

# Annual Report 2022



SOS CHILDREN'S  
VILLAGES  
UNITED KINGDOM

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Front cover: Ukrainian children at the playground of SOS Children's Village Bucharest, Romania © Katerina Ilievska

Image above: Young people laughing in Tanzania © Lars Just

# WELCOME

2022 was a year dominated by crises, most notable of these being the war in Ukraine. At SOS Children's Villages UK, this conflict felt very close to home. We stayed in contact with our Ukrainian colleagues, receiving regular and often heart-breaking updates from them. With help from our generous supporters, we were pleased to be able to assist the children and families impacted by this terrible conflict, providing aid, emergency accommodation and mental health counselling through our Ukraine Emergency Appeal.

While it's clear this conflict is unlikely to be over soon, thoughts are already turning to how the country rebuilds. For SOS Children's Villages this means considering what kind of care we want to provide for Ukrainian children and young people in the months and years to come. How can we best support them to deal with the trauma they have experienced and become empowered and resilient adults?

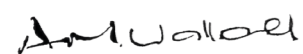
As we look at all that has happened this year, while acknowledging the suffering, we must consider how positive change is often driven by crisis. We should also reflect on our role in contributing to that change. In this largely post-COVID period, around the world in places as diverse as The Gambia and Sri Lanka, the disruption caused by the pandemic and war in Ukraine is giving way to new thinking about what we want for children and the way we care for them. How do we make sure children and young people have the bonds they need to thrive, amidst the challenges we all face?

The renewed and welcome focus within our SOS Children's Villages family on safeguarding, and the protection of the children, young people and families we work with, is also driving change. This progression raises questions – what is the best way to keep children and young people safe in current times, especially in our globally-connected, rapidly-changing online world?

Closer to home, the pressure on our funding during these tough times in the UK means we have to think about the best way to get 'bang for buck'. 2022 was a year of working closely with partners in the different locations we support, to understand what their needs are and how programmes can deliver the best possible outcomes for children and young people today.

We must be courageous and challenge ourselves – even to the extent of looking at our well-known model of childcare and asking ourselves if it still does what it needs to do, given the changing world children face today. We must also help to build resilience, supporting the communities we work with to create effective and long-term change, while simultaneously responding to immediate crises and preparing for future challenges.

2023 will be a year when we start to realise some of this ambition. With your continued, generous and essential support, we will strive to create an SOS Children's Villages that is helping children and young people grow up feeling safe, loved and respected, well into the future.



Alison Wallace  
CEO



Harpinder Collacott  
Chair of Trustees



Siblings laughing and playing together in Somaliland © Lydia Mantler

# WHO WE ARE AND WHY WE EXIST



**138**  
countries  
worldwide

SOS Children's Villages UK is part of a global federation operating in 138 countries. Founded in 1949, SOS Children's Villages is the world's largest non-governmental organisation focused on supporting children and young people without parental care or at risk of losing it. We exist to ensure that every child has the bonds they need to become their strongest selves.



**1 in 10**

Today, 1 in 10 children and young people around the world are separated from their families, neglected or forced to live in an abusive environment, growing up without the support they need to prepare themselves for their future. The effects of this often last a lifetime, creating a harmful cycle that repeats from one generation to the next.

Together, we are here to break this cycle and to prevent it from happening in the first place.

We go beyond the basic needs, focusing on the trust and warmth of strong human connections, to ensure every child has what they need to thrive and not just survive.

Children and young people need genuine, healthy relationships and connections with others to develop. We believe that a child who feels safe, loved and respected has the power to change the world.

**As a child, you need someone who truly sees you – who stands by you no matter what. Someone who holds you close when you are small and believes in you when you are ready to step into the world.**

## Helping children grow into their strongest selves

Each child is unique – they have their own needs, come from different circumstances, and possess an individual potential for impacting the world. This understanding is at the heart of everything we do. We work with each child so their voice is heard and they have a say in the care and support they receive.

The relationships and connections we form with others during childhood play a crucial role in shaping who we become, helping us develop trust, confidence and key life skills that we carry with us into adulthood.

For children and young people who have lost or are at risk of losing parental care, growing up often becomes about survival rather than play and learning.

Working with children, families and communities, we strive to ensure that each child and young person grows up in a caring, nurturing and positive environment that supports their development. This means that they can thrive and positively contribute to their community and own family, now and in the future.

We ensure children and young people have the bonds they need by preventing families from breaking down, protecting children, and advocating for children and young people. We empower individual children, young people and families, and develop a range of quality programmes and services suited to their individual needs and local contexts. We work in four main areas:



**Strengthening families**



**Caring for children**



**Youth employability and education**

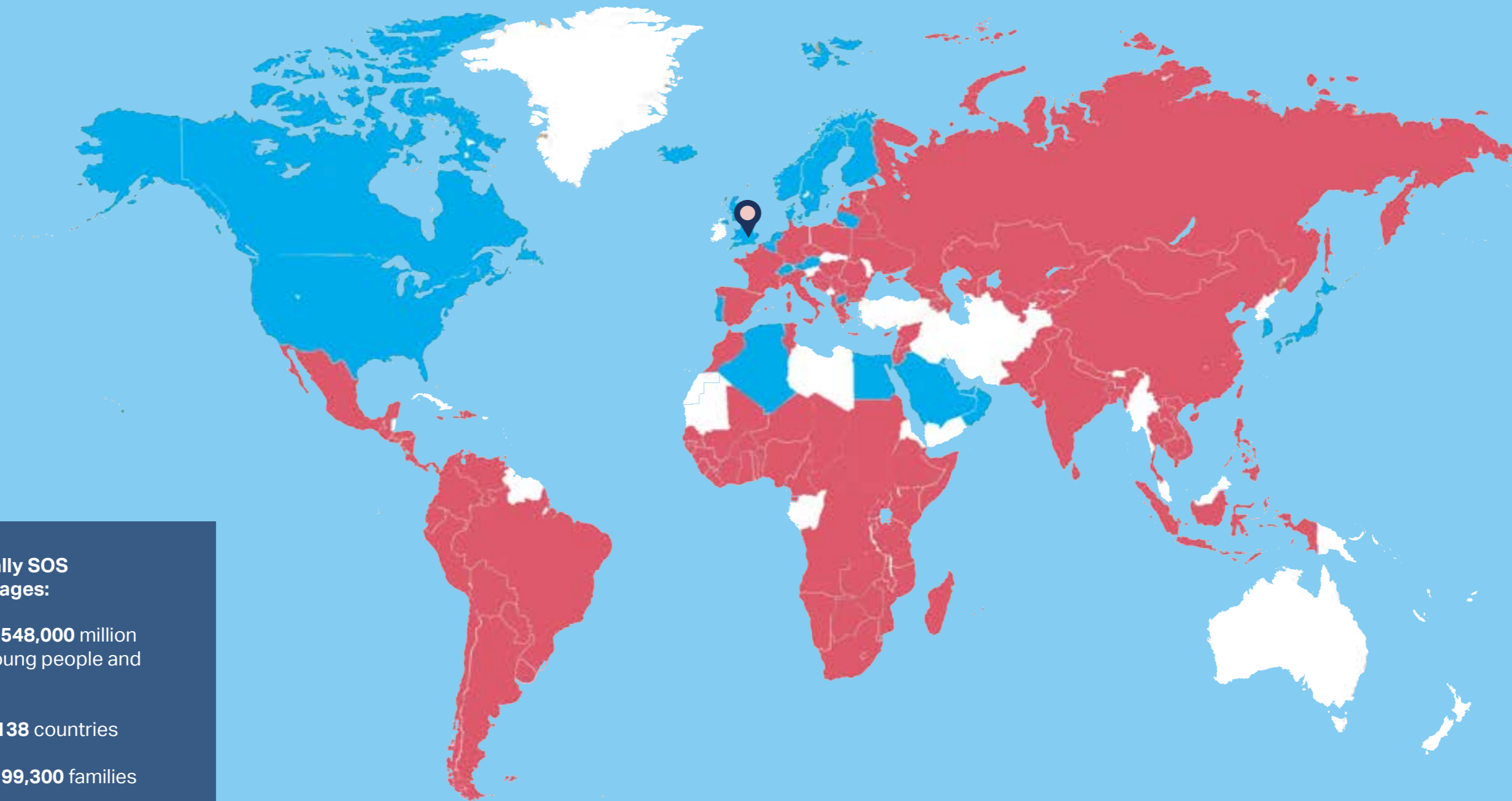


**Protecting children in emergencies**

**We see  
each child,  
no matter  
what the  
circumstances.**




# GLOBAL REACH



## In 2022, globally SOS Children's Villages:

- Reached **2,548,000** million children, young people and adults
- Worked in **138** countries
- Supported **99,300** families

## Colour Key

 Countries where SOS Children's Villages is located, supported by SOS Children's Villages UK

 Countries where SOS Children's Villages is located, not supported by the UK

# A YEAR IN REVIEW

In 2022, we raised a total of £8.44m (£7.85m in 2021) from our generous supporters. Money was raised from UK donors through public donations, legacies, sponsorships, community fundraising efforts, charitable trusts and foundations, and voluntary income from corporate partnerships. As well as money from individual sponsors and donors, we received sizeable funding from Standard Chartered Foundation, M&G plc, Claire's, Mars Ireland and FactSet. We also received funding from a number of other partnerships, and trusts and foundations, including PDFoundation.

