provided grants to the value of £188 million, with the largest amount of grant money given to Save the Children International. Grant-funded partnerships may involve our staff working in joint operations, supporting and monitoring work, or funding national or local partners to deliver services, including immediate emergency relief. Such grants help national and local organisations provide sustainable benefits for communities and so further our own objectives. We carefully consider the experience, reach and governance of potential partners, as well as the value they will add to our work serving children and communities around the world. Grants are managed through specific agreements with partners, which set out the conditions of the grant, including disbursement arrangements and reporting requirements to monitor spend.

## FINANCIAL RISK MANAGEMENT

We closely monitor our financial performance throughout the year. The executive directors review monthly reporting on income, spend, reserves, debt and cashflow positions to manage the delivery of Board-approved targets. On a quarterly basis, we provide financial analysis for review by the Finance Committee and Board. We also undertake quarterly reforecasts to enable us to review and respond to changing financial circumstances. We outlined on page 44 how we enhanced our financial management processes throughout 2020 to address the changing impact of the coronavirus pandemic.

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

## GOING CONCERN

We have set out above a review of Save the Children's financial performance and the general reserves position for 2020. Although the coronavirus pandemic continues to create significant uncertainties, in 2020, through reduced expenditure and investment, we managed the reduction in unrestricted income to end the year within our reserves range. The financial statements have been prepared on a going concern basis which the trustees consider to be appropriate for the following reasons.

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

These forecasts assume a measured move out of lockdown in line with the government's timetable announced on 22 February 2021. Under alternate scenarios, we expect to be able to match potential shortfalls of income with a reduction in costs. Our cash flow forecast shows that, with these prudent assumptions, we would have a sufficient buffer of liquidity to manage any delays in the government's timetable or a continued weak economic environment. We have also considered the impact on our international programmes, delivered both directly and through Save the Children International. Our financial commitments to Save the Children International are outlined in note 20d of the financial statements, however we do not expect these to be called upon. We do not use borrowing facilities, nor do we expect to need borrowing facilities.

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



# ANNUAL TRUSTEE RISK STATEMENT

## HOW WE MANAGE RISK

Save the Children UK believes effective risk management is key to successfully delivering our strategic priorities and achieving our ambitions for children.

### Principal risks and uncertainties in 2020

2020 was dominated by responding to immediate and longer-term uncertainties caused by the coronavirus pandemic. Despite a challenging year, most of our principal risks remained stable because we used agile mitigation strategies in response to shifting threats and priorities.

As with many other charities across the UK, we experienced increased risk to our financial stability, as income from retail shops and fundraising events was lost due to the pandemic. Decisive and early cost-cutting decisions helped to lessen the impact of reduced revenue, and we continued our efforts to diversify our income streams. Protecting health, safety and wellbeing was a central theme in our response to the pandemic. We applied robust mitigations to ensure health risks to staff, volunteers and the children and communities we work with were managed.

Risks to engaging and retaining talent were reduced over the year, as we implemented workstreams aimed at improving staff engagement and reducing attrition. The publication of the Charity Commission Inquiry report in March 2020 informed our risk management approach

for our wider workplace culture strategy. The outcomes of Brexit remained under review, and we considered the impact on the charity, and our mitigations, in the event of a 'no deal' scenario.

Outside the UK, Save the Children's strategy and operating environment expose us to a range of risks. Our commitment to reach the most marginalised and disadvantaged children requires us to operate in conflict-affected and fragile states, and in humanitarian emergencies. This has implications for our risk profile. During 2020, we worked closely with the Save the Children movement and our funding partners to rise to the challenges presented by the pandemic and manage risks to our international programmes.

### How we managed our principal risks in 2020

In 2020, we reviewed our principal risks against the changes to our risk environment due to the pandemic. We updated the organisational risk profile on a quarterly basis to ensure we reflected new or rising threats. We also measured our principal risks against our agreed risk appetite, and this was then reviewed and challenged by the Audit & Risk Committee and Board of Trustees.


The Board of Trustees received regular risk updates throughout the year and considered the potential impact of risks on the organisation and on its ability to achieve its ambitions for children.

### Risk movement in 2020

▲ Increased    ▶ Stable    ▼ Reduced

Principal risk	Risk mitigation strategy
<b>Impact for children</b>  <p>Failure to work effectively with Save the Children International and other partners to develop strong country strategies, design evidence-based programmes and implement them effectively will limit the impact of our programmes and advocacy.</p>	<p>We work closely with Save the Children International to design and deliver our international programmes, and have robust arrangements in place to monitor their effectiveness.</p> <p>In 2020, we focused on managing risks to the continued delivery of our UK and international programmes, and adapting to the needs of children in a pandemic. In response to the coronavirus pandemic, we designed new activities with our partners to provide support for children and families where it was needed most. We worked with the Save the Children movement and other partners to deliver messages on how the pandemic was affecting children and families, amplifying their voices and maximising the impact of our advocacy both in the UK and overseas.</p> <p>Our Board of Trustees received updates about our UK and international programmes throughout the year.</p>

Principal risk	Risk mitigation strategy
<p><b>Safeguarding the children and adults we work with</b> </p> <p>If we do not have adequate systems to prevent and respond to safeguarding incidents, children and adults may be harmed and confidence in Save the Children's ability to deliver its mission may be compromised.</p>	<p>We continue to invest in our safeguarding arrangements, ensuring that they are robust and reflect the environments in which we work. We have clear policies and procedures to help ensure a safe environment, including pre-engagement checks for staff and volunteers, mandatory training and reporting requirements, and a robust code of conduct. Our arrangements are routinely subject to independent audit and review.</p> <p>In 2020, we worked closely with Save the Children International to address safeguarding risks to the children and adults we work with, as well as our staff in our international programmes, including adhering to the policy and standards set out in our Global Child Safeguarding protocol. In the UK, teams across the charity worked proactively to prevent safeguarding incidents occurring in activities delivered in the UK. We provided new safeguarding training to our retail teams, and encouraged staff and volunteers to report incidents and concerns through a variety of channels.</p> <p>Our Board of Trustees and nominated Safeguarding Trustee received regular updates on the effectiveness of our safeguarding measures.</p> <p>Our arrangements are at times subject to independent audit and review: during 2020 we have been working through a small number of ongoing incidents, including using independent review, to identify where we can strengthen these arrangements.</p>
<p><b>Health and wellbeing of our staff and volunteers</b> </p> <p>Failure to protect our staff and volunteers from health and safety incidents and promote wellbeing could lead to harm to our people and expose Save the Children to regulatory action.</p>	<p>We have health and safety policies and procedures in place for both UK and international contexts. Specialist staff provide advice on both physical health and mental wellbeing.</p> <p>In 2020, we recruited a Staff Health Adviser to support the management of coronavirus-related risks, both in the UK and overseas. We supported home working by providing staff with office equipment and advice on how to work safely at home and protect their own wellbeing. Robust mitigations were put in place in offices and shops to create safe environments. These included providing Covid-19-related health and safety training to our retail teams. Our Wellbeing team provided direct support to staff and pointed them towards mental health resources. Our Board of Trustees received regular reports on health and safety during the year.</p>
<p><b>Programming in complex environments</b> </p> <p>We work in complex environments. This brings with it a range of risks, including safety and security incidents affecting our staff. It also brings risks of fraud, bribery, corruption and inadvertently working with (or assisting) prohibited parties.</p>	<p>Save the Children International delivers most of our overseas programmes and is responsible for managing operational risks in the challenging environments where we work. In 2020, we worked closely with it to mitigate those risks as far as possible, including risks related to coronavirus.</p> <p>We train our staff to manage the risks we face in delivering programmes, including risks related to security, fraud, corruption and diversion of aid. We provide staff deployed to humanitarian crises and conflicts with support for their mental wellbeing.</p> <p>Our Board of Trustees and Audit and Risk Committee received updates throughout the year, including quarterly fraud reports and the annual safety and security report.</p>
<p><b>Meeting regulator, donor and supporter expectations</b> </p> <p>Failure to meet compliance expectations set by our regulators and donors would affect our ability to fundraise and operate in the UK. We must stand up to scrutiny from stakeholders, including the media and supporters.</p>	<p>Our governance arrangements are underpinned by a comprehensive set of policies and procedures designed to manage risks to successfully meet our legal and regulatory obligations. We deliver fundraising and marketing activities in line with our Supporter Promise, being open about the standards we hold ourselves to when communicating with our supporters.</p> <p>In 2020, we conducted a review on the impact of Covid-19 on our governance controls and processes to ensure continued focus on compliance risks. We refined our approach to donor-compliance risk, strengthening oversight and reporting.</p> <p>Our Board of Trustees and Audit and Risk Committee received regular updates on compliance.</p>

Principal risk	Risk mitigation strategy
<b>Workplace culture</b>  Failure to provide a safe and respectful workplace would be detrimental to the wellbeing of our staff and volunteers, and could lead to reduced trust in Save the Children.	<p>All staff sign a Code of Conduct to promote compliance with policies related to employee relations. We are implementing a comprehensive programme to build a more positive workplace culture and strengthen people-management capabilities.</p> <p>In 2020, we refreshed employee relations policies in consultation with staff. With staff, we co-designed a new framework for the respectful and inclusive behaviours we expect to see in the workplace, and rolled out a mandatory training programme. We also launched a Diversity and Inclusion strategy.</p> <p>Our People and Culture strategy is regularly reviewed by the Board of Trustees and the People Committee.</p>
<b>Attract, engage and retain talented people</b>  Our people are our greatest asset. If we fail to attract, engage and retain the best staff, we are less able to make a difference for children.	<p>We ensure all staff have clear personal objectives and can see their contribution to our vision and mission. We conduct regular staff surveys to monitor engagement. In 2020, we continued to implement our People and Culture strategy and our People Deal to improve the ways in which we manage staff at Save the Children, including the training provided to line managers. Our new Diversity and Inclusion strategy aims to improve how we attract, engage and retain talent from underrepresented and marginalised groups.</p> <p>Our Board of Trustees and the People and Culture Committee received regular updates on how we manage our people.</p>
<b>Safeguarding confidential and sensitive information</b>  If we, or one of our suppliers or partners, lose or allow unauthorised access to the data we hold on the children or adults we work with, supporters, staff, volunteers or partners, it could cause harm to those individuals and lead to regulatory action against Save the Children.	<p>We have mandatory training in place on data protection and information security to support the safe handling of data and compliance with regulations. And we have clear processes in place to manage incidents.</p> <p>In 2020, we completed a programme of activities to strengthen our cybersecurity capabilities and upgrades to our IT infrastructure. We also achieved Cyber Essentials certification. We conducted tests to assess the effectiveness of our controls and strengthened how we share sensitive information internally and with the wider Save the Children movement. We provided guidance to staff on the cybersecurity and data protection risks presented by homeworking during the pandemic, and worked to mitigate those risks where possible.</p> <p>Our Board of Trustees and Audit and Risk Committee received regular updates on our compliance with data protection policies.</p>
<b>Financial stability</b>  External shocks or trends impacting our income, cash flow or reserves could put our future financial stability at risk.	<p>We monitor our actual and forecasted financial performance continuously so that we can take the appropriate measures in good time. In 2020, our unrestricted income was significantly lower because of national and regional lockdowns that meant we had to close our shops, cancel events and reduce community fundraising. We managed this fall in income by imposing an external spending freeze in April. As a result, we have maintained a strong level of general reserves through the year. We continued our strategy of diversifying our restricted income and were successful in generating new sources of funding. We will continue this strategy to mitigate against the impact of the reduction in the aid budget in 2021 and our withdrawal from EU funding.</p> <p>To inform its decisions, our Finance Committee and Board received updates on our actual and forecasted financial performance throughout the year.</p> <p>See also page 48 for financial risk management.</p>

### Continuous improvement in how we manage risk

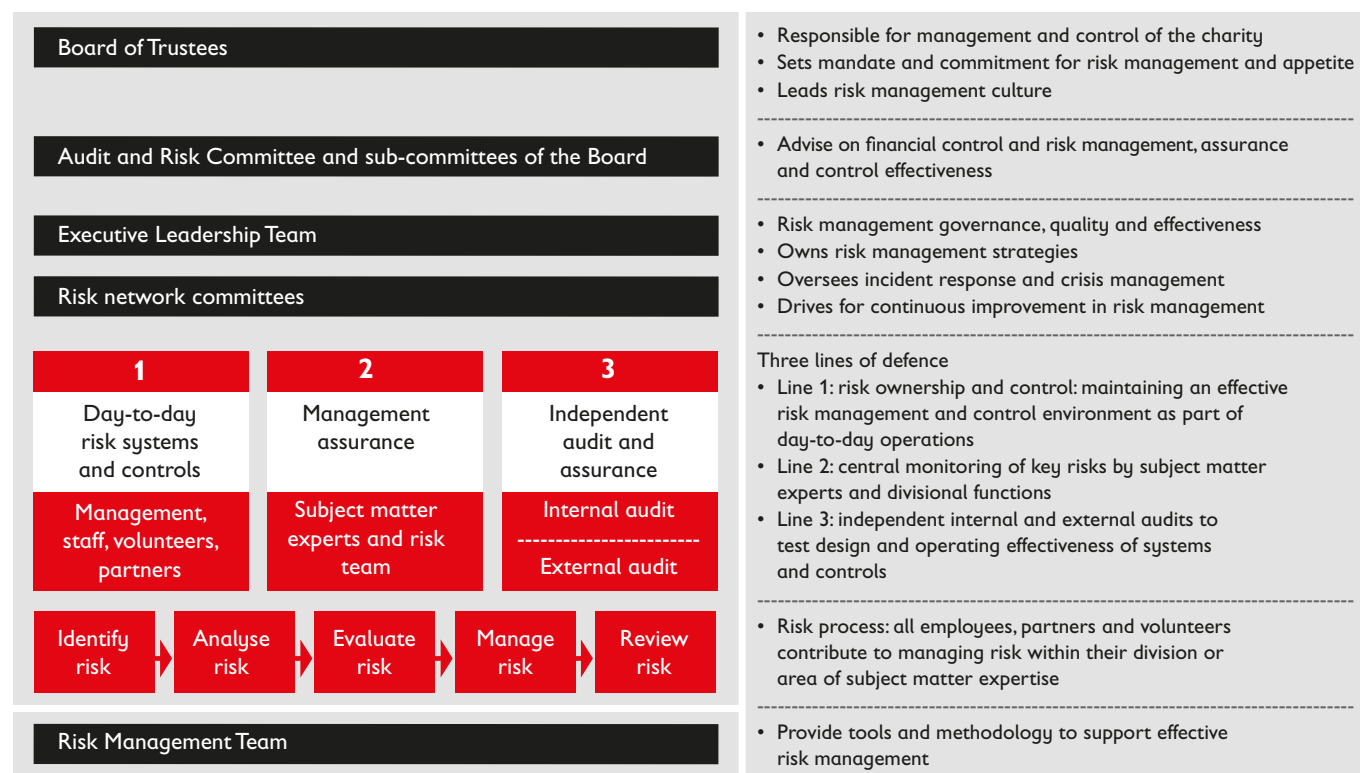
In 2020, we strengthened our risk management processes by introducing new or modified controls to adapt to the shifts in our risk landscape caused by coronavirus. We conducted a review into our business continuity response to the pandemic, which helped us learn more about how to strengthen risk management in a protracted crisis.

We reviewed our safety and security framework as part of continuous learning, and have developed plans to further strengthen how we manage these risks in 2021.

Management conducted 'deep dives' into specific risk areas to review how effectively we manage risk and provide assurance to the Audit and Risk Committee.



## ROLES AND RESPONSIBILITIES FOR MANAGING RISK



### Working together to manage shared risks

The Save the Children movement operates with a networked structure, and members share exposure to financial, operational and reputational risks. We therefore work closely with Save the Children International and other Save the Children members to ensure that, in our challenging operating environments, we identify and manage shared risks. In 2020, the movement came together to take co-ordinated action to mitigate the risks to our financial stability and global strategy arising from the coronavirus pandemic.

### Internal audit

In 2020, our internal audit function was transferred to Save the Children International's Global Assurance team, with continued support from Grant Thornton. Risk-based audits were conducted across key areas such as anti-terrorism financing, donor due diligence, and budgeting and forecasting. Internal audit reports were shared with the relevant executive director, as well as the Audit and Risk Committee. Progress on agreed audit actions were reviewed by the Audit and Risk Committee.

# STRUCTURE, GOVERNANCE AND MANAGEMENT

## STRUCTURAL AND ADMINISTRATIVE DETAILS

### A GLOBAL MOVEMENT

Save the Children UK is a member of the Save the Children Association (SCA), a global movement made up of [30 separate national entities](#) (members) and Save the Children International. Save the Children International was established in 2011 with responsibility for implementing international programmes outside the SCA's member countries. Save the Children International is registered as a charity in England and Wales, and the SCA is its sole member.