These funds enabled us to support children, young people and families, by providing quality family-like care; helping prevent family breakdown; protecting children and families in emergencies; and empowering young people through youth education, skills training and mentoring.

We are extremely grateful for the generous support of all our donors. Read more about the financial breakdown of our income and expenditure on pages 62 to 67, and about those who fund our work on pages 60 to 61.



Two sisters holding their brother up while he rides his bike in Bangladesh © Alea Horst

## Progress towards our objectives in 2022



In 2022, we began working towards a new three-year strategic framework (2022-2024). We made the following progress against the goals we set for ourselves in support of our charitable purpose. More details of our work and achievements can be found on pages 14 to 55.

# 1

**Continue to support children who have lost parental care and families at risk of breakdown, with a focus on education and employability programmes for young people; supporting families with livelihoods and resilience related programmes; and amplifying our impact by increasing the number of children, families and communities we support.**

In 2022, we supported children and young people without parental care or at risk of losing it, in 112 countries around the world.

Through our family strengthening work, we supported families at risk of breakdown including through economic empowerment and help with livelihoods; assistance with children's mental and physical health; and help with children's education. We worked with families in this way on specific projects in eight countries - France, Germany, Italy, Spain, Poland, India, Zambia and Sri Lanka, where we provided additional support in response to the economic crisis. We also helped to strengthen families in numerous other places we are present, as an integral part of our work in village communities.

As a core aspect of our work, we provided alternative, family-like care for children in 108 countries, with over 7,500 donors directly supporting over 4,500 children in 302 locations through our sponsorship programme (in 2021, 7,200 donors supported over 4,700 children in 287 locations). In line with our fundraising strategy, we did not actively promote sponsorship in 2022, and therefore had fewer sponsorships than in previous years. However, we increased the number of other individual donors, bringing in around 4,000 new supporters who provided regular non-sponsorship donations (in 2021, we brought on board 3,300 new regular supporters). These valuable funds are used to provide support across SOS Children's Villages' different programmes.

We also received over £1.85m in legacies donations, a large portion of which was for Mozambique, and another sizeable amount for programmes in four districts of India, which will support over 5,000 children and young people.

Thanks to corporate partnerships and other support, we continued to provide young people in 14 different countries with quality skills training, mentoring and education, to help them gain employment or set up their own businesses.

Through our partnership with M&G plc we directly impacted over 44,500 people, empowering families and providing young people with the skills they need for a successful future. Our Youth Employability and Training programme in Basse, The Gambia, developed skills and opportunities for 339 young people in 2022, with an aim of reaching over 1,000 throughout the course of the programme.

We continued our partnership with Standard Chartered Foundation, as part of their Futuremakers initiative, in 2022 providing employment and entrepreneurship opportunities for 1,039 young people in Botswana, Côte d'Ivoire, Sri Lanka, Jordan, the Philippines, South Africa and Mauritius. Through YouthCan!, a global initiative from SOS Children's Villages to empower young people through skills training, mentorship and work experiences, we provided employability training for young people in India and the Philippines. We also delivered oral health education in Botswana, and HIV and AIDS Awareness and Prevention education in Tanzania, reaching 2,000 young people.

Through our Ukraine Emergency Appeal, and responses to other crises such as the extreme flooding in Pakistan and humanitarian crisis in the Horn of Africa, we raised £552k to help protect and care for children and families at risk when impacted by war, natural disasters and other emergencies. This year, we launched our new Emergencies Fund to enable us to respond more effectively and provide immediate, as well as ongoing assistance, to children and families when disaster strikes.

## 2

**Continue to support children and young people in the village communities of Basse, The Gambia and Chipata, Zambia, together with vulnerable families in the region, working with our partners to identify changing community requirements, adapt services and programmes accordingly and identify and strive to close gaps with respect to the UN Guidelines on Alternative Care.**

Throughout 2022, we continued our long-term support for children, young people and families in Basse, The Gambia and Chipata, Zambia. We enabled the provision of tailored, family-like care for 221 children (233 children in 2021) and supported other children and families by delivering health and education solutions, and helping families stay together, reaching a total of 1,756 people in these two locations in 2022.

Providing a total of £323.6k (£278k in 2021) in funding to these two communities, we reconfirmed our commitment to long-term engagement and sustainability of programmes in both locations. This year, we focused on supporting our colleagues in The Gambia and Zambia to strengthen the way these programmes operate and continue to improve the quality of care.

In The Gambia, we worked with our Gambian SOS Children's Villages colleagues to conduct a strengthened needs assessment and 'gatekeeping' process - reviewing and tailoring the care we are providing to each child and young person to ensure we are fully meeting their individual requirements. We ensure that children are kept at the heart of the conversation. For some, this has meant that care can be more appropriately provided in the community within family structures that are better suited to their changing needs and environment. In both locations, we have seen challenges around an increased need for services, combined with pressure on resources. Our focus has therefore been on how we can spend funding in an increasingly sustainable way in a tightening economic environment. In Zambia in particular, we are working closely with the Zambian team to assess the impact of financial management challenges on the work they are delivering and the care they are providing to children and families going forward.

## 3

**In line with renewed emphasis within the SOS Children's Villages Federation, work with our partners at SOS Children's Villages in The Gambia and SOS Children's Villages in Zambia to strengthen approaches to the safeguarding of children, young people and staff.**

This year we worked with our SOS Children's Villages colleagues in both The Gambia and Zambia to support the transition towards an improved culture and processes for keeping the children, young people, caregivers and staff we work with safe. We supported the teams in these countries to engage with the broader changes happening at federation level, working especially on strengthening management and connecting with the wider federation structures.

In Zambia, we worked to improve safeguarding reporting, ensuring the structures and processes are in place so that people are empowered and comfortable to come forward and report any safeguarding concerns they have, and they know how to do so.

## 4

**Sustain further investment in our fundraising operation, in order to sustainably increase the support we can provide to SOS Children's Villages' programmes in the future and to ensure we deepen our existing relationships, with the aim of increasing our unrestricted income to 40% of our total income.**

Despite the economic challenges posed by the cost-of-living crisis and Ukraine war in 2022, we sustained investment in our fundraising, exceeding our income generation targets in all areas (128% over planned budget). With continued support from our SOS Children's Villages sister organisation, Hermann Gmeiner Fonds Deutschland (HGFD), we continued to invest in developing stronger systems and processes, and in diversifying our income - building new partnerships and donor relationships. In particular, we introduced a new CRM and finance system, which we will be able to leverage in 2023 to strengthen our fundraising operations further.

At the end of 2022, unrestricted income was 40% of total income. Flexible, unrestricted income that is not specifically earmarked for one particular purpose is vital to enable us to commit sustainable support to SOS Children's Villages' global programmes, and ensure funds are used where they are most needed. Developing our fundraising capacity and increasing our income, particularly unrestricted funds, means we can ensure more children and young people grow up feeling safe, loved and respected and have the bonds they need to thrive.



Three girls from Ukraine posing with their foster father, Karlino. © Katerina Ilievska

# STRENGTHENING FAMILIES

**The importance of supporting families to stay together cannot be overstated. Keeping families together plays a critical role in preventing cycles of harm and trauma, and protecting children who are at risk of losing parental care.**

We believe that wherever possible, children are served best by remaining with their families. By investing in family support systems, we address the root causes of vulnerability, ensuring that children grow up in a safe, loving and nurturing environment. This reduces the likelihood of future separation and helps break intergenerational cycles of poverty, neglect, and abuse.

The programmes run by SOS Children's Villages empower parents and other caregivers with the tools and resources they need to provide the best possible care for their children, preventing factors that can lead to separation. Our work to strengthen families and prevent family breakdown, contributes to the wellbeing of children and communities, fostering resilience and promoting healthy, thriving futures for generations to come.

In 2022, SOS Children's Villages UK supported specific initiatives aimed at strengthening families in eight countries, contributing nearly £1 million to a variety of holistic programmes. Through our partnership with M&G plc alone, we assisted over 44,500 children and parents in India, Poland, Germany, Italy, France and Spain. These tailored initiatives include livelihood and financial support; enabling children to access education; raising awareness of issues which cause family separation; and developing the knowledge and skills of parents and caregivers to better care for their children.



Daughter hugging mother while she is cooking lunch for customers © Lydia Mantler



## Empowering families and communities: A holistic approach

At the heart of our Family Strengthening programmes is our drive to support communities where children face the highest risk of separation from their families. Teaming up with local services, we identify and support those most vulnerable.

Throughout 2022, we provided holistic support tailored to each family's unique challenges. Our engagement typically lasts for three to five years, empowering caregivers towards self-reliance, equipping them with essential skills and resources, such as food, access to healthcare and education, and support with livelihoods development.

We champion community involvement for sustainable impact, engaging local communities in our initiatives that address key issues causing family separation, like child marriage and girls' education rights. This community education approach ensures ongoing family support.

We are effective because we are trusted by the local community. SOS Children's Villages local teams are part of the communities they serve, fostering strong relationships with local organisations, government bodies, and suppliers. This allows us to establish trust with community leaders and generate support for our programmes.

### Breaking the cycle of abuse

Manju Devis, a 37-year-old mother of three from the mountain village of Bhumiadar in India, endured over two decades of violence and abuse in her marriage before finally separating from her husband. As the head of the household and one of the few financially independent women in her village, she vowed to protect her children from further suffering. Living in a community where domestic violence is an everyday reality for many women, Manju sought help to break the cycle of abuse.

Manju joined SOS Children's Villages' Family Strengthening Programme in 2019, receiving support for her daughters' education and a livelihood grant. She started rearing goats and took on various jobs, gradually becoming financially independent. Swati, who works on the SOS Family Strengthening Programme, focused on ensuring the family's stress didn't hinder the children's education and worked with the community to emphasise the importance of non-abusive relationships.

Gaining the confidence to report the abuse, Manju received support from local law enforcement and her community. This has led to a stronger bond between her and her children, increased social confidence, and improved education for her children. Manju's family serves as an example of hope and determination in the face of adversity.



Manju Devi and her children sitting outside their home in India ©Pearl Sandhu

## Strengthening families during Sri Lanka's economic crisis

In the face of the severe economic crisis that struck Sri Lanka in 2022, families found themselves grappling with shortages of essential items and the daunting task of providing adequate meals for their children.

SOS Children's Villages UK provided direct support through the Family Strengthening Programme in Nuwara Eliya, offering a lifeline to 165 families affected by the crisis.

By providing much-needed assistance during times of crisis, the programme enabled families to remain united and resilient. The comprehensive assistance, which included providing food, education, and economic stability, helped to alleviate the pressures that can lead to family separation or children being placed in alternative care.

Support from our partner, PDFoundation, enabled the distribution of 990 dry ration packs and 15,000 mid-day meals between July and December 2022. This critical assistance ensured that none of the children in the programme fell below the Body Mass Index margins during their biannual check, effectively shielding them from malnutrition.

Despite the challenging circumstances, SOS Children's Villages in Sri Lanka persisted in delivering the core activities of the Family Strengthening Programme, placing emphasis on education and economic stability. They offered online and in-person classes, backed income-generating activities, and facilitated family counselling. Their unwavering support resulted in 95% of caregivers managing to sustain or restart their businesses in 2022.

In addition, SOS Children's Villages in Sri Lanka coordinated family counselling and child protection sessions, actively involving community organisations. The Kalapura/Shanthipura community successfully finished the programme in 2022, with 83% of families here achieving self-reliance.

165



families affected by the crisis.

990



dry ration packs

15,000



mid-day meals

83%



families here achieving self-reliance.



### Keeping a mother and her children together

Ayomi, a determined 37-year-old mother of three from a small village in Sri Lanka, faced a future filled with challenges when the economic crisis that followed the pandemic struck her family. With a husband who didn't work and an unstable tailoring business, Ayomi struggled to provide for her three children and make ends meet.

As the crisis worsened, Ayomi's tailoring business dried up, and her husband's alcohol addiction and often abusive behaviour added to the family's troubles. Unable to cope, Ayomi was advised to hand over her children to the government. That's when SOS Children's Villages in Sri Lanka stepped in, providing much-needed support to keep the family together.

***"I got lots of support from SOS [Children's Villages]. I am here, in this position today because of SOS [Children's Villages]. If not, I was honestly fed up with life. I was advised to hand over my children to probation."***

- Ayomi

The Family Strengthening Programme helped cover the family's rent and supported the education of Ayomi's two older children.

Despite her challenges, Ayomi found a job in a garment factory, and began bringing in a small salary. Unfortunately, she had to sell her sewing machine due to their economic hardship. She is grateful for the support that SOS Children's Villages was able to provide to her family and knows that she may have had to give up her children without the help she received.

Ayomi's wish is to regain the ability to work from home and care for her children simultaneously. Through the consistent support of the SOS Children's Villages Family Strengthening Programme, Ayomi remains hopeful in the face of adversity.

Image top right: Ayomi Kumari and her daughters in Sri Lanka © Pearl Sandhu



### Supporting families in Chipata, Zambia

**In 2022, SOS Children's Villages UK supported the Family Strengthening programme in Chipata, Zambia, making a significant difference to the lives of 775 children and parents through a variety of dedicated initiatives.**

This was a year of progress for the Family Strengthening Programme in Chipata supported by SOS Children's Villages UK, and the programme was instrumental in transforming the lives of vulnerable families and children.

Throughout 2022, families were supported through key initiatives, such as Village Saving and Loans Associations, a Rural Finance Expansion Programme, and an Adult Literacy Programme.

The Village Saving and Loans Associations foster a culture of saving and investment, empowering caregivers to overcome financial barriers and build a sustainable future. Financial literacy training, and training sessions for village agents, led to the creation of small informal businesses. These, in turn, enabled families to provide for their loved ones, pay school fees, and purchase educational materials for their children.

The Adult Literacy Programme focused on improving the literacy of caregivers. Increased literacy skills lead to better decision-making, greater opportunities, and ultimately more successful families. The different aspects of the programme work together, with the improved literacy of participants also making the saving, investment and Rural Finance Expansion initiatives more impactful.

As part of the Family Strengthening Programme, education on sexual and reproductive health and rights was provided for girls and boys in two primary schools in Chipata during 2022. These sessions cover topics such as reproductive health, menstrual hygiene and management, HIV and AIDS, pregnancy, and child marriage. By educating young people on these important issues, the programme aims to create a healthier and more informed generation.

*Image top left: A mother and daughter laughing, Zambia © Paal Audestad*



### Family resilience in Poland

Malgorzata Malgosia, a mother of eight children from Poland, demonstrates an inspirational case of resilience in the face of adversity. Despite the hardship faced by her family following her husband's accident and subsequent stroke in 2013, Malgorzata managed to navigate life's challenges with grace and determination.

With a large family to support and her husband unable to work, Malgorzata was under intense pressure and stress. The complexity of their situation made finding a way forward seem almost impossible.

Thankfully, they found the support of the SOS Children's Villages Family Strengthening Programme in Poland, designed to support and empower families through difficult times. The programme provided an array of support services and training. Most importantly, it helped Malgorzata to understand her essential role within her family. She learned that self-care was not a luxury, but a necessity, and that she could delegate responsibilities to other family members. This not only eased her burden, but also fostered a greater sense of family unity and cooperation.

The programme's impact on the family was profound. Malgorzata's children, once confined by their circumstances, were now able to explore and pursue their individual interests. The programme also organised family workshops and a variety of trips and excursions, broadening the children's horizons.

Malgorzata herself remained active, participating in all activities and using the opportunities to provide her children experiences that were previously unattainable due to financial constraints. The joy and excitement the children brought home after these activities filled the household with positivity and affirmed the immense value of the Family Strengthening Programme.

Malgorzata's story illustrates how a comprehensive intervention can empower families to overcome adversity, nurture individual growth, and foster strong family bonds. With the right resources and support, families can flourish, even in the face of immense challenges.