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

### SAVE THE CHILDREN UK

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

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

### TRUSTEES\*

Dr Tsitsi Chawatama (Chair) (appointed 25/01/2021)	
Charles Steel (Interim Chair) (resigned 25/01/2021)	N, D, O
Richard Winter CBE (Hon. Treasurer; Vice Chair) (appointed 13/01/2020 and Vice Chair 25/01/2021)	A, F, I
Arabella Duffield (Vice Chair) (appointed Vice Chair 25/01/2021)	A, D
Jahnine Davis (appointed 28/10/2020)	S, ST
Naomi Eisenstadt (retired 24/06/2020)	S, O
Anne Fahy	O
Jessica Gladstone (appointed 11/05/2020)	D, S
Razia Khan	D
Dianna Melrose	N, W
Kajal Odedra	N, P
Tanuja Randery	P, O
David Ripert	P
Babatunde Soyoye	F
Mark Swallow	A, F, I, S

### Committees\*\*

## INDEPENDENT MEMBERS AND EXTERNAL ADVISERS

David Poulter (resigned 04/03/2020)  
Richard Bernays (retired 09/03/2021)  
Peter Moon

### Committees\*\*

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

\*\* Committee membership as at 31 December 2020 or as of resignation/retirement date, with the exception of the Safeguarding Committee which was created in March 2021

Committee	Chair
(A) Audit and Risk Committee	Mark Swallow
(F) Finance Committee	Richard Winter
(I) Investment and Pensions Sub-Committee	Richard Winter
(D) Donation Acceptance Committee	Jessica Gladstone
(N) Nominations Committee	Kajal Odedra
(P) People Committee	Tanuja Randery
(O) Oversight Sub-Committee	n/a
(S) Safeguarding Committee	Jahnine Davis
(ST) Safeguarding Trustee	Jahnine Davis
(W) Whistleblowing Trustee	Dianna Melrose

## EXECUTIVE DIRECTORS

as at 31 December 2020, with the exception of the Executive Director for People who was appointed in March 2021

Kevin Watkins	Chief Executive Officer
Fiona Clark	Executive Director of Transformation
Francis D'Souza	Chief Financial Officer
Gwen Hines	Executive Director of Global Programmes
Kirsty McNeill	Executive Director of Policy, Advocacy and Campaigns
Gemma Sherrington	Executive Director of Fundraising and Marketing
Pria Rai	Executive Director of People

## COMPANY SECRETARY

Habibunnisha Patel

## PRINCIPAL PROFESSIONAL ADVISERS

Save the Children's principal professional advisers include:

### INDEPENDENT AUDITOR

KPMG LLP  
15 Canada Square, London E14 5GL

### PRINCIPAL BANKERS

National Westminster Bank  
PO Box 83, Tavistock House, Tavistock Square  
London WC1H 9NA

### PRINCIPAL INVESTMENT MANAGERS

Newton Investment Management Ltd  
BNY Mellon Centre, 160 Queen Victoria Street  
London EC4V 4LA

### PRINCIPAL LEGAL ADVISERS

Farrer & Co  
66 Lincoln's Inn Fields, London WC2A 3LH

## SAVE THE CHILDREN UK GROUP MEMBERS

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

- **Elrha** aims to find solutions to complex humanitarian problems through research and innovation. It was designed and developed within Save the Children and was established as an independent subsidiary charity in May 2018.
- **Save the Children (Sales) Limited** aims to generate income for the charity through commercial promotions run in conjunction with our corporate partners and through trading new goods through our shops, branches and website.
- **Humanitarian Leadership Academy (Enterprise)** aims to enable people around the world to prepare for and respond to crises in their own countries and generate income for Save the Children.
- **Humanitarian Leadership Academy** was designed and developed within Save the Children and was established as an independent subsidiary charity in November 2015. All of the Humanitarian Leadership Academy's activities (including its subsidiary, Humanitarian Leadership Academy Enterprise) were transferred back into Save the Children in 2019, and it no longer has any independent operating activity.
- **Medical Emergency Relief International (Merlin)** aims to end the needless loss of life in the world's poorest countries caused by a lack of effective healthcare. Merlin's activities have now been fully transferred to Save the Children, after Save the Children became the sole member of Merlin in 2013. As a result, Merlin no longer has any operational activity.

The results of each subsidiary are consolidated into the group accounts. For further details, see accounting policies on page 74 and Group Members note 14 of the financial statements on page 86.

## GRANT CUSTODIAN FOR START NETWORK

Save the Children was the host agency of Start Network, a network of more than 50 non-governmental organisations working to build a more localised, proactive and effective humanitarian sector. As the principal charity within the consortium, Save the Children was legally responsible to donors for the charitable application of funds. Funding for the consortium was recognised by Save the Children as a separate restricted fund under the agreement with donors.

On 1 May 2019, Start Network became an independent charity, with Save the Children as sole grant custodian for some of its work. Following transition, only income and expenditure of awards where Save the Children is acting as the grant custodian, and in that capacity is

legally responsible to donors for the charitable application of funds, are recognised. Start Network continues to work with Save the Children to bring on additional grant custodians.

## HOW WE MANAGE OUR AFFAIRS

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

The Board of Trustees is responsible for ensuring that all agreed charitable objectives and activities are within UK law. Its work includes setting our strategic direction and agreeing our financial plan. Matters reserved for the Board are set out clearly in the Standing Orders of Save the Children UK.

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

In 2020, the Board held four virtual meetings to review our overall progress – on the basis of reports from the Chief Executive and Executive Leadership Team – and to assess the organisation's financial position and risks. It reviewed the charity's performance in delivering against our objectives in 2020, monitored the organisation's principal risks and progress on people and culture change, and agreed our budget for 2021. The Board also held a number of ad hoc virtual meetings to discuss operational and financial matters with executive directors, for example, in light of Covid-19.

As of 31 December 2020, there were eight women and five men on the Board of Trustees, five of whom identify as people of colour.

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

- The **Audit and Risk Committee** oversaw preparation of the 2019 annual report. It reviewed the assurances provided to trustees about the control environment in operation during 2020, and considered reports from our external auditor. It agreed a programme of internal audits to be conducted in 2020, and received reports of completed reviews and agreed actions. The committee received updates on the management of key



risks across a number of topics, including programming, safeguarding, fundraising and marketing, health and safety, finance, tax, insurance, people management, fraud, advocacy and campaigns, information systems (including cybersecurity), and data protection, as well as our plans in preparation for the UK's exit from the European Union. With the onset of the coronavirus pandemic, the committee received updates to every meeting on our business-continuity arrangements in response to the pandemic. For more information, please see the annual trustee risk statement on pages 49–52. The committee met six times in 2020.

- The **Finance Committee** reviewed the financial out-turn from 2019 and in-year forecasts for 2020, including amended financial plans to deal with the coronavirus pandemic, and supervised preparation of the 2021 budget. The committee also oversaw activities of the subsidiary entities, approved all Save the Children UK decisions to accept awards worth more than £10 million, and reviewed quarterly treasury updates. The committee met five times in 2020.
  - The **Investment and Pensions Sub-Committee** is an advisory sub-committee of the Finance Committee. It met six times in 2020 to review the performance of Save the Children UK's investment manager and pension funds.
  - The **Donation Acceptance Committee** considers potential high-risk donations to Save the Children UK and makes decisions about whether it is in the best interests of the charity – and ultimately, in the best interests of children – to accept a donation or not. Information was shared with the committee by email throughout the year, and the committee met once. In 2020, it assessed 53 different high-risk opportunities from a range of donors (individuals, companies and trusts) and sectors, ranging from retail to fast-moving consumer goods. Of these, Save the Children UK agreed to proceed with 47 opportunities and rejected six.
  - The **Nominations Committee** finds and recommends potential candidates for election to the Board. It identifies the skills, experience and knowledge required from new trustees by considering the collective skills profile of the current Board. It manages a formal, rigorous and transparent recruitment process based on merit and objective criteria. This includes advertising roles nationally in line with good governance practice under the Charity Governance Code. It considers appointments to the charity's Board committees. The committee is responsible for promoting diversity and inclusion at Board level. It manages Board diversity audits, oversees the Board's ongoing diversity and inclusion training agenda, and ensures new trustees
- are recruited in a way that encourages diversity and inclusivity. The committee is responsible for an annual review of the Chair's performance; however this was paused for 2020 during recruitment for our new Chair. During 2020, the Board recruited three new trustees on the recommendation of the Nominations Committee, and the committee led on the recruitment of the new Chair.
- The **People Committee** was established in 2020, replacing the Remuneration and People Committee. This change reflects a wider remit set out within the People and Culture strategy. The committee continues to oversee people and culture work, and performance and pay, in the organisation. It is also still accountable for reviewing the performance of the Chief Executive, executive directors and other key senior staff, and makes recommendations to the Board on their remuneration, benefits and terms of employment. In 2020 the committee oversaw progress on the development and implementation of a number of workforce priorities, including the People and Culture strategy, [Diversity and Inclusion strategy](#), managing the workforce implications of the coronavirus pandemic, and workforce development. The committee holds the Executive Leadership Team to account for employee-related decisions and monitored the implementation of all recommendations from the 2018 [Independent Review of Workplace Culture](#). The committee met four times in 2020.
  - The **Oversight Sub-Committee** is a temporary subcommittee of the People Committee responsible for overseeing the improvement in adult safeguarding practices by the organisation. The committee ended on 18 March 2021.
  - The **Safeguarding Committee** is a new permanent committee that was established by the Board on 18 March 2021. It will oversee serious safeguarding incidents, external investigations and reviews into serious incidents (where appropriate), the charity's safeguarding policies, the effectiveness of its safeguarding accountability mechanisms and its priorities for engagement on safeguarding matters with third parties, as well as reviewing its progress on safeguarding culture. The responsibilities of the Oversight Sub-Committee were transitioned to the Safeguarding Committee.
  - The **Statutory Inquiry Committee** was a temporary committee appointed by the Board in 2018 to oversee Save the Children UK's response to the Charity Commission's statutory inquiry into the charity's response to misconduct complaints against senior staff in 2012 and 2015. The committee ended on 7 July 2020.

## TRUSTEES' RESPONSIBILITIES

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

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

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

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

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

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

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

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

## EXTERNAL AUDITOR

KPMG LLP has expressed its willingness to continue to act as auditor. A resolution to reappoint it, under section 485 of the Companies Act 2006, was approved at the Board of Trustees' meeting on 18 May 2021.

## PUBLIC BENEFIT

Charity trustees have a duty to develop strategic plans to ensure that we provide public benefit and achieve our objectives, as set out in our governing document. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. These objectives include: the relief of distress and hardship, promoting the welfare of children, researching these matters, and public education about them. These objectives fall under the purposes defined by the Charities Act 2011. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives, and in planning our future activities.

## CHARITY GOVERNANCE CODE

In 2017, the Board of Trustees resolved to adopt the Charity Governance Code for larger charities. The code encourages charities to publish a brief narrative in their annual reports explaining how they apply it. In 2020, the Board conducted an external board effectiveness review, in accordance with the code's requirement that large charities carry out such a review every three years. The Board has met to review the findings and to agree to the recommendations it accepts.

At the end of 2020, the code was refreshed to include enhancements that focus on the principles of integrity, equality, diversity and inclusion. The Board believes that the charity's governance aligns well with the code, though focus will be given to those areas that the external review recommended for further alignment. In 2020, the Board continued to develop our governance to aspire to best practice in the following areas:

- Recruitment and diversity. In 2020, the charity recruited three new trustees to the Board, bringing the total number of trustees to 13. The Board also commenced

recruitment for a new Board Chair who was appointed in early 2021. The selection process, led by the Nominations Committee, followed an open and more transparent process, including staff engagement in all trustee recruitments. These recruitments increased the diversity of the Board, in composition and in practice (including the recruitment of a Safeguarding Trustee with safeguarding expertise). Building on training in 2019, further diversity and inclusion awareness training for trustees was planned for 2020, but delayed by the impact of Covid-19. Training will resume in 2021.

- Board effectiveness review. The Board conducted its second external board effectiveness review, which concluded in April 2021. The external review included an assessment of Save the Children UK's governance arrangements in areas covered by the refreshed code and found that the charity had good governance arrangements in place, while identifying a few specific areas where this could be strengthened. The report was formally reviewed by the Board and it will develop an action plan to implement the agreed recommendations.

## BOARD ACCOUNTABILITY

Since October 2018, as part of its commitment to transparency, the Board published summaries of its quarterly meetings on Save the Children UK's website. The Chair provides an update on the Board's quarterly meetings and outcomes with staff.

As part of the Board's accountability to Save the Children UK's staff, the Staff Liaison Trustee meets with staff on a quarterly basis, or whenever an ad hoc meeting is requested. It reports back on staff interests and concerns to the Board at its quarterly meetings or in the interim period, depending on the urgency of the matter being discussed.

## GLOBAL STANDARDS, REGULATIONS AND CONVENTIONS

As we work for children all over the world, we must ensure that we live up to the standards and regulations that we demand of all actors influencing children's lives. Globally, Save the Children adheres to national and international standards and regulations. We are also committed to supporting the implementation of internationally recognised conventions, including the United Nations Convention on the Rights of the Child, the Convention on the Elimination of All Forms of Discrimination Against Women, and the UN Convention of the Rights of Persons with Disabilities, with a focus on promoting and protecting the rights of children with disabilities. We also endorse the Make My Money Matter pledge and the Principles for Digital Development, a set of community-owned standards

stewarded by DIAL, the Digital Impact Alliance at the UN Foundation. In 2020, we signed up to the UN Global Compact, which aims to mobilise a global movement of sustainable companies and stakeholders to create the world we want. Members of the movement should seek to do this by aligning their strategies and operations with the [Ten Principles](#) on human rights, labour, the environment and anti-corruption, and by taking strategic actions to advance [broader societal goals](#), such as the [UN Sustainable Development Goals](#), with an emphasis on collaboration and innovation.

## OUR COMMITMENT TO ACCOUNTABILITY AND TRANSPARENCY

Save the Children UK takes full responsibility for using resources efficiently, achieving measurable results and being accountable to our supporters, partners, staff and, most of all, children.

Accountability and transparency to our stakeholders is crucial to delivering our strategy (see page 7). Through this strategy, we're increasing our efforts to be accountable to all our stakeholders and hold ourselves to high standards. See page 60 for how we engage with our stakeholders.

Since 2012 we have voluntarily published details of our programme spend through the [International Aid Transparency Initiative \(IATI\)](#). The IATI standard provides a common and open format for sharing aid information, making it easier to find, use and compare. In accordance with the IATI standard, we publish timely, detailed and comparable information on our spending, which is accessible to all our donors and supporters. Publishing this information to the IATI standard makes us more effective and accountable as an organisation.

Visit the [accountability page](#) on our website for further details of how we ensure we are accountable to our stakeholders.

Throughout this Trustees' Annual Report we have strived to maximise the transparency of our organisation. If you have any feedback on how we can improve our Annual Report or broader transparency, please contact our [Senior Accountability Manager](#).



## SAFEGUARDING

We have continued our commitment to upholding the highest standards of safeguarding, ensuring that our safeguarding measures are robust and reflect the environments in which we work. We have continued to broaden our approach, increasing our ability to safeguard staff, the adults we work with and volunteers, while remaining steadfastly committed to safeguarding children. Building on our commitment to safeguarding all those we work with and encounter, in 2020 we:

- proactively responded to Covid-19-specific safeguarding risks to children, our staff, volunteers and all those encountering our work, providing resources and guidance to reduce harm
- provided a forum for third-sector youth organisations responding to Covid-19 safeguarding risks to share resources, identify risks and discuss best practice
- continued to support sector-wide initiatives such as the Aid Worker Registration Scheme and our work with the FCDO and Interpol on the global sharing of criminal records information and ensuring a more effective global law enforcement response to safeguarding violations
- continued to contribute to the sector working groups established by Bond
- convened and hosted safeguarding colleagues from both the UK youth sector and international NGOs to improve safeguarding practice and help keep children, communities and staff safe
- provided evidence to the International Development Committee inquiry on sexual exploitation and abuse in the aid sector
- contributed, with other specialist agencies, to National Crime Agency work to develop training and other measures to prevent and disrupt transnational child sex offenders seeking to exploit the development sector
- met with the Independent Inquiry into Child Sexual Abuse to help embed learning from the inquiry's investigations into our work and that of other organisations.

### SAFEGUARDING INCIDENT REPORT 2020

We acknowledge the courage of survivors in coming forward to report abuse. We thank all those who have helped us protect children and vulnerable people in the UK and abroad by reporting their concerns.

As well as children, our safeguarding remit includes the adults in their communities, staff, volunteers and anyone else who encounters our work.

In 2020, 182 safeguarding concerns – which we categorise under the headings of emotional abuse, physical abuse, sexual abuse, neglect, exploitation, sexual harassment, and requests for assistance outside of the UK – were reported to Save the Children UK. Of these concerns, seven related to the conduct of our staff, two to children involved in Save the Children International operations, four to the wellbeing of our supporters and ten to the safety or wellbeing of our staff and volunteers (including agency staff). The remaining 159 did not relate to our operations and were dealt with in accordance with our policies and any relevant statutory guidance.

### SAFEGUARDING CONCERNS RELATED TO STAFF AND VOLUNTEER CONDUCT

#### Staff conduct (7)

Each of the below concerns was formally investigated.

A member of staff was accused of emotionally mistreating a child. Following an investigation, the employee was dismissed for gross misconduct.

A concern was raised that an employee had sent inappropriate text messages to a former volunteer. The individual's behaviour was addressed in line with our Code of Conduct.

A concern was raised that a line manager may have acted inappropriately towards a colleague. The allegation was not upheld.

A concern was raised about the conduct of two members of staff – one former employee and another unidentified – and possible sexual harassment in the workplace. The investigation into the former concluded that no further action was necessary. The investigation into the latter remains open.

A member of agency staff displayed an inappropriate image to a colleague. The individual's engagement with Save the Children UK was terminated, and the agency informed of the incident.

A comment relating to an employee, and implying a risk to children, was made on a public Save the Children social media post by a member of the public. An investigation concluded that the comment was unfounded or deliberately false, and reported it to the social media company.

A former employee was reported, by a member of the public, to have sent inappropriate messages. The concern remains under investigation.

#### Volunteer conduct (0)

## SAFEGUARDING CONCERNS NOT RELATED TO STAFF AND VOLUNTEER CONDUCT

### **Welfare of children in the UK involved in Save the Children UK programmes (0)**

In 2020 we did not receive any concerns regarding the welfare of children engaged in our UK programmes. This is likely to have been influenced by the pandemic and associated lockdown measures, which prevented most of our UK programming with children.

### **Welfare of children or vulnerable people in Save the Children International operations (2)**

These concerns related to children involved in Save the Children International operations and were referred to Save the Children International, so it could manage them under its own systems. See below for details of safeguarding incidents relating to our international programming.

### **Welfare of vulnerable people (adults) in the UK involved in Save the Children UK operations, including fundraising (4)**

These concerns regarded the broader welfare of Save the Children supporters. Where appropriate, we worked with colleagues to provide appropriate support to the individuals concerned.

### **Welfare of our staff and volunteers (10)**

A member of the public disclosed that they had made sexualised remarks to an agency fundraiser, who was working on our behalf in 2013. We were unable to identify the affected agency worker.

In addition, we received nine concerns about the safety of volunteers and staff, the causes of which were not connected to our operations. These ranged from concerns that an individual was in danger of seriously harming themselves, to concerns about domestic abuse and violence. Where appropriate, referrals were made to statutory agencies and support was offered to those affected.

### **Welfare of children or vulnerable people not involved in Save the Children programmes or activities (159)**

These related to a range of concerns, including social media content or requests for assistance from outside the UK. Where possible these were directed to the appropriate agency or organisation.