# CARING FOR CHILDREN

**The loss of parental care, whether due to unforeseen circumstances, abuse, or neglect, is a devastating experience for any child. In these challenging situations, it is crucial to ensure that children feel loved, cared for and protected so that they can grow and thrive.**

SOS Children's Village communities around the world provide high-quality, alternative care for children who have lost the support and security of their families. This ensures that children and young people can grow up with the bonds they need to become their strongest selves.

Thanks to our sponsors, in 2022, SOS Children's Villages UK provided support for over 4,500 children and young people from 108 countries. These children were cared for within 302 different SOS Children's Villages communities. We provided family-like care for the individual children and supported them holistically through the broader work of SOS Children's Villages in each location, including educational initiatives and programmes to strengthen families.



Two girls hugging in Bangladesh © Alea Horst

## Keeping siblings together: fostering a nurturing bond in care



Siblings Naol\* & Beki\* hugging, Ethiopia © Abeba Tiumelisan



Siblings Naol\* & Beki\* with their SOS Children's Villages mother, Ethiopia © Abeba Tiumelisan

Naol\* and Beki\*, are a pair of incredibly resilient twins from SOS Children's Village Jimma in Ethiopia. Despite being born prematurely, the twins have flourished into strong and healthy nine-and-a-half-year-olds, with the love and support of their devoted caregiver, Bizunesh Shiferaw.

"I have a very special love for both of these children. They were only 17 days old when they came to me," Bizunesh reminisces. "Seeing them now, looking strong and healthy, and living a happy life with me and the rest of the family, fills my heart with joy."

After the twins' biological mother passed away, their father was unable to care for them, and they were brought to the SOS Children's Village community to live with Bizunesh.

"The children were in a fragile situation. It was a rush against time to save their lives. I was not sure how this story would end. Beki's condition was particularly critical. I gave them all the love and care they needed, day and night, carefully providing nutrition and medication as ordered by doctors. And thank God for all the people who supported the children, Beki steadily recovered."

Beki and Naol, now in the fourth grade, share only their birthday as a similarity. Naol is outgoing and mischievous, while Beki is more reserved and quieter, sometimes relying on Naol to speak for her. Despite occasional sibling rivalry, they are fiercely protective of one another.

"Beki is kind to me. She always helps me with anything she can," says Naol. "She also likes telling me funny stories. We are very close and hang out together at school and at home."

Bizunesh firmly believes that keeping the siblings together has been crucial for their well-being and has fostered strong bonds between them. She believes that children in care have already suffered loss and sometimes abuse and neglect, so separating siblings would only add to their trauma.

"Living together has helped their emotional and physical development in many ways. They feel stable and happy in their life," she explains. "Raising them together has played a great role in maintaining a positive development in their life."

Naol and Beki are in touch with their biological father, and they know him well. The family is on a path towards reunification, although he is still not able to bring the twins home.

"They frequently talk to their father on the phone," says Bizunesh. "I let them talk to him whenever they want. They also visit him in the summer during school break. Beki and Naol will go and live with him permanently when he is ready to raise them."

**"My brother loves supporting me with schoolwork when we study together. He is very good at drawing, and he is teaching me how to do it."**

- Beki\*

\*Names changed to protect the privacy of the children.

## Building brighter futures

SOS Children's Villages UK continued to support the provision of safe and caring environments for children without parental care in 2022, prioritising their wellbeing and development. With family reunification as a central goal, we empowered families to regain caregiving abilities, and provided alternative care for children who couldn't return to their families.

In SOS Children's Villages communities, children build necessary bonds, retain sibling relationships, pursue education, and can access trauma-informed mental health support. Dedicated caregivers safeguard them from exploitation, abuse, and neglect, enabling them to thrive.

In 2022, our focus on personalised education and comprehensive support continued to promote children's long-term stability, and prepared them for a resilient future. Through the village communities, local communities are supported via Family Strengthening Programmes, which prioritise children's education, parental employment, food security, and family empowerment.

These programmes reduce the risk of family breakdown, thereby lessening the need for alternative care. By combining outstanding care, community strength, and extensive support, SOS Children's Villages helped to empower communities and build brighter futures for children and young people throughout 2022.

***"I am happy that as I will be joining college; I have adequate skills to earn me success."***

*– Almasi, a young person from SOS Children's Villages in Mombasa*



**Around the world, thanks to our generous donors, SOS Children's Villages UK was able to provide direct support to SOS Children's Villages in different locations – helping at risk children and the communities where they live.**

### **Unlocking potential and embracing new beginnings in Kenya**

Launched in July 2022 at SOS Children's Villages, Mombasa, the 'Leave No Youth Behind' initiative is transforming how young people transition from community living. Providing life skills and work opportunities, the programme supports young people in safeguarding themselves whilst educating them about their responsibilities.

In Eldoret, children engaged in psychosocial support activities, expressing themselves through art and storytelling, boosting their self-belief. One participant, called Ina\*, said, 'these training activities have helped me nurture my self-confidence. I feel I am a better person and can help change the world in my own little way.'

### **Addressing the water crisis and growing food in Zimbabwe**

The water crisis in Bulawayo, Zimbabwe, has been a long-standing issue, with availability of fresh, clean water an ongoing issue. Despite these challenges, SOS Children's Villages in Bulawayo made a tangible difference by installing five large water tanks in four local schools and one community garden. Over 106 families in the community now benefit and have gained access to clean water, improving their overall quality of life.



At the same time, SOS Children's Villages in Bindura, Zimbabwe established a solar-powered irrigated garden, yielding a variety of fresh produce, including tomatoes, cucumbers, cabbages, onions, carrots and okra. This project not only enhances the nutritional value of meals served at the school, but also provides affordable, healthy food options for the surrounding community - promoting overall wellbeing and fostering a stronger sense of unity.

### **Reviving hope in Surkhet, Nepal**

Radha, a single mother of two, struggled to provide for her family after her husband's passing. With support from the Family Strengthening programme in SOS Children's Villages in Surkhet, Radha received financial assistance to open a grocery shop and food business. Her daughters, now on a scholarship to study at the SOS Children's Villages school, are excelling in their education. With a stable income and dreams of building a small house, Radha's family is thriving thanks to the life-changing support from the SOS Children's Villages community.

### **Inspiring young minds in Lipa, The Philippines**

The newly opened Youth Hub in the SOS Children's Villages community in Lipa offers a wide range of opportunities for young people to develop essential life skills. They take part in sessions on topics such as personal development, effective public speaking, using MS Office applications, photography and fundraising.

'These sessions are a great help for me. It gives us the advantage of being more skilful. In school, we don't usually have these kinds of training. Here in the Village, we can discover new abilities that will be helpful once we become independent.' Says Said Ally, one of the young adults in the SOS Children's Villages community in Lipa.

# YOUTH EMPLOYABILITY AND EDUCATION

Our work and achievements

**Tackling global youth unemployment is crucial for sustainable development. Ensuring access to employability training, education, skills development and mentoring helps young people in vulnerable situations to escape poverty, and also drives economic growth.**

With 68 million young people globally facing unemployment, it is particularly important to support those who have lost parental care, or who are at risk of losing it, to gain the skills and confidence they need to enter the world of work and stand on their own. Young people without parental support, often lack the essential guidance, knowledge, life-skills and resources required to be self-reliant and build a successful future for themselves.

SOS Children's Villages UK is dedicated to empowering the next generation and creating a brighter and more inclusive future for all, by providing equal opportunities and skills development, regardless of gender or background. In 2022, we championed key initiatives focusing on youth training and employability, including our contributions to the international YouthCan! partnership and our Youth Training and Employability Programme in The Gambia. This programme supported 319 young people in 2022, and aims to assist more than 1,000 young people over course of the project.

Collaborating with the Standard Chartered Foundation, we participated in the Futuremakers initiative, promoting financial independence and self-sufficiency among young people worldwide. In addition, providing health education, including oral hygiene, and sexual and reproductive health awareness, meant that young people had some of the life-skills they need to take care of themselves.



*Farah, a member of one of our Youth & Employability Programmes working in Somaliland © Lydia Mantler*



## Youth training and employability in The Gambia

In 2022 the Youth Training and Employability Programme in The Gambia reached its fourth year, supported by generous grants to SOS Children's Villages UK from PDFoundation, as well as other donors and corporate partners.

This programme aims to empower young people through education, skills development, mentoring and entrepreneurship opportunities. Through this project, young people are equipped with vocational skills and have access to work placements, ultimately enabling them to secure stable employment or start their own businesses.

By fostering self-reliance and financial independence, the programme helps to combat poverty and unemployment amongst young people in the remote Upper River Region in the east of The Gambia, and particularly in its disadvantaged communities. It is designed to promote gender equity by specifically encouraging female participation.

***"I want to show my talent, what I can do, what I can achieve, and make my Basse people proud."***

*- Rabbi, former student and intern at Gamtel, Upper River Region, The Gambia*

The programme also creates inclusive opportunities for young people with disabilities by utilising adaptive and inclusive technology. Moreover, it collaborates with a local disability organisation to guarantee that the training is universally accessible. To date, 14 young individuals with disabilities have enrolled in the programme.

In this fourth year, significant progress was made. The second cohort, consisting of 151 students, successfully completed their studies with 140 securing work placements by the end of the year. Cohort three successfully enrolled 188 students, who will go on onto graduate in 2023.

Of the cohort who graduated at the end of 2021, 46% of the 135 students have secured employment and two-thirds are contributing to family income.

Banner image: A young girl at the Youth and Employability Centre in The Gambia ©Abeba Tiumelisan

151



students from cohort 2 successfully completed their skills training

188



students recruited for cohort 3

81%



of recruits were female

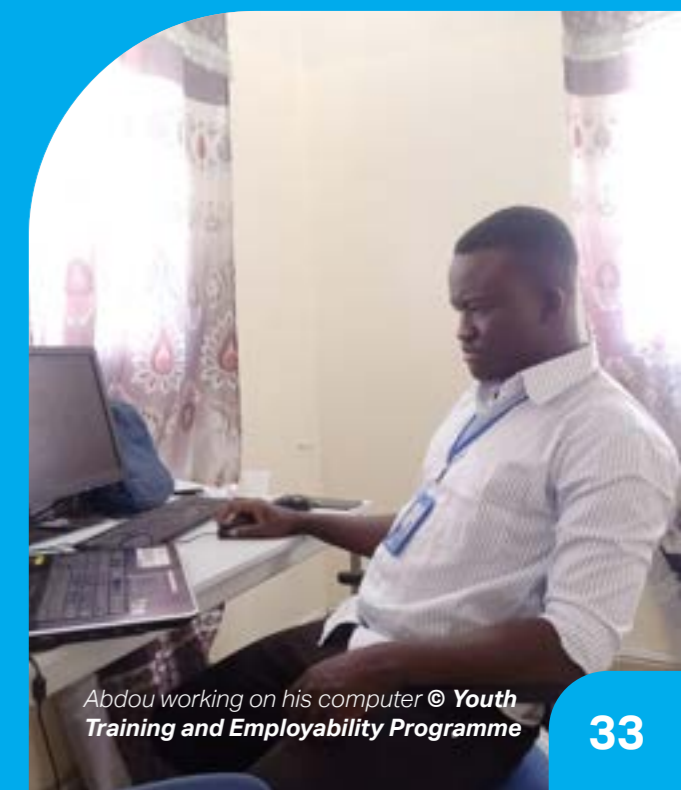
### Harnessing passion and ambition

Born in Basse, The Gambia, and educated in Senegal, Abdou Sallah faced financial hardship upon returning to The Gambia. With a drive to convert his passion for IT into a career, he launched a modest business selling mobile phone accessories while running an internet café. Despite his determination, he struggled with financial instability, often finding it challenging to cover the shop's rent. While contemplating quitting, a close relative's support buoyed him, reinforcing his determination to persist.

His struggle and determination caught the attention of the Youth Training and Employability Programme committee, who saw his potential and invited him to join the programme.

The mentorship and training he gained through the programme further ignited Abdou's passion. As part of his training, he took part in a three-month internship at The Gambia College's IT unit. His hard work during this period further cemented his ability and drive, leading to full-time employment as an IT assistant.

Beyond professional development, the programme offered Abdou the support necessary to sustain his business amidst challenging times. Today, his aspirations include expanding his business and advancing his IT skills. Abdou's journey highlights the profound impact that targeted education and mentorship, such as this, can have on young individuals who are navigating economic hardship.



Abdou working on his computer © Youth Training and Employability Programme

## YouthCan! - A global partnership for youth employability



As a response to the growing challenge of youth employability, the global partnership, YouthCan! was launched in 2017 by SOS Children's Villages International and five global partners from the private sector. This initiative promotes decent work opportunities for young people without parental care or at risk of losing it.

YouthCan! empowers young people by supporting their transition to independence and work. In 2022, SOS Children's Villages globally reached 14,253 young people in 47 countries through this programme.

SOS Children's Villages UK contributed to the success of YouthCan! globally in 2022 through key partnerships, providing funding of over £830k towards projects in six countries.

### SOS Children's Villages global YouthCan! impact



## Partnering for young people in India

Building on the success of our 2021 collaboration in the Philippines, SOS Children's Villages UK and FactSet joined forces with SOS Children's Villages India in 2022. This new partnership aims to make a lasting difference to the lives of children and young people in Hyderabad, India, helping them grow, develop vital life skills and succeed.

This programme is designed to provide holistic support by addressing the interlinked areas of education, employability, family strengthening and community engagement.

As part of the YouthCan! programme, FactSet employees volunteered their time, skills, and expertise to equip young people with crucial skills needed for decent work opportunities. They focused on many valuable topics, including time management, embracing challenges, building resilience and communicating effectively.

## SOS Children's Villages UK impact in Hyderabad



### Dedication to career success

Although he faced financial adversity, Mohd Azam never relinquished his dream of becoming a safety officer. The YouthCan! programme in India, financed his diploma in Fire, Construction, and Industrial Safety, empowering Azam to focus on his studies and gain practical experience through internships.

After earning his diploma, Azam's effort paid off, landing him a job as a Safety Officer with a company in Hyderabad. His dedication and hard work quickly made him an asset to his company, who recognised his commitment and quickly promoted him. Azam's journey demonstrates that with determination, and the right support, anyone can achieve their dreams.



## Providing health education and awareness

In our ongoing mission to foster healthy and vibrant communities, SOS Children's Villages UK has made significant strides in healthcare education, supporting the implementation of two projects in 2022 that have impacted thousands of lives in Tanzania and Botswana.

Through our **Adolescent Sexual and Reproductive Health and HIV/AIDS Training Programme in Tanzania**, funded by The Mercury Phoenix Trust, we aimed to address urgent concerns and educational needs in relation to these crucial areas of health. Surpassing our original goal of reaching 1,000 young people during the one-year project, we reached over 2,500 individuals, demonstrating the considerable demand for this initiative.

With over one-third of Tanzania's population under 24, and high rates of teen pregnancies and sexually transmitted diseases, comprehensive sexual and reproductive health education is crucial. Our localised action plan, established in partnership with local community workers, education officers, and authorities, adheres to Tanzania's Ministry of Health guidelines, ensuring a culturally appropriate approach. Collaboratively, we trained peer educators to deliver lessons on HIV/AIDS, gender-based violence, family planning, and sexual and reproductive health rights. Notably, our outreach has led to an impressive 70% reduction in pregnancies in seven out of the eleven target schools.

Our second project, an **Oral Health programme in Botswana**, was run as part of Mars Ireland the 'Chew for Change' campaign, to promote dental hygiene. Following a decade of Mars running this campaign through Nordic countries, in 2022, SOS Children's Villages UK launched the campaign in Ireland with Mars Ireland, raising €40k. This programme addresses the widespread issue of poor dental health, which affects 60-90% of children globally. The ongoing annual programme aims to educate 16,000 children each year about good dental hygiene, equipping teachers, caregivers, and health personnel with the necessary tools and knowledge.

At SOS Children's Villages UK, our belief is simple: every child deserves a chance to grow up in a safe, caring family environment. By investing in healthcare education, we are providing the crucial life-skills that children and young people need and shaping a healthier, more resilient future for children, families and communities.

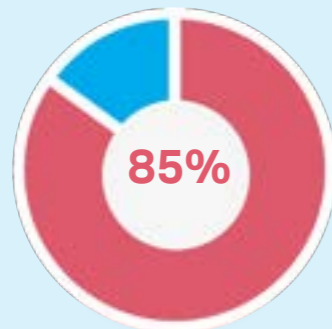
*A young boy cleans his teeth in Botswana © Chew For Change*

## Empowering families with M&G plc

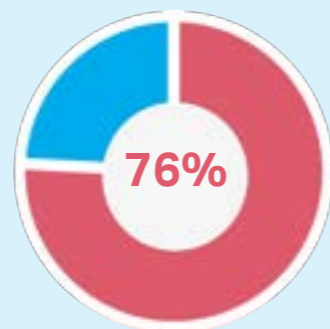
SOS Children's Villages UK continued its partnership with M&G plc in 2022, supporting the 'Empowering Families' initiative, to make a meaningful impact in Germany, India, Italy, Poland, France, Spain and South Africa. This programme transformed the lives of 45,523 children, young people, and parents in 2022.