As well as the incidents reported through our safeguarding incident mechanism in 2020, there were two safeguarding cases involving staff and volunteer conduct that were investigated in 2019 and remained open in 2020. The first concerned potential breaches of our Prevention of Sexual Exploitation and Abuse (PSEA) policy. The employee was dismissed for gross misconduct, but was not found to have breached our safeguarding arrangements or our PSEA policy. The second relates to a volunteer allegedly grabbing the arm of a child in one of our UK programmes – for which the investigation has been completed – and to our handling of the incident. This latter aspect is the subject of a separate, ongoing, review.

## **INTERNATIONAL PROGRAMMING**

Our international programmes are delivered through Save the Children International. We work together to ensure the most rigorous safeguarding practices are in place. Save the Children International reports total safeguarding figures associated with international programmes in its Trustees' Report, to be published in mid-2021, here: <https://www.savethechildren.net/about-us/accountability>

## **STAFF SAFETY DURING THE COVID-19 PANDEMIC**

On top of steps to safeguard staff wellbeing during the Covid-19 pandemic (see page 41), Save the Children UK took the following measures in 2020 to mitigate risks to staff health and safety when working overseas. We:

- restricted all but essential travel and repatriated all those wishing to return to their home countries
- ensured personal protective equipment was available where necessary, particularly in clinical settings
- treated all international travel as very high risk and required enhanced pre-deployment medical and psychological checks
- informed staff of challenges resulting from Covid-19 restrictions, reducing our capability to provide medical evacuations, consistent with our commitment of informed consent.

All work and work-related travel within the UK was undertaken in line with government guidelines. We have a centrally-managed system in place for dealing with cases of coronavirus in offices and shops.

## STAKEHOLDER ENGAGEMENT: DELIVERING VALUE

We believe that to have the greatest impact for children, today and in the future, we must take account of what is important to our stakeholders. This is best achieved through proactive and effective engagement.

In accordance with the charities SORP (FRS 102), we have outlined examples of how we engage with employees and taken care of their interests, as well as how we have engaged with other key stakeholders. Each stakeholder group requires a tailored approach to engagement. By understanding our stakeholders, we can factor into boardroom discussions the potential impact of our decisions on each stakeholder group and consider their needs and concerns, in accordance with s172 of the Companies Act 2006. This list is not exhaustive.

### Children overseas

We engage both directly with children and through their families and communities. The Save the Children movement's international development and humanitarian programmes to help children around the world are managed by Save the Children International. With our support, it engages with children and communities on needs analysis and project design – for example, consulting with people caught up in an emergency to understand how the crisis has affected them and their priorities for recovery.

With our financial and technical support, Save the Children International follows its *Accountability to Children and Communities Procedure*, which states that children and communities must:

- have access to timely and relevant information about the organisation, its activities and the behaviour they can expect from staff
- have opportunities to participate and inform decision-making
- be able to provide feedback and report any concerns they have.

#### EXAMPLE ENGAGEMENT OUTCOMES

- We listened to more than 8,000 children across 37 countries as they shared their experiences of the impact of the Covid-19 pandemic (see page 12). [The Hidden Impact of Covid-19 on Children](#) is the world's largest study on the impact of the crisis on children and has been used both to inform our response and global strategy, and to influence decision-makers around the world
- 83% of projects supported by Save the Children UK in 2020 made sure that children and communities had access to information, were systematically consulted, and could participate in decision-making – in line with the Core Humanitarian Standard on participation.

### Children in the UK

A key principle of our work in the UK is 'if it matters to children and families, it matters to us'. When developing our strategy we draw on insights from children, parents and carers who we support. When we develop local community partnerships, and advocate and campaign at a national level, we make sure children's voices and those of their families are listened to.

We involve our network of parents with lived experience of poverty in shaping our campaigning priorities. We create opportunities for young people and parents to speak about what matters to them to decision-makers and the media, and support them to do so.

#### EXAMPLE ENGAGEMENT OUTCOMES

- We invited children from low-income families to tell us what they would find most useful to receive during lockdown. This helped improve the design of our Covid-19 Emergency Grants programme (see page 13).
- We listened to children's experiences of lockdown in the UK and captured this in our [Life Under Lockdown](#) report (see page 13). Their insights shaped our response to the pandemic and the report helped us advocate for children to be at the heart of the UK response to the crisis.

### Youth campaigners

We work alongside children to campaign for change. Throughout the year, we engaged with youth campaigners to support their action and understand what matters most to them.

In our partnership with the Scouts, we engage with a community impact group of young people aged 14–19 who lead the Scouts' A Million Hands social action programme. Their guidance and leadership shapes our contributions to the programme.

In 2020, we started the process of developing a new [Youth Advisory Board](#) for Save the Children UK. The Board, composed of young people aged 12–17, will form part of our governance structure, acting not just as a catalyst for ideas but as a critical accountability mechanism for our decision-making.

#### EXAMPLE ENGAGEMENT OUTCOME

- The Scouts community impact group makes decisions about the partners we work with in the programme, provides feedback on the activities we deliver to Scouts and has final sign-off on the work we deliver. While many of our youth campaigning activities were paused in 2020 due to Covid-19 restrictions, this group guided us in adapting our work to enable them to continue to participate from home.



### Institutional donors, corporate partners and philanthropists (see pages 42–43)

We engage institutional donors through virtual meetings, roundtable discussions and at annual global events – for example, the UN General Assembly and the World Bank Annual and Spring meetings. In 2020, most of our engagement moved online into formal bilateral meetings, where we share and compare strategic priorities.

We engage with philanthropists and partners through meetings and group workshops to explore opportunities for collaboration. We convene roundtables on topics of mutual interest to share learning and bring key stakeholders together on issues we're collectively working to tackle. We regularly seek input through our Vice-Presidents' Programme and Appeal Boards, and host workshops to explore future opportunities and co-design programmes with our corporate partners.

In 2020, we undertook a detailed insight analysis with our key partners and philanthropists to inform decision-making.

#### EXAMPLE ENGAGEMENT OUTCOME

- In 2020, we conducted our first partnership review with the Power of Nutrition. By assessing our partnership constructively together we were able to unblock operational bottlenecks and discuss the cost profile of future projects.

### Our people (see page 40)

We engage systematically with staff so they can shape our strategy, our work and – critically – our culture. We engage as we deeply value their expertise and views. It's important that they feel a strong connection with the vision of Save the Children, and feel safe and happy at work.

#### EXAMPLE ENGAGEMENT OUTCOMES

- In 2020, as part of our People and Culture change programme, we established a diverse staff advisory group to bring the voice of staff into organisational change projects.
- Our leadership team regularly engages with our BAME, disabilities, gender, LGBT+ Allies and parental staff equalities networks on matters of culture and equality. It consults with them about policies, and supports their initiatives to improve culture and working practices at Save the Children. The networks have been instrumental in informing decision-making and driving change.
- Our executive directors work with our new, representative, staff sounding-board to gain insight into how decisions may affect staff according to their different needs and circumstances. We hope that this approach increases transparency and trust around decision-making processes.
- In 2020, we conducted two staff engagement surveys and a third seeking feedback on ways of working during lockdown to inform subsequent decisions.

### Volunteers and public supporters (see page 43)

Delivering our mission depends on the time, passion and fundraising support of our dedicated volunteers and public supporters. We want our volunteers and supporters to understand how their contribution helps children. We have a close relationship with our volunteers and engage with them frequently to update them on our work, ensure they have the support they need for a positive volunteering experience and understand their opinions to help shape our decisions.

We have a volunteer website portal, share quarterly newsletters, and have hosted a number of virtual forums and meetings in 2020. We engage with our wider public supporters to share information and understand their opinions through quarterly surveys, market research, social listening and monitoring of supporter calls.

#### EXAMPLE ENGAGEMENT OUTCOMES

- Our volunteers are some of our core supporters. Their feedback helps inform the regional approach to supporter engagement and provides a strong feedback loop for our work and strategies from a supporter perspective.
- Wider public supporter feedback is reflected in our supporter engagement strategy and communications. Our supporter survey indicated an average score of 8.3 (maximum 10) for the statement 'I feel I am making a meaningful difference', and an 8.5 supporter satisfaction score (end of 2020).

### Save the Children global movement

Save the Children is a [global membership organisation](#), made up of Save the Children International and 30 national members, including Save the Children UK (see page 7).

We engage closely with the movement to help shape global strategic plans, and in turn, seek feedback on where we can add most value as a member. We have two seats on the global Save the Children Board and our CEO is a member of the Management Committee that provides strategic day-to-day leadership. These governance structures are underpinned by functional groups such as the Global Policy, Advocacy and Campaigns Group, the Humanitarian Steering Group and Global Programme Directors. Save the Children UK is very active in these groups, sharing best practice, learning from others and working together to strengthen the movement.

Our technical experts liaise closely with colleagues across the movement through thematic working groups to consider new evidence and develop new guidance that is then applied by all members and country offices through Save the Children's 'Common Approaches'.

We engage with our country offices by listening to their views and supporting their Country Strategic Plans that are based on country needs and priorities. We inform our decision making through the facilitation of partnerships and funding opportunities, which are in line with these plans.

## INTERNAL POLICIES AND REGULATORY COMPLIANCE

In 2020, as part of our policies governance mechanism, we reviewed and updated eight internal policies, including our anti-terrorism and data-protection policies. We worked closely with our staff-equalities networks and the staff union to improve our managing-grievance and managing-conduct policies. We also temporarily increased our special leave from 10 to 35 days, via our special-leave policy, to support employees with caring responsibilities during the coronavirus pandemic. You can read more about how we supported our staff during the pandemic on page 41.

In 2020, we revised our approach to policy development and review to ensure a greater level of accountability.

Many of our policies and statements are published on our website, including on child safeguarding, code of conduct, donations acceptance and refusal, environmental statement, and open information. You can find out more about our organisation's policies on the [accountability page](#) of our website.

## MODERN SLAVERY STATEMENT

Over the course of 2020 we have continued to respond to the requirements of the Modern Slavery Act, including maintaining, augmenting and publishing key policies; continuing the inclusion of modern slavery clauses to hold accountable the parties with whom the charity contracts; and testing and identifying areas in the charity's direct supply chain where there may be the risk of forced labour, human trafficking or other forms of modern slavery. We also became a signatory to the United Nations Global Compact, enshrining in our operations its principles pertaining to the elimination of all forms of forced and compulsory labour, and the effective abolition of child labour.

The charity is using funds and skills to work closely with Save the Children International primarily to identify, resolve and eliminate any modern slavery in the supply chain for the international work undertaken by Save the Children International. By virtue of a spend freeze in response to the Covid-19 crisis, we have an additional assurance that no new modern slavery risks arose in our supply chain. As a result, the charity has no cases of modern slavery to report in its supply chain during 2020. The charity continues to publish its modern slavery statement on its website. For more information, see the Modern Slavery Statement on our website.

## GENDER PAY GAP STATEMENT

Save the Children is committed to achieving gender equity in pay. Our values as an organisation demand women and men are equally rewarded in relation to contribution, taking account of knowledge, skills and expertise. Through our programme, policy and campaigning work, we strive

to support gender equity around the world, and we are working towards ensuring that our organisation reflects the commitment to equity we demand of others.

### Our gender pay gap 2020

In 2020, our staff was 72% female and 28% male. Unlike recent years, where our gender pay gap has narrowed, in 2020 it showed a slight increase.

- Our median gender pay gap as of 5 April 2020 was 5.58% (4.60% in 2019) – a regression of 0.98 percentage points.
- The national median gender pay gap in 2020 was 15.50% (17.40% in 2019).
- The national median gender pay gap for the UK's largest and best-known charities (XpertHR Top Charities Salary Survey) in 2020 was 15.70% (15.90% in 2019).
- Our mean gender pay gap as of 5 April 2020 was 9.05% (8.34% in 2019).

The slight increase in our gender pay gap between 2019 and 2020 has been driven by staff movement which includes normal turnover, but also from the impact of a structural review in early 2020. We now review new starting salaries before they're approved to ensure equity in both gender and ethnicity pay.

We are committed to removing the barriers that lead to our gender pay gap. We will investigate the root causes of the gap within Save the Children UK and support female staff to progress to the most senior positions within the organisation where the gap is highest. This commitment is central to our new Diversity and Inclusion strategy.

We will always show a zero percentage for bonus payments, as we do not operate a bonus pay scheme. For more information on our gender pay gap, please see the full 2020 [Gender Pay Gap Report](#) on our website.

## ETHNICITY PAY GAP

In June 2020, the executive directors acknowledged the institutional racism that exists within the charity sector and at Save the Children UK. They affirmed their commitment to tackling both. This included publishing our ethnicity pay gap and committing to narrowing it. In October 2020, we published our first [Ethnicity Data and Pay Gap Report](#) on our website.

### Our ethnicity pay gap 2020

Our ethnicity pay gap, measured and published for the first time in 2020, is largely driven by a lack of ethnic diversity among our executive directors and senior leadership. Work to address this is embedded within our [Diversity and Inclusion strategy](#) and focuses on recruitment practices and career development for staff from underrepresented communities.

The number of people of colour at Save the Children UK is relatively small (19% at time of publication), so the pay gap is sensitive to leavers and new starters. This representation and the lack of diversity among senior leadership means that, as with the gender pay gap, there is no quick fix.

- Our median ethnicity pay gap as of 30 June 2020 was 2.11%.
- The national median ethnicity pay gap in 2018 was 3.8%, and in London was 21.7%.
- Our mean ethnicity pay gap as of 30 June 2020 was 4.94%.

The most concerning finding was when we used an intersectional lens, looking at the impact when different identities, such as gender and ethnicity, overlap. We found Black women earn 23% less than White men, and 13% less than White women.

We have taken a number of immediate steps to tackle these inequalities. These include reviewing new starting salaries before approval to ensure equity in pay in terms of gender and ethnicity pay, as well as undertaking a deeper analysis of gender and ethnicity pay gaps.

## OUR APPROACH TO PAY AND OVERHEADS

We are serious about being the best we can be for the world's children. That means we place a premium on attracting the best people to work for us and to lead our organisation.

Securing the right people to deliver our ambitions is key to our strategy. One of the many ways we do that is through our competitive reward structure. We commit to paying staff a fair salary that is competitive within the charity sector, proportionate to the complexity and responsibilities of each role, and in line with our charitable objectives.

We pay all staff a living wage of at least £10.85 per hour in London and £9.50 per hour in the rest of the UK, as of 31 March 2020. We are accredited by the Living Wage Foundation.

In 2020, despite the financial impact of the coronavirus pandemic, we continued our commitment to uphold our three agreed key principles for pay at Save the Children UK:

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

Financial constraints have restricted our approach to pay management this year, including the decision not to apply a workforce-wide pay award.

Save the Children UK decided to 'top up' the government-funded furlough scheme to maintain employee salaries at 100%, as well as significantly extending special leave provisions for those with caring responsibilities.

We acknowledge that debates over pay – and executive salaries, in particular – are important and reflect genuine public concerns. We are committed to achieving the right balance between recognising these concerns while at the same time ensuring our salary levels help attract the talent we need to run an effective and efficient multinational organisation. The People Committee oversees our pay policy and decides on the salaries of our Chief Executive and executive directors (see page 55).

In line with recommendations from the National Council for Voluntary Organisations 2014 inquiry into executive pay, we publish our approach to pay, including details on our gender pay gap and ethnicity pay gap, in detail on our [website](#). We explain how our pay levels are defined, publishing the ratio of pay levels across the organisation and listing the roles and salaries of our executive team.

For further details on staff salary and pensions costs, please see notes 8 and 25 in the financial statements (pages 82 and 99).

## EXECUTIVE DIRECTOR REMUNERATION IN 2020

The trustees delegate the day-to-day running of the organisation to the executive directors, who are considered the key management personnel. Compensation for all executive directors employed at Save the Children UK for the year ending 31 December 2020 are detailed here.

All our executive directors volunteered to take a 10% cut in their gross salary from 1 May to 31 December 2020 in recognition of the financial challenges the organisation was experiencing at the start of the pandemic.

Our Chief Executive Officer is paid a full-time equivalent annual salary of £143,000 (reduced to an annualised figure of £128,700 on reduced pay). As the pay reduction was introduced in May, the actual gross salary was £133,467. The pay ratio of our CEO's pay to our employees is as follows:

- Upper quartile (£49,000): 2.9:1 (2.6:1 with 10% CEO salary cut)
- Median pay (£42,000): 3.4:1 (3.1:1 with 10% CEO salary cut)
- Lower quartile (£35,000): 4.1:1 (3.7:1 with 10% CEO salary cut)

This is the first year we have publicly reported the executive pay ratio. A year-on-year comparison will be made available in the 2021 Annual Report.



Position	Responsibility	Actual gross salary* 2020	Full-time equivalent annual salary 2020	Full-time equivalent annual salary 2019
<b>Chief Executive Officer</b> Kevin Watkins	Provides overall leadership to the organisation, working with the Board and Executive Leadership Team to shape our goals and ensure that we achieve them. Member of the Management Committee of the global Save the Children Association.	£133,467	£143,000	£143,000
<b>Executive Director of Transformation</b> Fiona Clark	Leads the delivery of our organisational strategy and our change programmes. Also supervises our technology, risk and legal teams (from June 2020).	£115,000	£127,778	£127,778
<b>Executive Director of Global Programmes</b> Gwen Hines	Responsible for the design and delivery of our international programmes to help children survive, learn and be protected.	£112,000	£120,000	£120,000
<b>Interim Executive Director of Human Resources</b> Lynne Holmes (to 13/11/2020)	Responsible for the recruitment, support and development of our team of around 1,000 staff, and for initiatives to improve our people management capabilities and employee experience.	£93,980	£112,000	£112,000
<b>Executive Director of Policy, Advocacy and Campaigns</b> Kirsty McNeill	Responsible for our UK programmes and our policy, advocacy and campaigning work, encouraging decision-makers in the UK and around the world to deliver for the world's most deprived and marginalised children.	£104,533	£112,000	£112,000
<b>Chief Financial Officer</b> Sam Sharpe (to 21/06/2020)	Responsible for ensuring strong management of our income and spending to deliver maximum impact for children. Also supervises our technology, risk and legal teams (until June 2020).	£60,147	£123,235	£123,235
<b>Chief Financial Officer</b> Francis D'Souza (from 11/11/2020, acting up from 22/06/2020)		£45,891	£115,000	–
<b>Executive Director of Fundraising and Marketing</b> Gemma Sherrington	Responsible for engaging the UK public to support Save the Children through their time, money and actions. Leads our network of shops and relationships with commercial partners.	£107,333	£115,000	£115,000

\* Differences between full-time equivalent annual salaries and actual gross salaries arise as a result of voluntary pay reductions taken for part of the reporting period following the onset of the pandemic, part-time hours, individuals joining/leaving Save the Children, and redundancy payments. In addition to the gross salary, £179,599 was paid for employer's national insurance, pension contributions, life insurance and payment in lieu of notice in respect of the above individuals. From 2020 we include salaries of both interim executive directors and staff acting up into the role of executive director.