The partnership implemented various projects designed to keep families together and provide young people with essential work skills. The commitment of 50 M&G plc employees was evident, as they volunteered a combined total of 124 hours.

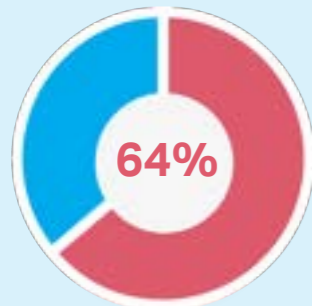
The 'Empowering Families' programme's influence extends beyond the children and families who are directly reached, indirectly supporting an estimated 121,000 families and young people in 2022. By providing parents and young adults with the necessary support to find employment and achieve self-sufficiency, this impactful initiative is reducing family breakdown and breaking the cycle of poverty, creating a positive change for future generations.



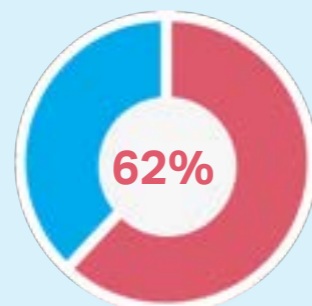
Increased wellbeing



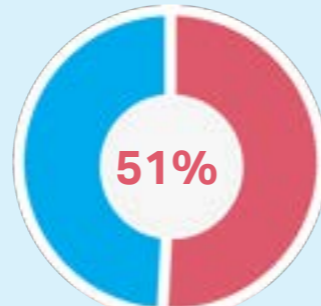
Lives improved



Lives transformed



Positive behaviour



Developed new skills



## Bridging the digital divide

With the rapidly increasing importance of digital skills in education, careers, and day-to-day life, children and young people need access to vital information and communications technology (ICT).

Two-thirds of school-age children worldwide lack internet provision at home\* meaning access to digital learning and other online opportunities are extremely limited. By providing access to ICT equipment, skills training and an appropriate understanding of how to stay safe online, we empower children and young people to learn; access essential services and support networks; prepare for work; and ultimately to become self-reliant in a digital world.

SOS Children's Villages UK works with like-minded funding partners and our expert colleagues around the world to create sustainable digital programmes designed around local needs. Through this we contribute to the global SOS Children's Villages Digital Villages initiative. This currently delivers fully developed ICT access in 60 countries and is making strong progress in dozens more. Setting up each individual Digital Village can cost anything between £10,000 - £25,000 depending on the local infrastructure and size of the facility.

Together we make local access to ICT a safe, effective and rewarding reality for more than 40,000 children, young people, carers and their communities every year; and have ambitious plans to scale up our work in this essential area.

**60** countries developed ICT access 

### Aminata and the computer lab

From a young age at the SOS Children's Villages community in Makeni, Sierra Leone, Aminata showed a keen interest in electronics, often exploring her mother's mobile phone. Her curiosity was nurtured at the local SOS Children's Villages school through computer science classes, and she expressed her ambition to become an ICT Engineer. Now in secondary school, she is committed to excelling in science, further fuelled by the discovery of Makeni's Computer Lab.

*"It is like a dream come true for me! Words cannot express how grateful and happy I am about the Lab."*

- Aminata

Thanks to the generosity of the Geoff Herrington Foundation, SOS Children's Villages UK facilitated the installation of 20 computers in the Lab, which already has almost 400 regular users including children in alternative care, primary and secondary school students, SOS Children's Villages caregivers and other care professionals. Classes are led by an expert ICT tutor and include lessons on popular software applications, using the internet safely, basic programming and access to online mentoring opportunities.

Aminata has been elected 'Minister of Innovation, Information and Technology' in the Children's Assembly, a system established by the team in Makeni to encourage children's participation in the management of their own affairs. She advises on the management of the ICT equipment, ensuring everything is handled with care and bringing any concerns to the notice of staff. Thanks to the shared vision and effort of all involved, we are delighted to see children and young people empowered to shape their own futures, one click at a time.

Banner image: Young people discussing a new business idea in Palestine © Alea Horst

## Building for the future with Standard Chartered Foundation

In 2022, SOS Children’s Villages UK strengthened its partnership with Standard Chartered Foundation’s global Futuremakers initiative in Botswana, Côte d’Ivoire, Sri Lanka, Jordan, the Philippines, South Africa and Mauritius.

Our partnership made significant progress in 2022, with 1,039 young people participating in ongoing (rather than one-off) activities, 55% of whom were young women.

Other achievements included pioneering a strategic coalition and support network in Jordan to assist care leavers in finding work; improving education and literacy in Mauritius; and establishing youth hubs and skills training in the Philippines. Our partnership with Standard Chartered Foundation remains strong, with employee volunteering playing a crucial role across the various projects.

**54**  
young people have so far found decent work



**1,039**  
young people participated (in ongoing activities)



**55%**  
young women participation



\*Grace sitting at her sewing machine, Botswana ©Standard Chartered

### Impact of our involvement in Futuremakers

\*Grace, an imaginative and gifted young individual, is fuelled by her love for crafts and dressmaking. This passion had taken root during her formative years while being raised in the SOS Children’s Villages community in Botswana.

Diagnosed with a learning disability early in life, Grace spent a decade in a special education class at her primary school. This limited educational experience stifled her growth, as the school struggled to address her unique needs.

Hope dawned when Grace’s devoted SOS Children’s Villages caregiver helped her discover the Standard Chartered Futuremakers ‘Collective Communities’ Project, in collaboration with the Motswedi Rehabilitation Centre. Through this, Grace enrolled in a vocational dressmaking course.

Excelling in her class, Grace not only honed her sewing expertise, but also significantly enhanced her social skills. The progress she made has now opened doors to higher education opportunities.

The project hosted a careers fair with diverse experts, offering guidance to 50 participants. Through this, Grace met a renowned designer, fuelling her fashion interest and discussing mentorship.

From a young person with limited opportunities at the beginning of the year, Grace’s story is now an inspiring tale of determination, passion, and the transformative power of education.

\*Names changed to protect the privacy of the children.

#### The Philippines: 201

young people received technical and vocational skills training and 5 youth hubs established

#### Jordan: 280

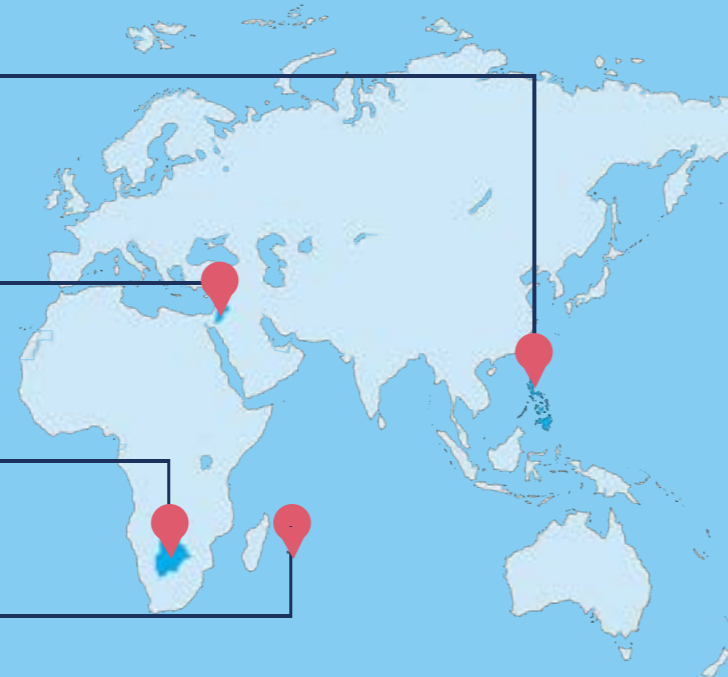
young care leavers registered on the Network for Support database

#### Botswana: 261

young people completed entrepreneurship training

#### Mauritius: 114

young people improved in school attendance, performance, and literacy



# PROTECTING CHILDREN IN EMERGENCIES

**One in four children lives in a conflict or disaster zone. Protecting these young lives in emergency situations, looking after both their immediate survival needs and longer-term mental health and wellbeing, is vital to enable them to thrive in the future.**

As a global leader in child welfare, SOS Children's Villages is committed to protecting children in emergencies, offering a beacon of hope to the most vulnerable and marginalised. With a global presence in 138 countries, we are uniquely positioned to take timely and effective action, helping communities become more resilient, keeping children safe during crises, and supporting long-term recovery efforts.