## FUNDRAISING COMPLIANCE

We comply with all relevant statutory regulations, including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 2018, the Privacy and Electronic Communications Regulations 2003 and the Telephone Preference Service. We strive for best practice in fundraising by complying with a range of codes of practice and standards. This includes being a member of the Institute of Fundraising and being registered with the Fundraising Regulator and adhering to its Code of Fundraising Practice, Fundraising Promise and Fundraising Preference Service. Our Whistleblowing Policy

covers how staff, volunteers or those representing Save the Children can report a fundraising concern about any of our fundraising activities.

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

## DONATION ACCEPTANCE AND REFUSAL

We are committed to making decisions that are in the best interests of the charity and, ultimately, children. Our [Donation Acceptance and Refusal policy](#) ensures that we do not compromise on our mission and values when it comes to raising income. It is reviewed every two years and was last reviewed in 2020. The Donation Acceptance Committee considers potential high-risk donations to Save the Children (see page 55), and in 2020 turned down six opportunities. The reason for some of these rejections include violations of The International Code of Marketing of Breast Milk Substitutes and concerns over the nutritional value of products, both of which are in conflict with important areas of our programming and advocacy work.

## TREATING SUPPORTERS FAIRLY

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

## THIRD PARTIES FUNDRAISING ON OUR BEHALF

Save the Children engages ‘professional fundraisers’ (agencies) to undertake fundraising on our behalf through telephone fundraising. We continue to use robust oversight and monitoring procedures, in line with Fundraising Regulator standards. We ensure fundraising undertaken on our behalf is of the highest standard, compliant with all regulation and embodies Save the Children’s supporter-centric approach. We monitor our agencies through a combination of call monitoring, contract monitoring, regular meetings and training fundraisers on our expectations. We report our findings to our Audit Committee on a regular basis.

We also work with corporate partners who sell goods and donate a proportion of the proceeds to us. In 2020, this included:

- Adidas, which produced and sold face masks, with a portion of the proceeds going to Save the Children
- Biscuiteers, which sold bespoke biscuit tins in aid of Save the Children
- The OutNet, which sold a clothing collection designed by Save the Children UK ambassador Laura Bailey, with 10% of sales being donated
- Bloomsbury Publishing, which donated 80p of every paperback and £1 of every hardback sold of *The World Made a Rainbow* by Michelle Robinson.

## RAISING A CONCERN OR MAKING A COMPLAINT

We know there are times when we do not meet the high standards we set ourselves as an organisation. When we fall short, we investigate and take steps to prevent the problem happening again.

In 2020, our supporter-facing teams received 380 public complaints. This is a 21% decrease from 2019 (478). We are continuously improving our fundraising and marketing practice, ensuring our supporters are at the heart of decisions about our fundraising. We have adjusted the frequency of our appeals and the fundraising methods we use to generate income. Through our efforts to constantly improve, we have reduced gift processing and administration errors.

There were 24 complaints from the public prompted by the conclusion of the Charity Commission’s statutory inquiry report into Save the Children UK’s handling of misconduct cases in 2012 and 2015, and subsequent media coverage in 2018. These complaints identify instances where we have fallen short in the past. Robust and rigorous action continues to be taken to ensure Save the Children is run to the highest governance standards.

Save the Children will continue to take a principled stand on important issues affecting children, which may generate complaints. Complaint rates about our work will therefore inevitably vary from year to year. It is vital we engage and build understanding with people who disagree with us.

The below graphic provides a breakdown of complaints by thematic area. The largest complaint category – fundraising: gift administration (222) – relates to errors processing supporters’ donations. In almost every instance, these errors were quickly remedied. Nevertheless, sustained efforts are being made to improve the procedures and systems used to process donations.

Save the Children UK reports annually on fundraising complaints to the Fundraising Regulator. As well as adhering to the Regulator’s complaints-reporting guidelines, Save the Children is committed to fair, honest and open fundraising practice. For further details on our complaints procedure, please see our [website](#).

### Breakdown of public complaints received in 2020

Fundraising (gift administration)	222
Fundraising (methodology and solicitation)	80
Our work	17
Governance, strategy and policy	41
Advocacy and campaigns	12
Trading	8
<b>Total complaints</b>	<b>380</b>

## SAVE THE CHILDREN IN SCOTLAND

The Office of the Scottish Charities Regulator requires us to report separately on our activities in Scotland. Save the Children's activities during 2020 addressed issues faced by children in Scotland as well contributing to the global aims of Save the Children.

## SUPPORTING FAMILIES DURING THE PANDEMIC

In Scotland we adapted our work to meet the immediate needs of families in the wake of the Covid-19 pandemic. We provided emergency support for low-income families at home.

Across seven local authorities, we delivered more than 1,000 emergency grants to more than 2,000 children living in poverty. With funding from the Scottish government and in partnership with Play Scotland, we distributed nearly 30,000 learning packs of books, activities and games. For families with no or limited digital access, printed learning packs were crucial.

An evaluation showed that parents chose to spend their grants on food, children's clothes and toys. The grants reduced stress, provided more play opportunities, and supported better routines. Families' experiences and needs have shaped our calls on the Scottish government to put more money in families' pockets.

## WORKING WITH SCHOOLS TO SUPPORT LEARNING AT HOME

Covid-19 disrupted young lives, and risked pushing children living in poverty further behind their better-off peers.

With support from the Scottish government, we helped 20 schools deliver Families Connect before the pandemic. After the coronavirus outbreak, the programme was adapted to be delivered online to parents at home. The updated programme emphasises children's social and emotional development and wellbeing, as well as literacy, numeracy and communication skills. We trained 85 practitioners across four local authorities in the new model.

## BRINGING COMMUNITIES TOGETHER

We want every community in Scotland to work better to tackle child poverty. In partnership with STV Children's Appeal, we worked with partners to refine our Children's Places programme. The programme gives children and families a voice in shaping support and services that improve their communities.

## INFLUENCING AND CAMPAIGNS

Since the pandemic hit, we have focused on campaigning for more support for children in poverty. We partnered with the Joseph Rowntree Foundation and members of End Child Poverty in Scotland to call on the UK and

Scottish governments to provide urgent financial support for low-income families. We collated and shared evidence on the financial impact of the pandemic.

The Scottish government extended support for free school meals over holiday periods, introduced a £100 winter payment for low-income families and committed to the introduction of a Scottish Child Payment for young children in early 2021. We also:

- brought stakeholders together for a national conference on the impact of poverty on children in their early years
- drew on our programme experience to contribute to national guidance on how parents can support their children's learning.

Nearly 100 years after our founder, Eglantyne Jebb, wrote the declaration on children's rights, the Scottish government published a Bill to incorporate the UN Convention of the Rights of the Child into law. We contributed our views on the Bill and its implementation.

## FUNDRAISING TO DELIVER OUR WORK


We're grateful to a wide range of funders who made our work in Scotland possible during 2020. This includes the Scottish government, the STV Children's Appeal, individual donors and our partners Hearts Football Club.

## OUR GLOBAL ROLE

We worked with the Disasters Emergency Committee Scotland Coronavirus Appeal, which raised £3 million in Scotland and liaised with the Scottish media to raise awareness of global emergencies. We continued our membership of the Scottish government's Humanitarian Emergencies Fund Panel, securing funding for our response to the floods in Niger.

## Approval of the Trustees' Report

The Trustees' Report on pages 4–66 was approved by the Board of Trustees on 18 May 2021.

DocuSigned by:  
  
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**Dr Tsitsi Chawatama**  
**Chair of Trustees, Save the Children**  
 20 May 2021

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

### OPINION

We have audited the financial statements of Save the Children Fund ("the charitable company") for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, consolidated and charity balance sheets, consolidated cash flow statement, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### BASIS FOR OPINION

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

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

### GOING CONCERN

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

In our evaluation of the trustees' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and

charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

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

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

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

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

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

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

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

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



of bias in accounting estimates and judgments such as pension assumptions.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management or other unexpected individuals and those posted to unusual accounts combinations;
- Using data analytics procedures to test donations income by identifying unusual postings for additional investigation;
- Agreeing a sample of legacy income transactions back to relevant legal documents; and
- Inspecting grant agreements to determine if income has been recognised in line with accounting policy
- Assessing significant accounting estimates, such as pension assumptions, for bias.

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

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

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

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

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

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, and certain

aspects of company and charity legislation, recognising the nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

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

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

## OTHER INFORMATION

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

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

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

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

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

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

We have nothing to report in these respects.

## TRUSTEES' RESPONSIBILITIES

As explained more fully in their statement set out on page 56, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES

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

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

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

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members, as a body and its trustees, as a body, for our audit work, for this report or for the opinions we have formed.



**Lynton Richmond (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

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

15 Canada Square, London E14 5GL

Date: 25th May 2021

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

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

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

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

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

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

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

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £000	All restricted and endowment funds £000	Total funds year to 31/12/2020 £000	Total funds year to 31/12/2019 £000
<b>Income and endowments from:</b>					
Donations and legacies	2	64,232	24,211	<b>88,443</b>	89,206
Charitable activities	3	–	188,924	<b>188,924</b>	200,343
Other trading activities	4	6,585	–	<b>6,585</b>	13,451
Investments	5	760	–	<b>760</b>	1,068
Other	6	3,786	232	<b>4,018</b>	3,297
<b>Total income</b>		<b>75,363</b>	<b>213,367</b>	<b>288,730</b>	<b>307,365</b>
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Raising donations and legacies	7	19,904	751	<b>20,655</b>	26,858
Other trading activities	7	7,826	7	<b>7,833</b>	8,992
Investment management costs	7	93	–	<b>93</b>	120
<b>Total raising funds</b>		<b>27,823</b>	<b>758</b>	<b>28,581</b>	<b>35,970</b>
<b>Charitable activities</b>					
Nutrition	7	2,625	17,563	<b>20,188</b>	22,144
Livelihoods	7	4,594	33,010	<b>37,604</b>	29,073
Health	7	6,005	36,496	<b>42,501</b>	37,220
Protection and rights	7	1,237	9,913	<b>11,150</b>	16,487
Education	7	6,533	37,121	<b>43,654</b>	43,680
Rapid onset emergencies	7	13,237	72,488	<b>85,725</b>	105,585
Advocacy and awareness	7	7,837	3,459	<b>11,296</b>	16,443
<b>Total charitable activities</b>		<b>42,068</b>	<b>210,050</b>	<b>252,118</b>	<b>270,632</b>
Other	7	2,460	2	<b>2,462</b>	2,297
<b>Total expenditure</b>		<b>72,351</b>	<b>210,810</b>	<b>283,161</b>	<b>308,899</b>
Net gains on investments	13	795	203	<b>998</b>	3,692
Movement on share of associates surplus	14	24	–	<b>24</b>	67
<b>Net income</b>		<b>3,831</b>	<b>2,760</b>	<b>6,591</b>	<b>2,225</b>
Transfers between funds	21	(129)	129	<b>–</b>	–
Actuarial (loss)/gains on defined benefit pension scheme	25	(5,829)	–	<b>(5,829)</b>	4,795
<b>Net movement in funds</b>		<b>(2,127)</b>	<b>2,889</b>	<b>762</b>	<b>7,020</b>
Fund balances brought forward		44,266	13,588	<b>57,854</b>	50,834
<b>Fund balances carried forward</b>	21	<b>42,139</b>	<b>16,477</b>	<b>58,616</b>	<b>57,854</b>

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

The restricted fund balances carried forward include £4,865,000 (2019: £4,395,000), which relates to endowment funds.

There were no new endowments in the year and there were gains in the funds in the current year of £203,000 (2019: £625,000).

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



## CONSOLIDATED AND CHARITY BALANCE SHEETS


### AS AT 31 DECEMBER 2020

	Notes	Group 31/12/2020 £000	Group 31/12/2019 £000	Charity 31/12/2020 £000	Charity 31/12/2019 £000
<b>Fixed assets</b>					
Intangible assets	11	888	1,653	888	1,653
Tangible assets	12	1,894	2,433	1,894	2,433
Investments	13	37,932	36,243	38,207	36,518
Associates	14b	591	567	–	–
		<b>41,305</b>	<b>40,896</b>	<b>40,989</b>	<b>40,604</b>
<b>Current assets</b>					
Stocks	15	1,395	1,268	1,282	1,162
Grant debtors	16a	24,968	21,568	21,906	21,251
Other debtors	16b	36,694	32,804	36,413	32,505
Short-term deposits		23,872	19,402	23,872	19,402
Cash at bank and in hand		20,544	30,248	20,278	29,375
		<b>107,473</b>	<b>105,290</b>	<b>103,751</b>	<b>103,695</b>
<b>Creditors: amounts falling due within one year</b>	17a	<b>(78,650)</b>	<b>(75,854)</b>	<b>(78,731)</b>	<b>(77,584)</b>
<b>Net current assets</b>		<b>28,823</b>	<b>29,436</b>	<b>25,020</b>	<b>26,111</b>
<b>Total assets less current liabilities</b>		<b>70,128</b>	<b>70,332</b>	<b>66,009</b>	<b>66,715</b>
<b>Creditors: amounts falling due after more than one year</b>	17b	<b>(1,207)</b>	<b>(3,155)</b>	<b>(1,207)</b>	<b>(3,155)</b>
<b>Provisions for liabilities</b>	18	<b>(7,548)</b>	<b>(8,698)</b>	<b>(6,728)</b>	<b>(8,359)</b>
<b>Net assets excluding pension liability</b>		<b>61,373</b>	<b>58,479</b>	<b>58,074</b>	<b>55,201</b>
<b>Defined benefit pension scheme liability</b>	25	<b>(2,757)</b>	<b>(625)</b>	<b>(2,757)</b>	<b>(625)</b>
<b>Total net assets</b>		<b>58,616</b>	<b>57,854</b>	<b>55,317</b>	<b>54,576</b>
<b>Unrestricted funds</b>					
General reserve	21	34,143	32,248	34,148	32,255
Revaluation reserve	21	4,350	4,788	4,350	4,788
Designated funds	21	6,403	7,855	3,621	4,873
Total unrestricted funds excluding pension reserve		<b>44,896</b>	<b>44,891</b>	<b>42,119</b>	<b>41,916</b>
Pension reserve	25	<b>(2,757)</b>	<b>(625)</b>	<b>(2,757)</b>	<b>(625)</b>
Total unrestricted funds		<b>42,139</b>	<b>44,266</b>	<b>39,362</b>	<b>41,291</b>
<b>All restricted and endowed funds</b>					
Restricted income funds	22	11,612	9,193	11,090	8,890
Endowment funds	23	4,865	4,395	4,865	4,395
Total restricted funds		<b>16,477</b>	<b>13,588</b>	<b>15,955</b>	<b>13,285</b>
<b>Total funds</b>		<b>58,616</b>	<b>57,854</b>	<b>55,317</b>	<b>54,576</b>

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

The financial statements on pages 71 to 106 were approved by the Board of Trustees on 18 May 2021 and signed on their behalf by the Chair and Honorary Treasurer on 20 May 2021.

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**Dr Tsitsi Chawatama** – Chair

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**Richard Winter CBE** – Honorary Treasurer

Company Number: 178159

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Year to 31/12/2020 £000	Year to 31/12/2019 £000
<b>Net cash flows from operating activities</b>	(a)	<b>(5,228)</b>	6,079
<b>Cash flows from investing activities</b>			
Bank interest received	5	209	335
Dividends received	5	551	733
Purchase of intangible fixed assets	11	–	(279)
Purchase of tangible fixed assets	12	(51)	(408)
Proceeds from sale of fixed assets		–	–
Purchase of investments	13	(9,321)	(6,061)
Proceeds from sale of investments	13	8,524	11,029
Net cash movement in investments	13	106	89
Investment in associate	14b	(24)	(67)
Net cash used in investing activities		(6)	5,371
<b>Net cash flows from financing activities</b>			
Change in cash and cash equivalents in the year	(b)	(5,234)	11,450
Cash and cash equivalents at the beginning of the year		49,650	38,200
Cash and cash equivalents at the end of the year		44,416	49,650

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

### NOTES TO THE CASH-FLOW STATEMENT

#### (a) Reconciliation of net income to net cash flow from operating activities

	Year to 31/12/2020 £000	Year to 31/12/2019 £000
Net income	6,591	2,225
Investment income	(760)	(1,068)
Gains on investments	(998)	(3,692)
Adjustment for pension funding	242	470
Payments to defined benefit pension scheme	(3,939)	(5,047)
Net loss on disposal of fixed assets	8	4
Depreciation charge	582	635
Amortisation charge	765	1,464
Impairment charge	–	278
Increase in stocks	(127)	(382)
(Increase)/decrease in debtors	(7,290)	14,285
Increase/(decrease) in creditors falling due within one year	2,796	(3,716)
Decrease in creditors falling due in more than one year	(1,948)	(180)
(Decrease)/increase in provisions	(1,150)	803
Net cash flows from operating activities	(5,228)	6,079

#### (b) Analysis of cash and cash equivalents

	At 01/01/2020 £000	Cash flow £000	At 31/12/2020 £000
Cash at bank and in hand	30,248	(9,704)	20,544
Short-term deposits	19,402	4,470	23,872
	49,650	(5,234)	44,416

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 1. ACCOUNTING POLICIES

#### (A) BASIS OF PREPARATION

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

The charity meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemption in relation to a presentation of a cash-flow statement in respect of its separate financial statements, which are presented alongside the consolidated financial statements.

The group meets the definition of a public benefit entity under FRS 102. See page 56 for further details. The financial statements have been prepared under the historical cost convention, unless otherwise stated in the relevant accounting policy note.

The financial statements have been prepared on the going concern basis. The trustees have prepared cash-flow forecasts for a period of 18 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and the anticipated impact of Covid-19 on the operations and its financial resources, the Group and Charitable Company will have sufficient funds to meet its liabilities as they fall due for that period. More information is provided in the financial performance section of the trustees' report on page 48.

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

Save the Children International (SCI) carries out international programming on behalf of Save the Children UK (SCUK) and other movement members. The investment in SCI is classified as a programme-related investment as this investment is made directly in pursuit of SCUK's charitable purposes. Grants provided by SCUK to SCI are considered to be a part of the costs of activities in furtherance of the objects of the charity and are accounted for in accordance with the grants made to external parties. This is because of the significance of the charity's programme activity outside of the UK carried out through SCI and the nature of the programme operating model. The amounts recognised in relation to SCI are disclosed in the relevant notes to the financial statements.

Save the Children UK has treated the William Belmer Rush Foundation as an associate owing to the significant influence exerted over its financial and operating policies, and has accounted for the Foundation in the group financial

statements on a net equity basis. The consolidated SOFA includes the group's share of the associates surplus or deficit.

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

Save the Children UK was the lead agency of Start Network, a network of more than 50 non-governmental organisations working to strengthen the humanitarian aid sector. As the principal charity within the consortium Save the Children UK was legally responsible to donors for the charitable application of funds. Funding for the consortium was recognised by Save the Children UK as a separate restricted fund under the agreement with donors. On 1 May 2019, Start Network became an independent charity, with Save the Children UK as sole grant custodian for some of its work. Following transition, only income and expenditure on awards where Save the Children is acting as the grant custodian, and in that capacity is legally responsible to donors for the charitable application of funds, are recognised. Start Network continues to work with Save the Children UK to bring on additional grant custodians.

#### (B) COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the trustees named on page 53. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

#### (C) FUND ACCOUNTING

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

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

Unrestricted funds include a **pension reserve** adjustment to match the pension deficit, in line with FRS 102 section 28: Employee Benefits.

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

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

Investment income and gains are allocated to the appropriate fund.

## 1. ACCOUNTING POLICIES (CONTINUED)

### (D) INCOME

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

#### Donations and legacies

##### Donations

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

##### Legacies

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

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

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

##### Gifts in kind

##### Gifts for onward distribution

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

##### Gifts for resale

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

##### Donated facilities and support

Gifts in kind also include campaigning and fundraising goods and services, all recognised when received or performed. These have been valued by officers of Save the Children UK either at market value or, where a market value is not available, based on appropriate estimates.

##### Volunteers

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

##### Income from charitable activities

Grants from governments, agencies and foundations, corporates and trusts have been included as 'Income from charitable activities' where these grants specifically outline

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

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

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

##### Other trading activities

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

Lottery income is proceeds from lotteries held by the People's Postcode Lottery (PPL). SCUK has no ability to alter the price of the tickets, determine the prizes or reduce the management fee. As such, PPL is treated as acting as principal. Net proceeds due to SCUK are recognised under other trading activities in the statement of financial activities and analysed in note 4b.

### (E) EXPENDITURE

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

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

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



## 1. ACCOUNTING POLICIES (CONTINUED)

Support costs, such as general management, governance, human resources, financial management, programme support, information systems and premises costs are allocated across the categories of charitable activities and costs of raising funds. The basis of the cost allocation has been explained in the notes to the accounts.

### (F) TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

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

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

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

### (G) INTANGIBLE FIXED ASSETS AND AMORTISATION

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

Computer software, including development costs, is capitalised as an intangible asset and amortised on a straight-line basis over the expected useful life of five years.

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

### (H) INVESTMENTS

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

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

### (I) STOCKS

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

### (J) PENSION COSTS

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

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

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

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

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

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

## 1. ACCOUNTING POLICIES (CONTINUED)

### (K) FINANCE AND OPERATING LEASES

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

### (L) FOREIGN CURRENCIES

Foreign currency balances have been translated at the rate of exchange ruling at the balance-sheet date into the accounts presentational and functional currency, which is GBP. Income and expenditure transactions incurred in foreign currencies have been translated during the course of the year at the rate of exchange ruling at the time of the transaction. Appropriate action is taken to mitigate foreign exchange risk. Save the Children UK does not enter into foreign exchange contracts for speculative purposes.

### (M) PROVISIONS

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

Where the time value of money is material, provisions are discounted using a discount rate reflecting the current market assessment of the time value of money as represented by the interest rates available to the group when placing cash on deposit.

### (N) TAXATION

The charities in the Group are exempt from UK taxation on their income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that the income and gains are applied to their charitable purposes. No corporation tax charges arose for the group charities during the year (2019: Nil).

The non-charitable subsidiaries are subject to corporation tax but, because their policies are to donate taxable profits to Save the Children UK by way of Gift Aid, no liabilities arose (2019: Nil)

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

### (O) FINANCIAL INSTRUMENTS

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

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity

of three months or less from the date of acquisition or opening of the deposits or similar account. Trade and other debtors are recognised at the settlement amount due after any discount offered and net of the bad debt provision. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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

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

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

#### Revenue recognition

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

#### Pension liability

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

#### Provisions

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

#### Cost allocation

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

## 2. DONATIONS AND LEGACIES

	Unrestricted funds £000	Restricted funds £000	Year to 31/12/2020 £000	Year to 31/12/2019 <sup>2</sup> £000
<b>(a) Donations and gifts</b>				
Individuals – regular giving	32,944	770	<b>33,714</b>	35,044
Individuals – one-off donations, appeals and events	10,662	3,698	<b>14,360</b>	13,682
Trusts and major donors	2,583	4,581	<b>7,164</b>	8,933
Corporate fundraising	995	3,906	<b>4,901</b>	3,866
Institutional donors	19	7,712	<b>7,731</b>	400
	<b>47,203</b>	<b>20,667</b>	<b>67,870</b>	<b>61,925</b>
<b>(b) Gifts in kind by type</b>				
Gifts in kind for distribution	–	2,929	<b>2,929</b>	2,326
Headquarters professional services	–	289	<b>289</b>	406
Fundraising	–	27	<b>27</b>	387
	–	<b>3,245</b>	<b>3,245</b>	<b>3,119</b>
<b>(c) Legacies</b>				
Legacies <sup>1</sup>	17,029	299	<b>17,328</b>	24,162
<b>Total donations and legacies</b>	<b>64,232</b>	<b>24,211</b>	<b>88,443</b>	<b>89,206</b>

<sup>1</sup> The estimated amount of legacies for which the charity has received notice of entitlement, but which has not been accrued, whether because probate has not yet been obtained, or on grounds of insufficient probability, was £3.3 million (2019: £3.1 million).

<sup>2</sup> The presentation of this note has been amended in the year to provide greater transparency on our regular versus one-off donations from individuals. The 2019 comparatives have been reclassified to ensure consistency, however there is no impact on the overall totals.

## 3. INCOME FROM CHARITABLE ACTIVITIES

	Year to 31/12/2020 restricted £000	Year to 31/12/2019 restricted £000
<b>Performance-related grants</b>		
UK central government	<b>62,858</b>	68,849
Irish government	<b>3,291</b>	2,608
Other national governments	<b>10,507</b>	11,891
UK local and regional government	<b>753</b>	1,018
European Commission (including European Community Humanitarian Aid Office)	<b>8,772</b>	18,915
Disasters Emergency Committee	<b>4,547</b>	6,790
Education Cannot Wait	<b>12,992</b>	8,238
United Nations	<b>34,567</b>	42,670
World Bank	<b>3,263</b>	2,939
<b>Total government and multilateral organisations</b>	<b>141,550</b>	<b>163,918</b>
Comic Relief	<b>486</b>	431
Bill & Melinda Gates Foundation	<b>2,554</b>	2,633
Corporate partners	<b>17,200</b>	16,525
Trusts	<b>19,989</b>	4,493
Other	<b>7,145</b>	12,343
<b>Total income from charitable activities</b>	<b>188,924</b>	<b>200,343</b>

European Commission includes £1,284,00 from ECHO, corporate partners includes £2,606,000 from IKEA Foundation for Start Network and trusts includes £18,000 from Lankelly Chase.

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

## 4. OTHER TRADING ACTIVITIES

	Year to 31/12/2020 unrestricted £000	Year to 31/12/2019 unrestricted £000
Retail income (see note 4a)	3,992	10,540
Lottery income (see note 4b)	2,593	2,911
<b>Total trading income</b>	<b>6,585</b>	<b>13,451</b>

	Charity £000	Save the Children (Sales) Ltd £000	Total year to 31/12/2020 £000	Total year to 31/12/2019 £000
<b>(a) Retail income and costs</b>				
Retail income	3,691	301	3,992	10,540
Cost of sales	–	(181)	(181)	(366)
Direct expenses	(7,441)	(240)	(7,681)	(8,626)
Total expenses	(7,441)	(421)	(7,862)	(8,992)
<b>(Deficit)/Surplus</b>	<b>(3,750)</b>	<b>(120)</b>	<b>(3,870)</b>	<b>1,548</b>

Additional net income was raised in relation to shops which is disclosed elsewhere and includes £463,000 (2019: £373,000) of donations raised in shops, and £20,000 (2019: £29,000) of property income, totalling £483,000 (2019: £402,000). Our 2020 retail income includes £905,000 (2019: nil) received from local authorities through the Retail, Hospitality and Leisure Grant government coronavirus support scheme.

### (b) Lottery income

During the year, Save the Children UK received net proceeds of lotteries held by the People's Postcode Lottery. As noted in the accounting policy in note 1d, the net proceeds are recognised as income, which are determined as follows:

	Year to 31/12/2020 £000	Year to 31/12/2019 £000
Ticket value	8,104	9,097
Prize fund	(3,237)	(3,639)
Management fee	(2,274)	(2,547)
<b>Net proceeds</b>	<b>2,593</b>	<b>2,911</b>

## 5. INVESTMENT INCOME

	Unrestricted funds £000	Restricted funds £000	Year to 31/12/2020 £000	Year to 31/12/2019 £000
Dividends on investments listed on a recognised stock exchange	551	–	551	733
Interest on bank deposits and other investments	209	–	209	335
	760	–	760	1,068

## 6. OTHER INCOME

	Unrestricted funds £000	Restricted funds £000	Year to 31/12/2020 £000	Year to 31/12/2019 £000
Rental income	2,214	–	2,214	1,827
Other income	1,572	232	1,804	1,470
	3,786	232	4,018	3,297



## 7. EXPENDITURE

(a)

Expenditure on raising funds	Activities undertaken directly				Allocation of management and admin costs (note 7e) £000	Allocation of programme support costs (note 7e) £000	Year to 31/12/2020 £000	Year to 31/12/2019 £000
	Grant funding of activities (note 7b) £000	Staff costs (note 8) £000	Other direct costs £000	Gifts in kind £000				
Expenditure on raising donations and legacies (note 7d)	17	9,765	7,670	397	2,806	–	20,655	26,858
Expenditure on other trading activities	–	2,414	4,735	–	684	–	7,833	8,992
Investment management costs	–	–	88	–	5	–	93	120
	17	12,179	12,493	397	3,495	–	28,581	35,970
<b>Charitable activities</b>								
Nutrition	15,705	281	502	1,107	1,136	1,457	20,188	22,144
Livelihoods	30,426	669	763	886	2,130	2,730	37,604	29,073
Health	35,078	595	894	474	2,392	3,068	42,501	37,220
Protection and rights	9,247	186	241	37	630	809	11,150	16,487
Education	34,370	1,891	1,653	2	2,577	3,161	43,654	43,680
Rapid onset emergencies	59,654	8,779	6,759	85	4,905	5,543	85,725	105,585
	184,480	12,401	10,812	2,591	13,770	16,768	240,822	254,189
Advocacy and awareness (note 7c)	2,426	5,990	375	–	1,772	733	11,296	16,443
Total charitable activities	186,906	18,391	11,187	2,591	15,542	17,501	252,118	270,632
Support costs	853	17,104	18,503	206	(19,165)	(17,501)	–	–
Other expenditure <sup>1</sup>	–	–	2,334	–	128	–	2,462	2,297
<b>Total expenditure</b>	187,776	47,674	44,517	3,194	–	–	283,161	308,899
Prior year	191,413	53,669	60,662	3,155	–	–	308,899	

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

### (b) Grant funding of activities

During the year ended 31 December 2020, Save the Children UK made grants to partner organisations carrying out work to help children. A list of grants is made available at <https://www.savethechildren.org.uk/content/dam/global/reports/note-grants-list-2020.pdf>.

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

These have several objectives, including:

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

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

## 7. EXPENDITURE (CONTINUED)

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

	Year to 31/12/2020 £000	Year to 31/12/2019 £000
Mass fundraising (including legacies)	17,172	22,139
Trusts and major donors	1,384	2,550
Corporate fundraising	2,099	2,169
	<b>20,655</b>	<b>26,858</b>

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

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

		Year to 31/12/2020 £000	Year to 31/12/2019 £000
<b>Management and administration costs</b>	<b>Basis of apportionment</b>		
General management	Pro-rata by expenditure	2,806	2,576
Governance	Pro-rata by expenditure	1,076	1,131
Human resources	Pro-rata by salary costs	2,884	2,466
Financial management	Pro-rata by expenditure	3,000	3,189
Premises and facilities	Pro-rata by building usage	3,306	3,726
Technology	Pro-rata by expenditure	6,056	7,306
Gifts in kind (pro-bono professional services)	Pro-rata by expenditure	206	364
(Gains)/losses on foreign exchange	Pro-rata by expenditure	(191)	314
Net interest cost <sup>1</sup>	Pro-rata by expenditure	22	200
		<b>19,165</b>	<b>21,272</b>
<b>Programme support costs</b>			
Core programme support costs			
Core contributions to SCI/SCA	Pro-rata by charitable expenditure	3,114	3,466
Programme support	Pro-rata by charitable expenditure	6,306	7,474
Central and regional operating costs to SCI	Pro-rata by charitable expenditure	4,703	4,801
		<b>14,123</b>	<b>15,741</b>
Additional contributions			
Contribution to growth of other Save the Children members	Pro-rata by charitable expenditure	628	97
SCI strategic investment funding	Pro-rata by charitable expenditure	2,750	3,660
		<b>3,378</b>	<b>3,757</b>
<b>Total programme support</b>		<b>17,501</b>	<b>19,498</b>
<b>Total support costs</b>		<b>36,666</b>	<b>40,770</b>
Financed by unrestricted funds		25,702	28,519
Charged to restricted awards		1,240	1,774
Indirect cost recovery <sup>2</sup>		9,724	10,477
		<b>36,666</b>	<b>40,770</b>

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

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

## 7. EXPENDITURE (CONTINUED)

(f) Total resources expended include the following amounts:

<b>Group auditor's remuneration</b>	<b>Year to 31/12/2020 £000</b>	<b>Year to 31/12/2019 £000</b>
Audit of charity	134	110
Audit of subsidiaries	34	43
<b>Total audit</b>	<b>168</b>	<b>153</b>
Audit related assurance services	2	4
<b>Total assurance services</b>	<b>2</b>	<b>4</b>
Other non-audit services	–	–
<b>Total non-audit services</b>	<b>–</b>	<b>–</b>
<b>Total fees</b>	<b>170</b>	<b>157</b>

<b>Lease rentals: land and buildings</b>	<b>Year to 31/12/2020 £000</b>	<b>Year to 31/12/2019 £000</b>
Retail	2,373	2,527
Programme offices	213	347
Headquarters	3,946	4,105
	<b>6,532</b>	<b>6,979</b>

### Ex-gratia payments

There were no ex-gratia payments made in the reporting period (2019: one). The ex-gratia payment made in 2019 was to the relatives of testators who had willed part of their estate to Save the Children UK, a share in a property asset valued at £8,000. Save the Children UK waived their right to this. The Board of Trustees considered this a moral obligation as there was indication of clear intentions by the testator that the property should pass to the relative of the testator.

## 8. STAFF COSTS

<b>(a)</b>	<b>Year to 31/12/2020 £000</b>	<b>Year to 31/12/2019 £000</b>
Wages and salaries	38,883	42,297
National Insurance	4,241	4,669
Pension costs defined contribution scheme	2,154	2,524
Pension costs defined benefit scheme	220	270
Other staff costs	2,176	3,909
	<b>47,674</b>	<b>53,669</b>

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

Included within staff costs is £269,685 (2019: £846,852) of termination costs, incurred primarily as a result of implementing new operating models for our programming, fundraising, advocacy and technology teams to improve delivery of our strategy.

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

	Average headcount		Average FTE headcount	
	<b>Year to 31/12/2020 number</b>	<b>Year to 31/12/2019 number</b>	<b>Year to 31/12/2020 number</b>	<b>Year to 31/12/2019 number</b>
Charitable activities	636	729	619	706
Raising funds	289	338	283	330
	<b>925</b>	<b>1,067</b>	<b>902</b>	<b>1,036</b>

## 8. STAFF COSTS (CONTINUED)

(c) At 31 December 2020, the number of staff was as follows:

	Headcount <sup>1</sup> number	Headcount equivalent <sup>2</sup> number
UK HQ	726	708
UK non-HQ	154	147
International	33	33
	913	888

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

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

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

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

	Year to 31/12/2020 number	Year to 31/12/2019 number
£60,001–£70,000	40	40
£70,001–£80,000	15	16
£80,001–£90,000	7	7
£90,001–£100,000	1	3
£100,001–£110,000	2	–
£110,001–£120,000	2	3
£120,001–£130,000	1	1
£130,001–£140,000	1	–
£140,001–£150,000	–	1
	69	71

### (e) 2020 Executive Director remuneration

The trustees delegate the day-to-day running of the organisation to the executive directors who are considered to be the key management personnel. The total amount of employee benefits received by the executive directors for the year ending 31 December 2020 was £951,910 (2019: £871,967) of which £772,351 (2019: £740,664) was actual gross salary and £179,559 (2019: £131,303) was paid for employer's national insurance, pension contributions, life insurance and payment in lieu of notice. Variances year on year are caused by individuals leaving or joining Save the Children offset by the impact of voluntary pay reductions. A detailed breakdown by executive director is included on page 64 of this report.