In 2022, through a specific Ukraine appeal, and establishment of our Emergencies Fund, SOS Children's Villages UK supported children, young people and families impacted by the war in Ukraine; floods in Pakistan; and humanitarian crisis in the Horn of Africa.



*Ntetari stands outside her home watching her young children playing in the baking heat*  
©Noor Khamis

## Protecting the most vulnerable

In 2022 SOS Children’s Villages UK supported emergency action in Ukraine, Pakistan and the Horn of Africa.



When emergencies strike, our approach is centred around preventing family separation, reunifying families, and caring for unaccompanied and separated children – those most at risk during emergencies and their aftermath.

We provide emergency support in six key areas:

Emergency aid supplies



Interim alternative care



Group activities for child wellbeing



Education in emergencies



Preserving family unity



Mental health and psychosocial support



These ‘pillars’ serve as a blueprint for SOS Children’s Villages UK’s collaborative efforts with our international teams and other partners worldwide.

At the heart of our response in emergencies is the dedicated SOS Children’s Villages International Global Emergency Response Team, which ensures that action is coordinated, informed, and effective across borders. Recognising the long-lasting impact of trauma on children, we give special attention to mental health and psychosocial support, equipping them with the tools to cope and heal.

### Global humanitarian action

Globally, SOS Children’s Villages reached 1,386,400 people through humanitarian action and emergency response in 2022, including 792,700 children.

SOS Children’s Villages UK played a role in this, supporting global crisis programmes through our Ukraine Emergency Appeal and Emergencies Fund, to which combined our generous supporters donated a total of £552,000.

SOS Children’s Villages UK contributed to emergency support that, through the combined efforts of SOS Children’s Villages around the world, reached a total of 549,600 people.







## Ukraine: A Global Emergency Response

**When the war in Ukraine began, SOS Children's Villages UK launched an immediate Emergency Appeal contributing directly to global efforts, supporting the work of SOS Children's Villages in Ukraine and neighbouring countries in response to this crisis.**

The war has had a devastating impact on the lives of millions of children, tearing families apart and depriving them of their basic human rights. As a result, an entire generation of children is at risk of growing up without the care and support they need to survive and succeed.

Children still in Ukraine, as well as those in countries that host displaced children and families, have a fundamental right to quality care and protection. Among the most vulnerable groups affected by the conflict are children without parental care, who face an increased risk of neglect, violence, and trafficking. Many of these children lack basic resources and have no means of escaping war zones, further exacerbating their dire situations.

Since the start of the war, SOS Children's Villages has provided immediate support in the form of aid, direct care of children, mental health support and practical support in accessing services, to the children and families caught up in the conflict. Through the support of our generous network of donors, SOS Children's Villages UK raised £519k through our appeal to contribute directly to these efforts.

Despite the support provided so far, the war appears far from over, and the trauma of this crisis will continue to affect lives for generations.

Banner image: SOS Children's Villages co-workers at the border crossing Hrebenne in Poland © Katerina Ilievska



Over **205,646** people, including **74,000** children, received vital support through SOS Children's Villages programmes in Ukraine in 2022.



SOS Children's Villages provided essential aid to **24,000** people through Ukrainian Social Service Centres, which served as distribution points for humanitarian assistance. These also served as bomb shelters during the fighting.



In countries hosting Ukrainian refugees, **11,291** children and families were directly assisted with accommodation, mental health counselling, and support accessing schools and services.



**23,000** people in Ukraine received cash and voucher assistance.



As of December 2022 SOS Children's Villages in Ukraine continues to provide long-term assistance to **628** children injured by the war and their caregivers.



**17,000** children and families received critical mental health and psychosocial support.



## Valentyna's journey

Valentyna, a devoted mother of nine children – including seven foster children – faced the daunting challenge of adjusting to a new life in SOS Children's Village Biłgoraj, Poland, after fleeing the war in Ukraine.

With the support of SOS Children's Villages, the family gradually settled into their new surroundings, with the children not only excelling in school but also embracing the Polish language.

In the early days, Valentyna grappled with depression, feeling overwhelmed by her children's problems, and struggling to adapt to the new environment. However, she discovered solace in creative outlets, such as drawing and crafting, which helped her find peace and regain her strength.

As the family started to engage with local events and share their rich Ukrainian heritage with their new community, they experienced a growing sense of connection and belonging. Valentyna and her children introduced their Polish friends to Ukrainian traditions, food, and culture, which not only fostered cultural exchange but also allowed them to express gratitude for the support they had received.

The assistance from SOS Children's Villages played a vital role in their adjustment, providing a supportive environment for Valentyna and her family to heal and grow. Through this experience, she learned the importance of being present, living in the moment, and not dwelling on her children's problems. This shift in perspective not only improved her mental health but also allowed her to realise her strength as a mother.

In the end, Valentyna's story is a testament to the power of resilience, the importance of community, and the crucial role organisations like SOS Children's Villages play in supporting families during war and times of crisis.

***"At our age, it is difficult to start everything from the beginning, but thanks to our children and the constant support of SOS Children's Villages, we do not give up, we only go forward"***

*- Single mother from Ukraine*



Valentyna and her daughters being creative in Poland © Katerina Ilievska

## Responding to severe flooding in Pakistan

In 2022, unprecedented monsoon rains caused devastating floods in Pakistan, affecting over 33 million individuals, and displacing around 8 million people. Through our Emergencies Fund, SOS Children's Villages UK contributed to the efforts of SOS Children's Villages in Pakistan to provide aid and support to the flood-impacted communities in Sindh and Balochistan provinces.

Recognising the importance of mental health during these trying times, as well as providing emergency aid, SOS Children's Villages in Pakistan organised recreational activities for affected children, offering much-needed respite and promoting psychological wellbeing.

To date, including UK support, SOS Children's Villages in Pakistan has:



Reached 110,000 individuals affected by the floods



Distributed 10,000 dry ration packs



Provided 700 shelter kits



Distributed 2,500 Water, Sanitation and Hygiene kits

The struggle in Pakistan continues, with more than 10 million people lacking access to safe drinking water, resulting in increased waterborne illnesses and malnutrition among children. SOS Children's Villages continues to work tirelessly to support those affected.



A woman at the water's edge in Pangrio during a server flood, Pakistan © SOS Children's Villages in Pakistan



Abdul and his daughter after the floods © SOS Children's Villages in Pakistan

### Resilience amidst devastation

Abdul Samad, a father and farmer from the Sindh province in south-eastern Pakistan, recalls the unusually heavy rain that led to the devastating floods in August 2022.

"I remember the rain pouring down relentlessly. This was the first time I had seen something like it... When I woke up, my house was already flooded." Saad Afzal of SOS Children's Villages in Pakistan, who works directly with affected families, says, "For many, rebuilding and replacing their belongings can be a long and challenging process, requiring resources many simply do not have."

Despite significant provisions and support from SOS Children's Villages in Pakistan, challenges such as access to safe drinking water, poor sanitary conditions, and waterborne illnesses persist.

***"The floods may have destroyed our homes and crops, but they could not destroy our spirit."***

- Abdul Samad

The psychological impact of the floods is also a struggle for those affected, with many experiencing depression, anxiety, and other mental health issues. "Children are particularly susceptible to these [mental health] struggles, as disrupting their daily routines and losing their homes and possessions can be extremely traumatic." – Saad Afzal, SOS Children's Villages in Pakistan

Despite the adversity, Abdul Samad remains positive. "Through it all, we have learned to be resilient. We have learned to come together as a community and support each other."

## Drought in the Horn of Africa

The Horn of Africa is experiencing its worst drought in over 40 years, affecting communities in Ethiopia, Kenya, Somalia, and Somaliland.

According to the UN, 16.7 million people face acute food insecurity and severe water shortage, a number that could rise to 20 million. Over 7 million livestock have died, and food prices have been rising due to drought and disruptions from the war in Ukraine. 5.7 million children are acutely malnourished, and urgent action is required.



### SOS Children's Villages Humanitarian Response

Through our Emergencies Fund, and with the support of our generous partners and donors, in 2022 SOS Children's Villages UK contributed £20k to SOS Children's Villages global emergency response to the Horn of Africa crisis. This could fund nutrition for 500 children or pregnant and lactating women in Somalia for three months, or provide essential farming tools for 50 livelihood recovery projects in Ethiopia.