## 9. TRUSTEES' REMUNERATION

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

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

	Year to 31/12/2020 number of trustees	Year to 31/12/2019 number of trustees	Year to 31/12/2020 £000	Year to 31/12/2019 £000
Expenses including travel and subsistence	–	1	–	0

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

Save the Children has purchased indemnity insurance at a cost of £22,400 (2019: £22,400) that provides cover:

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



## 10. RELATED-PARTY TRANSACTIONS

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

As well as donating their time and expertise during 2020, the trustees made unconditional donations of £64,181 (2019: £228,365) to the charity.

Two members of the Save the Children UK board are also on the board of Save the Children International: Anne Fahy was on both for all of 2020 and Charles Steel was on both but resigned from the Save the Children International board on 31 December 2020 and the Save the Children UK board on 25 January 2021. Transactions with Save the Children International are detailed below.

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

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

<b>Income and expenditure items</b>	<b>Year to 31/12/2020 £000</b>	<b>Year to 31/12/2019 £000</b>
Funds transferred for programme delivery	<b>134,719</b>	145,173
Country operating costs	<b>3,388</b>	3,436
Central and regional operating costs	<b>4,703</b>	4,801
Core contributions	<b>3,114</b>	3,466
Member growth	<b>628</b>	97
Strategic investment funding	<b>2,750</b>	3,660
Quality Impact Fund	<b>1,527</b>	1,694
Reimbursements	<b>14</b>	(177)
	<b>150,843</b>	162,150
<b>Balance-sheet items</b>	<b>As at 31/12/2020 £000</b>	<b>As at 31/12/2019 £000</b>
Prepayment for programme activity	<b>17,625</b>	11,536
Cost of services incurred by Save the Children UK/(SCI) to be settled in the future	<b>72</b>	831
Programme-related investment	<b>955</b>	955

## 11. INTANGIBLE FIXED ASSETS

<b>Group and Charity</b>	<b>Computer software £000</b>	<b>Assets under construction £000</b>	<b>Total £000</b>
Cost at 1 January 2020	12,592	285	<b>12,877</b>
Additions	—	—	—
<b>Cost at 31 December 2020</b>	<b>12,592</b>	<b>285</b>	<b>12,877</b>
Accumulated amortisation at 1 January 2020	11,224	—	<b>11,224</b>
Charge for the year	765	—	<b>765</b>
<b>Accumulated amortisation at 31 December 2020</b>	<b>11,989</b>	<b>—</b>	<b>11,989</b>
<b>Net book value at 31 December 2020</b>	<b>603</b>	<b>285</b>	<b>888</b>
Net book value at 31 December 2019	1,368	285	1,653

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

## 12. TANGIBLE FIXED ASSETS

### (a) Group and Charity

	Freehold property £000	Leasehold property improvements £000	Computer equipment £000	Total £000
Cost at 1 January 2020	1,210	7,142	64	8,416
Additions	–	51	–	51
Disposals	–	(692)	–	(692)
<b>Cost at 31 December 2020</b>	<b>1,210</b>	<b>6,501</b>	<b>64</b>	<b>7,775</b>
Accumulated depreciation at 1 January 2020	557	5,378	48	5,983
Charge for the year	38	537	7	582
Disposals	–	(684)	–	(684)
<b>Accumulated depreciation at 31 December 2020</b>	<b>595</b>	<b>5,231</b>	<b>55</b>	<b>5,881</b>
<b>Net book value at 31 December 2020</b>	<b>615</b>	<b>1,270</b>	<b>9</b>	<b>1,894</b>
Net book value at 31 December 2019	653	1,764	16	2,433

(b) Capital expenditure contracted for but not provided in the financial statements was £nil (2019: £nil).

## 13. INVESTMENTS

	Notes	Group 31/12/2020 £000	Group 31/12/2019 £000	Charity 31/12/2020 £000	Charity 31/12/2019 £000
Fixed asset investments	13a	36,977	35,288	36,977	35,288
Investment in SCI		955	955	955	955
Investment in subsidiary	13b	–	–	275	275
<b>Total investments</b>		<b>37,932</b>	<b>36,243</b>	<b>38,207</b>	<b>36,518</b>

(a) Fixed-asset investments	Group 31/12/2020 £000	Group 31/12/2019 £000	Charity 31/12/2020 £000	Charity 31/12/2019 £000
Market value at start of year	35,288	36,653	35,288	36,603
Acquisitions	9,321	6,061	9,321	6,061
Sales proceeds	(8,524)	(11,029)	(8,524)	(10,979)
Net movement in cash balances	(106)	(89)	(106)	(89)
Net realised investment gains	1,218	996	1,218	996
Net unrealised investment (loss)/gain	(220)	2,696	(220)	2,696
Market value at end of year	36,977	35,288	36,977	35,288

The market value is represented by:	Group 31/12/2020 £000	Group 31/12/2019 £000	Charity 31/12/2020 £000	Charity 31/12/2019 £000
Equities and commodities	19,002	20,984	19,002	20,984
Bonds	2,515	3,831	2,515	3,831
Cash and cash equivalents	15,460	10,473	15,460	10,473
	<b>36,977</b>	<b>35,288</b>	<b>36,977</b>	<b>35,288</b>

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

(b) Investments held by the charity include a £250,000 investment in Save the Children (Sales) Limited and a £25,000 investment in Humanitarian Leadership Academy (Enterprises) Limited at cost – see note 14.

## 14. GROUP MEMBERS

Subsidiary undertakings	Registration number	Country	Principal activity	Accounting year end
Save the Children (Sales) Limited	00875945	UK	Retail activities and commercial promotions	31 Dec
Medical Emergency Relief International (Merlin)	02823935 1135111	UK	International development and humanitarian response charity	30 Jun
Humanitarian Leadership Academy (HLA)	09395495 1161600	UK	Global learning initiative to enable preparedness and response to crises	30 Jun
Humanitarian Leadership Academy (Enterprises) Limited (HLA Enterprises Ltd)	10339330	UK	Global learning initiative to enable preparedness and response to crises	31 Dec
Elrha	11142219 1177110	UK	Enhancing learning and research for humanitarian action	31 Dec

### Associate undertakings

William Belmer Rush Foundation	00307079	UK	Grant-making charity	31 Mar
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### Lead consortium member

Start Network	9286835	UK	Humanitarian response charity	N/A
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For entities with non co-terminous year ends, results for the 12-month period to 31 December 2020 have been consolidated.

On 1 June 2019, the Humanitarian Leadership Academy transferred all assets and liabilities to Save the Children Fund, by way of a charitable donation. The shares held in Humanitarian Leadership Academy (Enterprises) Limited were also transferred to Save the Children Fund. Prior to this date HLA Enterprises Ltd was a subsidiary of HLA. A guarantee has been given by Save the Children UK under s479C of the Companies Act 2006 which entitles exemption from audit for HLA under s279A of the Act relating to subsidiary companies.

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

### (a) Subsidiary financial results

	Save the Children (Sales) Ltd		Merlin		HLA		HLA Enterprises Ltd		Elrha	
	Year to 31/12/2020	Year to 31/12/2019	Year to 31/12/2020	Year to 31/12/2019	Year to 31/12/2020	Year to 31/12/2019	Year to 31/12/2020	Year to 31/12/2019	Year to 31/12/2020	Year to 31/12/2019
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Income	606	1,070	273	171	5	1,650	221	–	13,735	7,297
Expenditure	(499)	(715)	(502)	(27)	(5)	(1,897)	(211)	(4)	(13,513)	(7,408)
Net income/ (expenditure)	107	355	(229)	144	–	(247)	10	(4)	222	(111)
Donation to parent charity	(107)	(355)	–	–	–	(583)	(6)	–	–	–
Net movement in funds	–	–	(229)	144	–	(830)	4	(4)	222	(111)
	As at 31/12/2020	As at 31/12/2019	As at 31/12/2020	As at 31/12/2019	As at 31/12/2020	As at 31/12/2019	As at 31/12/2020	As at 31/12/2019	As at 31/12/2020	As at 31/12/2019
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Assets	274	292	3,282	3,028	–	85	227	59	3,215	1,105
Liabilities	(24)	(42)	(941)	(457)	–	(85)	(202)	(39)	(2,848)	(961)
Net assets	250	250	2,341	2,571	–	–	25	20	367	145

## 14. GROUP MEMBERS (CONTINUED)

### (b) Associate undertakings

During the year, Save the Children UK received £26,000 (2019: £25,000) as grant funding and £1,000 (2019: £1,000) as an administration fee from William Belmer Rush Foundation.

	Group Year to 31/12/2020 £000	Group Year to 31/12/2019 £000
<b>Investment in associates</b>		
At 1 January	567	500
Share of retained profit for the year	24	67
<b>At 31 December</b>	<b>591</b>	<b>567</b>

### (c) Start Network

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

## 15. STOCKS

	Group 31/12/2020 £000	Group 31/12/2019 £000	Charity 31/12/2020 £000	Charity 31/12/2019 £000
Gift in kind stock for distribution	196	144	196	144
Emergency	1,068	990	1,068	990
Goods for resale	113	106	–	–
Head office	18	28	18	28
	<b>1,395</b>	<b>1,268</b>	<b>1,282</b>	<b>1,162</b>



## 16. DEBTORS

### (a) Grant debtors

	Group 31/12/2020 £000	Group 31/12/2019 £000	Charity 31/12/2020 £000	Charity 31/12/2019 £000
UK central government	3,362	4,463	1,733	4,146
Other national governments	1,433	1,125	661	1,125
UK local and regional government	55	197	55	197
European Commission (including European Community Humanitarian Aid Office)	6,690	8,876	6,690	8,876
Disasters Emergency Committee	1,515	–	1,515	–
Education Cannot Wait	–	96	–	96
United Nations	6,859	3,633	6,859	3,633
World Bank	160	1,007	160	1,007
Other	7	–	7	–
<b>Total government and multilateral organisations</b>	<b>20,081</b>	<b>19,397</b>	<b>17,680</b>	<b>19,080</b>
Comic Relief	111	–	111	–
Corporate partners	2,332	1,202	2,332	1,202
Trusts	288	681	288	681
Other	2,156	288	1,495	288
<b>Total other</b>	<b>4,887</b>	<b>2,171</b>	<b>4,226</b>	<b>2,171</b>
<b>Total grant debtors</b>	<b>24,968</b>	<b>21,568</b>	<b>21,906</b>	<b>21,251</b>

Grant debtors above include amounts both billed and unbilled.

### (b) Other debtors

Trade debtors	718	235	532	165
Legacy debtors	13,038	14,136	12,936	13,964
Amount owed by subsidiary undertakings	–	–	55	120
Taxes recoverable	900	1,322	900	1,320
Prepayments and accrued income	4,108	4,361	4,094	4,216
Save the Children International	17,697	12,367	17,697	12,367
Other debtors	233	383	199	353
	<b>36,694</b>	<b>32,804</b>	<b>36,413</b>	<b>32,505</b>

All debtors are falling due within one year.

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

## 17. CREDITORS

	Group 31/12/2020 £000	Group 31/12/2019 £000	Charity 31/12/2020 £000	Charity 31/12/2019 £000
<b>(a) Amounts falling due within one year</b>				
Trade creditors	2,787	4,236	2,622	4,000
Taxes and social security	1,061	1,136	1,005	1,101
Amount owed to subsidiary undertakings	–	–	2,311	3,020
Accruals	5,538	2,605	3,939	2,501
Deferred income <sup>1</sup>	66,110	66,692	65,768	65,837
Operating lease incentives <sup>2</sup>	179	179	179	179
Grant obligations	36	814	–	772
Other creditors	2,939	192	2,907	174
	<b>78,650</b>	<b>75,854</b>	<b>78,731</b>	<b>77,584</b>
<b>(b) Amounts falling due in more than one year</b>				
Operating lease incentives <sup>2</sup>	1,207	1,155	1,207	1,155
Long-term loan	–	2,000	–	2,000
	<b>1,207</b>	<b>3,155</b>	<b>1,207</b>	<b>3,155</b>

<sup>1</sup> The deferred income represents cash received from donors prior to entitlement under our income recognition policy. Deferred income of £55,558,000 arose in the year and £56,140,000 brought forward from 2019 was released.

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

## 18. PROVISIONS FOR LIABILITIES AND CHARGES

Group	At 01/01/2020 £000	Provision created/ (released) £000	Provision utilised £000	Total 31/12/2020 £000
Terminal grants and severance	227	(5)	(222)	–
Dilapidations	1,412	205	(64)	1,553
Grants	3,918	94	(428)	3,584
Tax	2,630	(325)	(50)	2,255
Other	511	–	(355)	156
	<b>8,698</b>	<b>(31)</b>	<b>(1,119)</b>	<b>7,548</b>
Charity	At 01/01/2020 £000	Provision created/ (released) £000	Provision utilised £000	Total 31/12/2020 £000
Terminal grants and severance	227	(5)	(222)	–
Dilapidations	1,412	205	(64)	1,553
Grants	3,658	(408)	(430)	2,820
Tax	2,630	(325)	(50)	2,255
Other	432	1	(333)	100
	<b>8,359</b>	<b>(532)</b>	<b>(1,099)</b>	<b>6,728</b>

## 18. PROVISIONS FOR LIABILITIES AND CHARGES (CONTINUED)

**Terminal grants and severance** provisions relate to employees in country programmes leaving employment with Save the Children UK and transitioning to Save the Children International. The amounts payable are determined by the salary and length of service of the employees. The provision represents the accumulated entitlements of all such employees. The provision is released when payments are made to employees on departure.

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

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

**Tax** provisions represent the accumulated estimated tax liability in overseas jurisdictions where the amount payable is disputed or the tax legislation is unclear.

## 19. FINANCIAL COMMITMENTS: OBLIGATIONS UNDER OPERATING LEASES

### Group and charity

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

	Total 31/12/2020 £000	Total 31/12/2019 £000
<b>Total payments due</b>		
Within one year	<b>6,206</b>	6,312
In years two to five	<b>19,348</b>	19,981
After five years	<b>11,232</b>	15,187
	<b>36,786</b>	41,480

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

## 20. FINANCIAL COMMITMENTS: GRANT COMMITMENTS

(a) The table below shows the charity's and group's commitment in delivering projects on behalf of donors, which will be completed over a number of years as detailed below. Where we have been notified of a reduction to the award value following UK government aid cuts we have amended this disclosure accordingly. Commitments could decrease further if additional cuts are made.

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

	Group 31/12/2020 £000	Group 31/12/2019 £000	Charity 31/12/2020 £000	Charity 31/12/2019 £000
Within one year	<b>156,333</b>	169,324	<b>144,324</b>	164,122
Between two and five years	<b>99,258</b>	90,658	<b>53,342</b>	77,623
After five years	<b>5,039</b>	6,048	<b>5,039</b>	6,048
	<b>260,630</b>	266,030	<b>202,705</b>	247,793

(b) Save the Children UK has entered into a number of grants where we are required to find additional funding for the remainder of the project. Donors have already been found for many of these grants but at year-end there were still several grants in progress for which no donor had been found. These amounted to £7 million (2019: £6.6 million). A provision of £0.7 million (2019: £1 million) has been recognised as at 31 December 2020 in respect of grants where Save the Children does not expect to be able to find donors for these over the remaining life of the projects.

## 20. FINANCIAL COMMITMENTS: GRANT COMMITMENTS (CONTINUED)

**(c)** Save the Children UK has entered into a number of long-term contracts for the supply of services, all of which are cancellable.

**(d)** The delivery of the Charity's international programmes is executed by Save the Children International (SCI). SCI currently fulfils this role for the majority of programmes implemented by members of the Save the Children Association. SCI does not raise funds for its own account, instead relying entirely on resources provided by and channelled through the member organisations.

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

- i) The International Programming (IP) contracts provide for those members of Save the Children Association (SCA) for whom SCI delivers international programmes to provide a share of an indemnity capped at US\$20 million in the event that members choose to cease SCI's programming activity. At 31 December 2020, Save the Children UK's share of this was approximately \$3.5 million (2019: \$3.8 million). Save the Children UK is confident that SCI will continue to provide programming services into the future and that the possibility of it ceasing to operate is so remote that it is not disclosed as a contingent liability.

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

- ii) The Save the Children Members have also provided SCI with a standby letter of credit to the value of \$6.2 million, of which Save the Children UK's share is \$3.1 million. This facility is provided in the event of SCI requiring reserves. SCI hold reserves to meet the following purposes:

- the operating expenses of the charity in the event of a downturn in income and/or unforeseen increases in costs
- the costs of unforeseen liabilities for employment or other legal claims not covered by insurance
- the costs of closure or wind-down of the core operations of the charity.

The standby letter of credit is provided by Standard Chartered. As at 31 December 2020, no amounts had been drawn down on this facility.

- iii) With the advent of Covid-19 and its potential impact on SCI's ability to deliver its programmes, members signed a letter of agreement in 2020 to confirm that in accordance with the Membership Contribution Agreement an additional reserves contribution would be made if required. Any replenishment to the IP reserves would be to a level not exceeding \$15 million and contributions would be made in accordance with established member shares. SCUUK's contribution would not exceed \$4 million. The agreement remains in place until December 2021, but based on SCI's latest forecasts it is not expected that additional contributions will be required.

**(e)** Save the Children UK also has guarantees with Standard Chartered Bank totalling €0 million (2019: €1.9 million) at the year end in relation to grant prefinancing.



## 21. STATEMENT OF FUNDS

<b>(a) Group</b>	At 01/01/2020 £000	Income £000	Expenditure £000	Other gains/(losses) £000	Transfers £000	At 31/12/2020 £000
<b>Unrestricted funds</b>						
General reserve	32,248	75,090	(70,309)	955	(3,841)	<b>34,143</b>
Revaluation reserve	4,788	–	–	(160)	(278)	<b>4,350</b>
Designated funds:						
Fixed-asset reserve	3,627	–	(1,303)	–	51	<b>2,375</b>
Programme-related investment	955	–	–	–	–	<b>955</b>
Associates (note 14)	567	–	–	24	–	<b>591</b>
Merlin	2,415	273	(497)	–	–	<b>2,191</b>
St John's Lane reserve fund	291	–	–	–	–	<b>291</b>
Total unrestricted funds excluding pension reserve	44,891	75,363	(72,109)	819	(4,068)	<b>44,896</b>
Pension reserve (note 25)	(625)	–	(242)	(5,829)	3,939	<b>(2,757)</b>
Total unrestricted funds	44,266	75,363	(72,351)	(5,010)	(129)	<b>42,139</b>
<b>All restricted and endowed funds</b>						
Restricted income funds (note 22)	9,193	213,367	(210,810)	–	(138)	<b>11,612</b>
Endowment funds	4,395	–	–	203	267	<b>4,865</b>
Total restricted funds	13,588	213,367	(210,810)	203	129	<b>16,477</b>
Total funds	57,854	288,730	(283,161)	(4,807)	–	<b>58,616</b>

<b>(b) Charity</b>	At 01/01/2020 £000	Income £000	Expenditure £000	Other gains/(losses) £000	Transfers £000	At 31/12/2020 £000
<b>Unrestricted funds</b>						
General reserve	32,255	74,382	(69,600)	955	(3,844)	<b>34,148</b>
Revaluation reserve	4,788	–	–	(160)	(278)	<b>4,350</b>
Designated funds:						
Fixed-asset reserve	3,627	–	(1,303)	–	51	<b>2,375</b>
Programme-related investment	955	–	–	–	–	<b>955</b>
Associates (note 14)	–	–	–	–	–	<b>–</b>
Merlin	–	–	–	–	–	<b>–</b>
St John's Lane reserve fund	291	–	–	–	–	<b>291</b>
Total unrestricted funds excluding pension reserve	41,916	74,382	(70,903)	795	(4,071)	<b>42,119</b>
Pension reserve (note 25)	(625)	–	(242)	(5,829)	3,939	<b>(2,757)</b>
Total unrestricted funds	41,291	74,382	(71,145)	(5,034)	(132)	<b>39,362</b>
<b>All restricted and endowed funds</b>						
Restricted income funds (note 22)	8,890	204,688	(202,353)	–	(135)	<b>11,090</b>
Endowment funds	4,395	–	–	203	267	<b>4,865</b>
Total restricted funds	13,285	204,688	(202,353)	203	132	<b>15,955</b>
Total funds	54,576	279,070	(273,498)	(4,831)	–	<b>55,317</b>

## 21. STATEMENT OF FUNDS (CONTINUED)

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

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

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

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

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

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

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

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

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

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

### Prior-year comparatives:

(c) Group	At 01/01/2019 £000	Income £000	Expenditure £000	Other gains/(losses) £000	Transfers £000	At 31/12/2019 £000
<b>Unrestricted funds</b>						
General reserve	33,178	92,463	(89,381)	831	(4,843)	<b>32,248</b>
Revaluation reserve	2,566	–	–	2,236	(14)	<b>4,788</b>
Designated funds:						
Fixed-asset reserve	5,269	–	(2,329)	–	687	<b>3,627</b>
Programme-related investment	955	–	–	–	–	<b>955</b>
Associates (note 14)	500	–	–	67	–	<b>567</b>
Merlin	–	–	–	–	2,415	<b>2,415</b>
St John's Lane reserve fund	291	–	–	–	–	<b>291</b>
Total unrestricted funds excluding pension reserve	42,759	92,463	(91,710)	3,134	(1,755)	<b>44,891</b>
Pension reserve (note 25)	(9,997)	–	(470)	4,795	5,047	<b>(625)</b>
Total unrestricted funds	32,762	92,463	(92,180)	7,929	3,292	<b>44,266</b>
<b>All restricted and endowed funds</b>						
Restricted income funds (note 22)	14,297	214,902	(216,719)	–	(3,287)	<b>9,193</b>
Endowment funds	3,775	–	–	625	(5)	<b>4,395</b>
Total restricted funds	18,072	214,902	(216,719)	625	(3,292)	<b>13,588</b>
Total funds	50,834	307,365	(308,899)	8,554	–	<b>57,854</b>

**21. STATEMENT OF FUNDS (CONTINUED)**

<b>(d) Charity</b>	At 01/01/2019 £000	Income £000	Expenditure £000	Other gains/(losses) £000	Transfers £000	At 31/12/2019 £000
<b>Unrestricted funds</b>						
General reserve	31,087	91,584	(88,819)	831	(2,428)	<b>32,255</b>
Revaluation reserve	2,566	–	–	2,236	(14)	<b>4,788</b>
Designated funds:						
Fixed-asset reserve	5,269	–	(2,329)	–	687	<b>3,627</b>
Programme-related investment	955	–	–	–	–	<b>955</b>
Associates (note 14)	–	–	–	–	–	<b>–</b>
Merlin	–	–	–	–	–	<b>–</b>
St John's Lane reserve fund	291	–	–	–	–	<b>291</b>
Total unrestricted funds excluding pension reserve	40,168	91,584	(91,148)	3,067	(1,755)	<b>41,916</b>
Pension reserve (note 25)	(9,997)	–	(470)	4,795	5,047	<b>(625)</b>
Total unrestricted funds	30,171	91,584	(91,618)	7,862	3,292	<b>41,291</b>
<b>All restricted and endowed funds</b>						
Restricted income funds (note 22)	12,875	214,229	(214,927)	–	(3,287)	<b>8,890</b>
Endowment funds	3,775	–	–	625	(5)	<b>4,395</b>
Total restricted funds	16,650	214,229	(214,927)	625	(3,292)	<b>13,285</b>
Total funds	46,821	305,813	(306,545)	8,487	–	<b>54,576</b>

## 22. RESTRICTED FUNDS

### (a) Group

Restricted funds comprise unexpended balances on donations and grants given for specific purposes. These are shown below.

	At 01/01/2020 recategorised <sup>1</sup> £000	Income £000	Expenditure £000	Transfers £000	At 31/12/2020 £000
<b>Regions</b>					
East Africa	698	57,779	(58,641)	351	187
Southern Africa	245	7,265	(7,339)	3	174
West and Central Africa	(494)	21,144	(21,386)	623	(113)
Asia	(238)	27,931	(27,739)	280	234
Latin America and Caribbean	7	1,341	(1,053)	75	370
Middle East and South-East Europe	232	9,971	(12,411)	2,959	751
United Kingdom	3,168	7,313	(8,078)	1,359	3,762
Multi-region	1,248	9,966	(11,583)	1,653	1,284
<b>Emergency appeals</b>					
Syria	397	2,546	(2,147)	147	943
Yemen	1,580	7,044	(5,655)	(2,198)	771
Cyclone Idai	(65)	3,192	(3,295)	197	29
Covid-19	–	3,995	(2,135)	(1,601)	259
Other	929	1,185	(1,321)	(735)	58
<b>Other funds</b>					
Children's Emergency Fund <sup>2</sup>	734	2,404	(147)	(2,705)	286
Thematic/country funds <sup>3</sup>	61	1,225	(141)	(1,106)	39
Start Network	(21)	34,118	(33,188)	–	909
Elrha	145	13,730	(13,509)	–	366
Other	567	1,218	(1,042)	560	1,303
	9,193	213,367	(210,810)	(138)	11,612

<sup>1</sup> Individual funds brought forward have been recategorised within the analysis above to more accurately reflect the location or nature of the individual fund. There is no impact on total restricted reserves brought forward.

<sup>2</sup> Children's Emergency Funds not yet allocated to particular country programmes.

<sup>3</sup> Funds restricted to a particular thematic objective (eg, health, nutrition).

Fund balances may be negative when expenditure is made on a project that is expected to be reimbursed by a government or other agency, but where, at the end of the financial year, not all the conditions have been met that would justify this income being recognised within the accounts. This results in an excess of expenditure over income on some performance-related project funds. The trustees consider that the likelihood of reimbursement is of a sufficient level to justify the carrying of these deficit funds at the end of the year.



## 22. RESTRICTED FUNDS (CONTINUED)

### (b) Charity

Restricted funds comprise unexpended balances on donations and grants given for specific purposes. These are shown below.

	At 01/01/2020 recategorised <sup>1</sup> £000	Income £000	Expenditure £000	Transfers £000	At 31/12/2020 £000
<b>Regions</b>					
East Africa	698	57,779	(58,641)	351	187
Southern Africa	245	7,265	(7,339)	3	174
West and Central Africa	(501)	21,144	(21,386)	623	(120)
Asia	(314)	27,931	(27,739)	280	158
Latin America and Caribbean	7	1,341	(1,053)	75	370
Middle East and South-East Europe	217	9,971	(12,411)	2,959	736
United Kingdom	3,168	7,313	(8,078)	1,359	3,762
Multi-region	1,194	9,966	(11,583)	1,653	1,230
<b>Emergency appeals</b>					
Syria	397	2,546	(2,147)	147	943
Yemen	1,580	7,044	(5,655)	(2,198)	771
Cyclone Idai	(65)	3,192	(3,295)	197	29
Covid-19	–	3,995	(2,135)	(1,601)	259
Other	929	1,185	(1,321)	(735)	58
<b>Other funds</b>					
Children's Emergency Fund <sup>2</sup>	734	2,404	(147)	(2,705)	286
Thematic/country funds <sup>3</sup>	61	1,225	(141)	(1,106)	39
Start Network	(21)	34,118	(33,188)	–	909
Elrha	–	5,052	(5,052)	–	–
Other	561	1,217	(1,042)	563	1,299
	8,890	204,688	(202,353)	(135)	11,090

<sup>1</sup> Individual funds brought forward have been recategorised within the analysis above to more accurately reflect the location or nature of the individual fund. There is no impact on total restricted reserves brought forward.

<sup>2</sup> Children's Emergency Funds not yet allocated to particular country programmes.

<sup>3</sup> Funds restricted to a particular thematic objective (eg, health, nutrition).

Fund balances may be negative when expenditure is made on a project that is expected to be reimbursed by a government or other agency, but where, at the end of the financial year, not all the conditions have been met that would justify this income being recognised within the accounts. This results in an excess of expenditure over income on some performance-related project funds. The trustees consider that the likelihood of reimbursement is of a sufficient level to justify the carrying of these deficit funds at the end of the year.

### (c) Included in the restricted fund balances are the following:

	At 01/01/2020 £000	Income £000	Expenditure £000	Transfers £000	At 31/12/2020 £000
<b>Big Lottery Fund</b>					
National Lottery – UK Emerging Futures	–	8	(8)	–	–
	–	8	(8)	–	–

## 23. ENDOWMENT FUNDS – GROUP AND CHARITY

### Movements on endowment funds for the year

	At 01/01/2020 £000	Other gains/losses £000	Transfers £000	At 31/12/2020 £000
The Oliver Children's fund	4,395	203	267	4,865
	4,395	203	267	4,865

## 24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

### (a) Group

<b>Fund balances at 31 December 2020 are represented by:</b>	General funds £000	Revaluation reserve £000	Designated funds £000	Pension reserve £000	Restricted funds £000	Endowment funds £000	<b>Total 31/12/2020 £000</b>
Tangible and intangible fixed assets	407	—	2,375	—	—	—	2,782
Fixed-asset investments	27,762	4,350	1,546	—	—	4,865	38,523
Current assets	27,477	—	2,482	—	77,514	—	107,473
Current liabilities	(12,748)	—	—	—	(65,902)	—	(78,650)
Non-current liabilities	(1,207)	—	—	—	—	—	(1,207)
Provisions for liabilities and charges	(7,548)	—	—	—	—	—	(7,548)
Pension liability	—	—	—	(2,757)	—	—	(2,757)
	34,143	4,350	6,403	(2,757)	11,612	4,865	58,616

### (b) Charity

<b>Fund balances at 31 December 2020 are represented by:</b>	General funds £000	Revaluation reserve £000	Designated funds £000	Pension reserve £000	Restricted funds £000	Endowment funds £000	<b>Total 31/12/2020 £000</b>
Tangible and intangible fixed assets	407	—	2,375	—	—	—	2,782
Fixed-asset investments	28,037	4,350	955	—	—	4,865	38,207
Current assets	26,846	—	291	—	76,614	—	103,751
Current liabilities	(13,207)	—	—	—	(65,524)	—	(78,731)
Non-current liabilities	(1,207)	—	—	—	—	—	(1,207)
Provisions for liabilities	(6,728)	—	—	—	—	—	(6,728)
Pension liability	—	—	—	(2,757)	—	—	(2,757)
	34,148	4,350	3,621	(2,757)	11,090	4,865	55,317

## 24. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

### Prior period comparatives:

#### (a) Group

<b>Fund balances at 31 December 2019 are represented by:</b>	General funds £000	Revaluation reserve £000	Designated funds £000	Pension reserve £000	Restricted funds £000	Endowment funds £000	<b>Total 31/12/2019 £000</b>
Tangible and intangible fixed assets	459	—	3,627	—	—	—	<b>4,086</b>
Fixed-asset investments	26,105	4,788	1,522	—	—	4,395	<b>36,810</b>
Current assets	26,564	—	2,706	—	76,020	—	<b>105,290</b>
Current liabilities	(9,027)	—	—	—	(66,827)	—	<b>(75,854)</b>
Non-current liabilities	(3,155)	—	—	—	—	—	<b>(3,155)</b>
Provisions for liabilities and charges	(8,698)	—	—	—	—	—	<b>(8,698)</b>
Pension liability	—	—	—	(625)	—	—	<b>(625)</b>
	<b>32,248</b>	<b>4,788</b>	<b>7,855</b>	<b>(625)</b>	<b>9,193</b>	<b>4,395</b>	<b>57,854</b>

#### (b) Charity

<b>Fund balances at 31 December 2019 are represented by:</b>	General funds £000	Revaluation reserve £000	Designated funds £000	Pension reserve £000	Restricted funds £000	Endowment funds £000	<b>Total 31/12/2019 £000</b>
Tangible and intangible fixed assets	459	—	3,627	—	—	—	<b>4,086</b>
Fixed-asset investments	26,380	4,788	955	—	—	4,395	<b>36,518</b>
Current assets	28,584	—	291	—	74,820	—	<b>103,695</b>
Current liabilities	(11,654)	—	—	—	(65,930)	—	<b>(77,584)</b>
Non-current liabilities	(3,155)	—	—	—	—	—	<b>(3,155)</b>
Provisions for liabilities	(8,359)	—	—	—	—	—	<b>(8,359)</b>
Pension liability	—	—	—	(625)	—	—	<b>(625)</b>
	<b>32,255</b>	<b>4,788</b>	<b>4,873</b>	<b>(625)</b>	<b>8,890</b>	<b>4,395</b>	<b>54,576</b>

## 25. PENSION COSTS

(a) Save the Children UK has a number of different arrangements in relation to pension schemes. These are explained below.

(b) – (c) Defined Benefit Triennial valuation

(d) – (k) Accounting valuation under FRS 102 (defined benefit scheme)

(l) Save the Children UK has a Group Personal Pension (GPP), provided by Legal and General, as its workplace pension scheme and to meet its automatic enrolment obligation. From October 2013 all staff may join a retirement savings scheme, either the GPP for UK-based staff or a long-term savings plan for overseas staff. Elrha staff also participate in the GPP. Prior to October 2013 Save the Children UK used an occupational pension scheme which was provided by Prudential; this scheme was wound up on 10 May 2019.

(m) The Pensions Trust Growth Plan (multi-employer scheme)

Net movement in pension liability	Defined benefit scheme £000	Pension Trust growth plan £000	Year to 31/12/2020 £000	Defined benefit scheme £000	Pension Trust growth plan £000	Year to 31/12/2019 £000
Net pension liability at start of period	–	625	625	8,964	1,033	9,997
Expenses	220	–	220	270	–	270
Net interest expense	(179)	6	(173)	183	17	200
Contributions by employer	(3,820)	(119)	(3,939)	(4,923)	(124)	(5,047)
Net actuarial losses/(gains) in the year	13,177	9	13,186	(11,672)	(301)	(11,973)
Losses due to benefit changes	16	–	16	–	–	–
Effect of movement in asset ceiling	(7,178)	–	(7,178)	7,178	–	7,178
Net pension liability at 31 December	2,236	521	2,757	–	625	625

### (b) Triennial valuation

Save the Children UK contributes to a defined benefit (career average revalued earnings) funded pension scheme, the Save the Children UK defined benefit pension scheme, administered by The Pensions Trust. This scheme closed to new entrants on 14 June 2002 and to future accrual on 1 January 2018.

The last formal triennial valuation of the defined benefit scheme was performed at 30 September 2017 by a professionally qualified actuary. This reported the scheme assets as £154.48m and the scheme liabilities as £181.11m. This corresponds to a scheme deficit of £26.63m and a funding level of 85.29%.

It was agreed with The Pensions Trust that this deficit would be met by Save the Children UK paying an increased employer percentage contribution rate plus fixed additional contributions. As a result of Covid-19, a three-month payment holiday was agreed with the trustees during 2020, offset by agreed increased payments over the remaining period. The original and revised schedule of contributions, paid in monthly instalments, is shown below:

	Revised schedule	Original schedule
Employer (from 1 April 2018 to 31 March 2020)	£4,700,000 per annum	£4,700,000 per annum
Employer (from 1 April 2020 to 31 August 2020)	£4,850,000 per annum	£4,850,000 per annum
Employer (from 1 September 2020 to 30 November 2020)	£nil per annum	£4,850,000 per annum
Employer (from 1 December 2020 to 31 March 2021)	£4,850,000 per annum	£4,850,000 per annum
Employer (from 1 April 2021 to 31 March 2022)	£5,621,000 per annum	£5,000,000 per annum
Employer (from 1 April 2022 to 31 December 2022)	£5,771,000 per annum	£5,150,000 per annum

The latest triennial valuation was performed in September 2020 and the preliminary results show a deficit of £9.2 million. Based on this latest valuation we will be agreeing a revised schedule of deficit contributions with The Pensions Trust. The data for the 30 September 2020 triennial shows that there were 0 active members, 962 deferred members and 823 pensioner members – a total of 1,785 members.



## 25. PENSION COSTS (CONTINUED)

### (c) Triennial valuation: assumptions

The triennial actuarial valuation carried out at 30 September 2017 used the following principal assumptions:

Average rate of return on investments pre-retirement	Gilt curve plus 2.9%
Average rate of return on investments post-retirement	Gilt curve plus 0.45%
Retail Price Index assumption	RPI Inflation curve
Consumer Price Index assumption	RPI less 0.9%

**Mortality** 93% after retirement of S2PMA (males) and S2PFA (females).  
CMI\_2016 with long-term improvement rates of 1.5% pa for males and 1.25% for females.

### (d) FRS 102 valuation of the defined benefit scheme as at 31 December 2020

The pension reserve amount shown on the balance sheet and the actuarial losses shown in the SOFA are valued in accordance with the accounting policy in note 1j. The assets of the scheme are valued at their market value on the balance-sheet date. This value may therefore fluctuate materially from year to year in response to market conditions. It follows that any surplus or deficit of assets over discounted liabilities reported at a particular balance-sheet date under FRS 102 will not necessarily reflect whether there will be sufficient assets available to meet the actual pension obligations that will have to be satisfied over a long period of time in the future.

The present value of the liability to meet future pension obligations of members is arrived at by applying a discount rate equivalent to the return expected to be derived from a Class AA corporate bond as at the balance-sheet date. In the 2020 triennial actuarial valuation referred to above, the discount rate used was that as at 30 September 2020 and applied to the scheme's actual investments, making a cautious estimate of long-term expected returns. The different timings and thus discount rates and bases on which these rates are applied then explain any difference between the amount of the deficit valued under either the triennial or FRS 102 methods. Furthermore:

- (i) the scheme assets do not include investments issued by the sponsoring employer nor any property occupied by the sponsoring employer
- (ii) the scheme holds quoted securities and these have been valued at bid-price.

	Year to 31/12/2020 £000	Year to 31/12/2019 £000
<b>(e) Net movement in pension liability</b>		
Net pension liability at start of year	–	8,964
Expenses	220	270
Net interest expense	(179)	183
Contributions by employer	(3,820)	(4,923)
Net actuarial losses/(gains) in the year	13,177	(11,672)
Losses due to benefit changes	16	–
Effect of asset ceiling	(7,178)	7,178
<b>Net pension liability at 31 December</b>	<b>2,236</b>	<b>–</b>

		Year to 31/12/2020 £000	Year to 31/12/2019 £000
<b>(f) Amounts recognised in the balance sheet</b>			
Present value of funded obligations	25h	216,936	179,759
Fair value of scheme assets	25i	(214,700)	(186,937)
Effect of asset ceiling		–	7,178
<b>Net pension liability</b>		<b>2,236</b>	<b>–</b>

## 25. PENSION COSTS (CONTINUED)

<b>(g) Amounts recognised in the statement of financial activities</b>	<b>Year to 31/12/2020 £000</b>	<b>Year to 31/12/2019 £000</b>
Interest income	3,726	4,364
Interest expense	(3,547)	(4,547)
Interest on effect of asset ceiling	(179)	–
Net interest expense	–	(183)
Expenses	(220)	(270)
Benefit changes	(16)	–
<b>Total expense/(income)</b>	<b>(236)</b>	<b>(453)</b>
Net actuarial (losses)/gains in the year	(13,177)	11,672
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost): gain/(loss)	7,178	(7,178)
Interest on effect of asset ceiling	179	–
<b>Total increase in net funds</b>	<b>(6,056)</b>	<b>4,041</b>

<b>(h) Change in the present value of the defined benefit obligation</b>	<b>Year to 31/12/2020 £000</b>	<b>Year to 31/12/2019 £000</b>
Opening defined benefit obligation	179,759	167,919
Interest cost	3,547	4,547
Actuarial losses	38,499	12,447
Net benefits paid (including expenses)	(4,885)	(5,154)
Losses due to benefit changes	16	–
<b>Closing defined benefit obligation</b>	<b>216,936</b>	<b>179,759</b>

<b>(i) Change in the fair value of scheme assets</b>	<b>Year to 31/12/2020 £000</b>	<b>Year to 31/12/2019 £000</b>
Opening fair value of the scheme assets	186,937	158,955
Expenses	(220)	(270)
Interest income	3,726	4,364
Actuarial gains	25,322	24,119
Contributions by employer	3,820	4,923
Net benefits paid (including expenses)	(4,885)	(5,154)
<b>Closing fair value of the scheme assets</b>	<b>214,700</b>	<b>186,937</b>

<b>Actual return on scheme assets</b>	<b>29,048</b>	<b>28,483</b>
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<b>(j) The assets at 31 December 2020 are represented by:</b>	<b>At 31/12/2020 Fair value £000</b>	<b>At 31/12/2019 Fair value £000</b>
Equities	42,439	43,244
Property	12,046	10,745
Fixed interest and index-linked bonds	127,634	107,621
Absolute return	16,941	9,990
Infrastructure	6,673	6,284
Other	8,967	9,053
<b>Scheme assets</b>	<b>214,700</b>	<b>186,937</b>

## 25. PENSION COSTS (CONTINUED)

### (k) Actuarial assumptions

In the above, investments have been valued at fair value and liabilities have been determined by a qualified actuary using assumptions consistent with the requirements of FRS 102, namely:

<b>Financial assumptions</b>	<b>Year to 31/12/2020 % p.a</b>	<b>Year to 31/12/2019 % p.a</b>
Discount rate	<b>1.40</b>	2.00
Inflation (RPI)	<b>3.00</b>	3.05
Inflation (CPI) <sup>1</sup>	<b>2.60</b>	2.05
Deferred revaluation: RPI max 5% p.a.	<b>3.00</b>	3.05
Pension increases in payment: CPI max 5% p.a.	<b>2.60</b>	2.10
Pension increases in payment: CPI max 2.5% p.a.	<b>1.90</b>	1.65
Pension increases in payment: CPI max 3% p.a.	<b>2.10</b>	1.80

### Demographic assumptions

<b>Mortality</b>	<b>Year to 31/12/2020</b>	<b>Year to 31/12/2019</b>
Base tables	<b>S3PXA</b>	S2PXA
Loading on base tables	<b>107%</b>	103%
Improvement allowance, for males	<b>CMI_2019 (1.5%)</b>	CMI_2018 (1.25%)
Improvement allowance, for females	<b>CMI_2019 (1.25%)</b>	CMI_2018 (1.00%)
Smoothing parameter	<b>7.0</b>	7.5

<sup>1</sup> The impact of the change in the best estimate RPI-CPI wedge applied when setting the CPI assumption has resulted in a c.£13m increase to the defined benefit obligation.

### (l) Defined contribution scheme

Save the Children UK also contributes to a defined contribution scheme. The cost of this is included within salary costs as shown in note 8 and is therefore also included in note 7 and is attributable to the different categories of expenditure according to the employees to which it relates. Employer's contributions are charged to the consolidated statement of financial activities as follows:

	<b>Year to 31/12/2020 £000</b>	<b>Year to 31/12/2019 £000</b>
Pension contributions	<b>2,154</b>	2,524
	<b>At 31/12/2020 £000</b>	<b>At 31/12/2019 £000</b>
Outstanding pension contributions	<b>324</b>	1

These are included within creditors in note 17a.

## 25. PENSION COSTS (CONTINUED)

### (m) The Pensions Trust Growth Plan

Save the Children UK participates in The Pensions Trust's Growth Plan. This is a multi-employer pension plan that has final salary and money purchase arrangements – a proportion of which have some guarantees. This scheme has been treated as a multi-employer scheme as it is not possible to separately identify the assets and liabilities of participating employees.

There is a potential liability for the employer that could be levied by the plan's trustee in the event of the employers ceasing to participate in the plan or the plan winding up. There is also a potential liability where other participating employers are unable to pay their debt relating to the plan.

The last formal triennial valuation of the plan was performed at 30 September 2020 by a professionally-qualified actuary. The valuation revealed that the assets of the plan fell short of the accrued liabilities as at the valuation date. This resulted in a solvency funding level of 81%.

The triennial valuation at 30 September 2020 showed that Save the Children UK had an estimated debt (and thus contingent liability) on withdrawal from the plan of £1.3 million.

The actuary advises that the deficit in the scheme, on an FRS102 basis, is £0.5 million (2019: £0.6 million). The deficit includes Save the Children's share of any 'orphan' liabilities in respect of previously participating employers.

Save the Children UK started to make deficit contributions in April 2013. In 2020 Save the Children UK paid £119,000 (2019: £124,000). Contributions from April 2019 are £123,000 and increase annually by an inflation factor; it is estimated that this should reduce the potential debt to zero by September 2025. Under FRS 102, Save the Children UK is required to recognise a liability for the deficit funding arrangement that has been agreed relating to past service. However, Save the Children UK has no current intention to leave the plan and trigger the contingent liability.

	Year to 31/12/2020 £000	Year to 31/12/2019 £000
<b>Net movement in the pension liability</b>		
<b>Provision at the start of the period</b>	<b>625</b>	<b>1,033</b>
Unwinding of the discount factor (interest expense)	6	17
Deficit contribution paid	(119)	(124)
Remeasurements – impact of any change in assumptions	–	(301)
Remeasurements – amendments to the contribution schedule	9	–
<b>Provision at the end of the year</b>	<b>521</b>	<b>625</b>
<b>Amounts recognised in the statement of financial activities</b>		
	Year to 31/12/2020 £000	Year to 31/12/2019 £000
Interest expense	6	17
Remeasurements – impact of any change in assumptions	–	(301)
Remeasurements – amendments to the contribution schedule	9	–
	<b>15</b>	<b>(284)</b>
<b>Financial assumptions</b>	Year to 31/12/2020 % p.a	Year to 31/12/2019 % p.a
Rate of discount	<b>0.27</b>	<b>1.13</b>



## 26. SAVE THE CHILDREN UK CHARITY – STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2020

	Unrestricted funds £000	All restricted and endowment funds £000	Total funds year to 31/12/2020 £000	Unrestricted funds £000	All restricted and endowment funds £000	Total funds year to 31/12/2019 £000
<b>Income and endowments from:</b>						
Donations and legacies	63,773	24,113	<b>87,886</b>	75,089	13,871	88,960
Charitable activities	–	180,467	<b>180,467</b>	–	199,244	199,244
Other trading activities	6,285	–	<b>6,285</b>	12,782	–	12,782
Investments	760	–	<b>760</b>	1,060	8	1,068
Other	3,564	108	<b>3,672</b>	2,653	1,106	3,759
<b>Total income</b>	<b>74,382</b>	<b>204,688</b>	<b>279,070</b>	<b>91,584</b>	<b>214,229</b>	<b>305,813</b>
<b>Expenditure on:</b>						
Raising funds	27,323	758	<b>28,081</b>	34,721	534	35,255
<b>Charitable activities</b>						
Nutrition	2,501	17,563	<b>20,064</b>	3,018	19,120	22,138
Livelihoods	4,594	33,010	<b>37,604</b>	3,981	25,092	29,073
Health	5,757	36,496	<b>42,253</b>	5,375	31,834	37,209
Protection and rights	1,237	9,913	<b>11,150</b>	2,459	14,029	16,488
Education	6,533	37,121	<b>43,654</b>	7,227	36,453	43,680
Rapid onset emergencies	12,903	64,031	<b>76,934</b>	20,119	83,901	104,020
Advocacy and awareness	7,837	3,459	<b>11,296</b>	12,424	3,961	16,385
<b>Total charitable activities</b>	<b>41,362</b>	<b>201,593</b>	<b>242,955</b>	<b>54,603</b>	<b>214,390</b>	<b>268,993</b>
Other	2,460	2	<b>2,462</b>	2,294	3	2,297
<b>Total expenditure</b>	<b>71,145</b>	<b>202,353</b>	<b>273,498</b>	<b>91,618</b>	<b>214,927</b>	<b>306,545</b>
Net gains on investments	795	203	<b>998</b>	3,067	625	3,692
<b>Net income/(expenditure)</b>	<b>4,032</b>	<b>2,538</b>	<b>6,570</b>	<b>3,033</b>	<b>(73)</b>	<b>2,960</b>
Transfers between funds	(132)	132	<b>–</b>	3,292	(3,292)	<b>–</b>
Actuarial (losses)/gains on defined benefit pension scheme	(5,829)	–	<b>(5,829)</b>	4,795	–	4,795
<b>Net movement in funds</b>	<b>(1,929)</b>	<b>2,670</b>	<b>741</b>	<b>11,120</b>	<b>(3,365)</b>	<b>7,755</b>
Fund balances brought forward	41,291	13,285	<b>54,576</b>	30,171	16,650	46,821
<b>Fund balances carried forward</b>	<b>39,362</b>	<b>15,955</b>	<b>55,317</b>	<b>41,291</b>	<b>13,285</b>	<b>54,576</b>

## 27. INCOME FROM UK AND IRISH GOVERNMENTS

### (a) Income from the Foreign Commonwealth & Development Office (formerly the Department for International Development) in the year ended 31 December 2020

Countries supported	Project	£000
Afghanistan Country Office	Steps Towards Afghan Girls' Educational Success (STAGES) – Phase II	2,505
Bangladesh Country Office	COVID-19 Preparedness and response for vulnerable populations	1,714
Bangladesh Country Office	Suchana – Ending the Cycle of Undernutrition in Bangladesh	7,873
DRC Country Office	Girl's Education Challenge Transition	5,016
DRC Country Office	UK Aid Match Round 4	(50)
Ethiopia Country Office	Programme Addressing Unsafe Irregular Migration 2019	779
Lebanon Country Office	Community-Based Alternatives for Strengthening Education	15
Mozambique Country Office	Linking Agribusiness and Nutrition	935
Mozambique Country Office	Programme for Advancement of Girls' Education	2,993
Multi-country	Safer Schools Project 2017	240
Multi-country	UK Aid Match: Addressing the Education and Protection Needs of Syrian Refugee Children in Jordan and Lebanon	(82)
Multi-country	WASH Track 3 Intervention & rehabilitation of water resources	232
Myanmar Country Office	COVID Response – HARP Facility	275
Myanmar Country Office	MMR Supporting children in the first '1000' days of life and beyond, to reduce child mortality and stunting in high burden states and regions of Myanmar	(3)
Nepal and Bhutan Country Office	COVID-19 UK NERF COVID response 2020	1,135
Nigeria Country Office	Child Development Grant Programme (CDGP), Northern Nigeria	1,552
Nigeria Country Office	NGA Women 4 Health – Extension	16
Nigeria Country Office	Women for Health Initiative	4
Nigeria Country Office	Working to Improve Newborn and Child Nutrition in Northern Nigeria	(127)
Sierra Leone Country Office	Freetown WASH Consortium (FWC) 3b	(23)
Somalia Country Office	Community Health and Nutrition through Local Governance and Empowerment (CHANGE) programme	978
Somalia Country Office	Increasing Women's Participation in Decision Making & Challenging Social Norms (SNaP)	1,474
Somalia Country Office	Somalia Humanitarian and Resilience Programme (SHARP) Phase II	2,636
South Sudan Country Office	Health Pooled Fund – Torit County	11
South Sudan Country Office	HPF II April_Sept 2016 Kapoeta	3
South Sudan Country Office	SSD_HPFI 2_Kapoeta	(7)
START Network	DEPP Innovation Programme – Start Network	(4)
START Network	Migration Emergency Response Fund Phase 2	620
START Network	Start Fund Model Bangladesh – Phase 2	4,034
START Network	Start Fund 2018–2021	13,921
Tanzania Country Office	Covid-19 response Zanzibar	225
Uganda Country Office	RIL_ULEARN_2019	1,245
United Kingdom	Community-Led Innovation Programme (CLIP)	846
United Kingdom	Elrha Humanitarian Innovation Funds (HIF) Phase 2	3,326
United Kingdom	Elrha Humanitarian Innovation Funds (HIF) Phase 3	71
United Kingdom	Global Prioritisation Exercise (GPE)	19
United Kingdom	R2HC Phase 2 Research for Health in Humanitarian Crisis	(39)
United Kingdom	R2HC Phase 3 Research for Health in Humanitarian Crisis	1,650
United Kingdom	R2HC Phase 4 Research for Health in Humanitarian Crisis	488
United Kingdom	START Network Crisis and Disaster Risk Financing 2019	361
United Kingdom	SUN CSN Support 2018–2020	220
United Kingdom	UK Humanitarian Innovation Hub – FCDO	53
Yemen Country Office	Multisector Humanitarian Response Programme Extension	2,842
Yemen Country Office	Yemen Multisector Response Programme	834
		<b>60,806</b>

**27. INCOME FROM UK AND IRISH GOVERNMENTS (CONTINUED)****(b) Income from the UK Department of Health in the year ended 31 December 2020**

Countries supported	Project	£000
United Kingdom	Research for Health in Humanitarian Crises (R2HC) Phase 3	1,488
United Kingdom	Research for Health in Humanitarian Crises (R2HC) Phase 4	564
		<b>2,052</b>
Total UK central government income		<b>62,858</b>

**(c) Income from the Irish government in the year ended 31 December 2020**

Countries supported	Project	£000
Ethiopia Country Office	Eth Irish Aid Gender Equality	10
Ethiopia Country Office	ETH Irish Aid Support for ECSC-SUN	2
Ethiopia Country Office	Eth_ECSC-SUN follow on 2019	161
Ethiopia Country Office	Ethiopian Civil Society Coalition for Scaling up Nutrition	3
Malawi Country Office	Malawi Vulnerability Assessment Committee Cash Consortium	4
Malawi Country Office	Pathways to resilience (P4R)_2019–2020	695
Sierra Leone Country Office	SLE Genda Bizness	580
START Network	Irish Aid Start Funding 2019–2020	361
United Kingdom	Irish Aid Start Funding 2020–2021	1,074
United Kingdom	SUN CSN Support 2018–2020	188
United Kingdom	UKH Nutrition TRRT 2019–2020 IMC/Irish Aid	32
Zambia Country Office	Irish Embassy School Feeding 2020	181
		<b>3,291</b>

Negative figures relate to adjustments made on the closeout of awards, including where amounts are being returned to donors where Save the Children UK has not been able to spend the funds in accordance with donor wishes.

Save the Children exists to help every child reach their full potential.

In more than 100 countries including the UK, we help children stay safe, healthy and keep learning. We lead the way on tackling big problems like pneumonia, hunger and protecting children in war, while making sure each child's unique needs are cared for. We find new ways to reach children who need us most, no matter where they're growing up.

For over a century, we've stood up for children and made sure their voices are heard. We wrote the treaty that sets out the rights of every child, and we've been upholding them every day since.

We know we can't do this alone. Together with children, supporters and partners, we work to help every child become who they want to be.

[savethechildren.org.uk](https://savethechildren.org.uk)

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