This response has been critical for affected communities, like that of Rapsu in rural Kenya, whose inhabitants' traditional livelihoods of agriculture and cattle farming have been devastated by the drought.

Fario Hussein Gine, a resident of Rapsu, provides a personal account of the difficulties sharing, "I used to be a farmer, and I grew my own vegetables: corn, onions, tomatoes. But the lack of rain is a big problem... Now there is only harsh wind and no rain." Having lived in Rapsu for over 10 years, Fario has had to resort to selling her livestock to fund her children's education while struggling to provide necessities.

***"I just pray to God for rain so the grass can grow"***

*- Teacher Paul Lechornai*

The effects of the drought extend to the local school system. Teacher Paul Lechornai reports dwindling school attendance as the food crisis worsens. "Instead of sending their children to school, parents take their children with them to look for work and food... It's very difficult to teach a hungry child," he reveals.

Amidst the drought, disputes have erupted between farmers and migrating herders searching for resources. "Drought is like war" says Guyo Godana, a local cattle farmer, sharing the harsh reality of the situation.

The global emergency response from SOS Children's Villages in the Horn of Africa targeted crucial areas based on the needs of the region in 2022:



**Protection** – 13,432 children, women, and girls received lifesaving and life-sustaining protection services. Through case management, child-friendly spaces, survivor-centred care, and mental health and psychosocial support.



**Food Security** – 14,452 caregivers and families received food baskets and multi-purpose financial transfers to provide immediate access to nutrient-dense foods and reduce the prevalence of hunger and related mortality.



**Health** – Comprehensive primary healthcare and nutrition services were provided for 452,280 individuals, including women, children, internally displaced persons, and host communities affected by drought and conflict.



**Nutrition** – Nutrition support was provided to 51,730 people, including pregnant and lactating women, and children aged between 6 to 59 months, who were at risk of or were already malnourished, providing specialised nutritious diets to treat or prevent malnutrition.



**Water, Sanitation and Hygiene (WASH)** – 67,404 households received WASH support, providing clean water, distributing essential non-food items and water treatment chemicals, and raising sanitation awareness among drought-affected populations and host communities.

As we look to the future, SOS Children's Villages UK remains committed to our continued support of SOS Children's Villages international humanitarian response.

Portrait of Farhiya with her small onion harvest © Lydia Mantler

# OUR ORGANISATION AND PEOPLE

Girls skipping in their garden © Alea Horst



## Strengthening systems and processes

In 2022, we invested in improving our systems and processes, in particular IT, donor relationship and financial management, through the introduction of a new Salesforce CRM and financial software (Accounting Seed). This will enable us to understand our supporters better, improve our services to them, and improve efficiency, making us better able to support children and young people around the world in the future.



## Protecting children and ensuring compliance

High standards of safeguarding are fundamental in supporting children to grow up feeling safe, loved and respected. We continued to make significant improvements across the federation to ensure the safety of all those who come into contact with SOS Children's Villages, and in particular the children, young people and families we work with. SOS Children's Villages International continued to report on the progress it was making against its Safeguarding Action Plan, through its progress reports.

Read more on this progress: [Safeguarding Action Plan Progress Report](#)

In 2022, no safeguarding incidents relating to SOS Children's Villages UK employees or volunteers were reported. We continued to promote our requirement that programme visitors, such as child sponsors, undertake a suitable background check and briefing prior to visiting a programme location.

In addition to the Safeguarding Committee of the Board of Trustees, which reviews programme oversight responsibilities and donor and Charity Commission reporting, SOS Children's Villages UK is part of the SOS Children's Villages International Europe and North America child safeguarding and integrity network to share learning and best practice.



## Safeguarding incidents reported by SOS Children's Villages International

We receive and monitor regular incident reports from SOS Children's Villages International, and in particular those that relate to programmes we support. We reported to the Charity Commission allegations concerning a member of staff of SOS Children's Villages Liberia which had been brought to our attention by SOS Children's Villages International. SOS Children's Villages UK part-funded a health centre operated by SOS Children's Villages Liberia in 2021, but there is no information to suggest that the incidents related in any way to that project.

For more information on safeguarding incidents, please see the [Child Safeguarding Annual Reports](#).



## Serious incident reports to the Charity Commission

We continued to update the Charity Commission on a previously reported allegation of serious fraud involving at least one employee of SOS Children's Villages Zambia, one of our programme partners. Further external advice was sought by SOS Children's Villages Zambia with regards to tracing and retrieving lost funds. No employees of or volunteers for SOS Children's Villages UK are involved and there was no loss to the Charity's funding or impact on the Charity's beneficiaries. SOS Children's Villages UK continues to work closely with SOS Children's Villages Zambia and its other funding partners to manage the outcomes of the incident.



## Supporting our staff

The work and achievements of SOS Children's Villages UK would not be possible without the passion, commitment and ambition of our staff team. In 2022, we employed an average of 25 people throughout the year.

SOS Children's Villages UK is committed to being a diverse and inclusive charity. We aim to demonstrate support for all our employees and volunteers, valuing each individual's contribution regardless of age, gender, gender identity, sexual orientation, marital status, civil partnership status, disability, nationality, race, religion or belief. We are committed to providing equal opportunities for all employees and volunteers.

In 2022, we continued to support flexible working in order to recruit and retain the best staff. We also continued to provide a number of additional benefits to staff, including extra non-bank holiday working days during the office closure between Christmas and New Year; an Employee Assistance Programme; pension scheme; life assurance cover; travel loan; cycle to work scheme; enhanced sick and maternity pay; volunteer days and a sabbatical leave policy.

This year we began a staff benefits review, which will be completed in 2023, to better reflect our hybrid workplace, ensuring we continue to reward staff in a way that is commensurate with the Charity's size and scale.

Information about our aims, activities and other relevant information was disseminated to all staff and volunteers through briefings, meetings and written documents. The Charity consulted with and involved all staff on key issues through regular team meetings, planning sessions and away days.

# FUTURE GOALS AND PLANS

In 2023, SOS Children's Villages UK will continue to work within our Strategic Framework 2022-2024, which aligns with the wider SOS Children's Villages Federation Strategy 2030. We will strive towards increasing our impact and effectiveness to ensure that children and young people around the world without parental care or at risk of losing it grow up feeling safe, loved and respected.

The four objectives we have set for 2023 build on our 2022 goals, while taking account of the changing global and economic context, including the cost-of-living crisis and ongoing war in Ukraine.



An SOS Mother and children sitting in a circle in India © Alea Horst

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Continue to support children who have lost parental care and families at risk of breakdown, assisting partners to sustain programmes with longer-term impacts, while developing resilience to respond to new crises as they emerge; supporting families with livelihoods and resilience-related programmes; continuing to develop education and employability programmes for young people; and amplifying our impact by increasing the number of children, families and communities we support.

Continue our long-term support for children and young people in Basse, The Gambia and Chipata, Zambia, together with vulnerable families in the region. Working with our Gambian and Zambian colleagues, as well as other SOS Children's Villages colleagues who support this work, we will identify the changes and actions needed to continue to ensure the programmes being delivered are in the best interests of each child, and contribute as part of SOS Children's Villages Strategy 2030.

In line with the continued focus and improvements within the SOS Children's Villages federation, work to strengthen the safeguarding of children, young people and staff, with our SOS Children's Villages programme-delivery partners and within our UK operations, reviewing and refining our policies, processes and practices, and ensuring changes are implemented.

Continue to invest in our people, systems, processes and operations, developing the infrastructure necessary to strengthen our fundraising further, with the specific aim to increase our unrestricted income to 40% of our total income, and making long-term commitments to the SOS Children's Villages programmes we support globally and to working in partnership to amplify our impact.

# THANK YOU TO OUR SUPPORTERS

- Ali Family
- Andy Bond
- Cambridge University Press & Assessment
- CB & HH Taylor 1984 Trust
- Christopher Keljik OBE
- Claire's
- Cleveland Technologies Group
- Evan Cornish Foundation
- FactSet
- From Babies with Love
- Geoff Herrington Foundation
- Lighthouse Giving
- Lines & Current
- M&G plc
- Mars Ireland
- Mary, Alex and Louisa Scott, in memory of Robert Scott
- Michael Hewitt in memory of Professor Lis Mosekilde
- Nash Squared
- PDFoundation
- Pinsent Masons
- QBE Foundation
- SOS Pakistan Supporters' Group UK
- Standard Chartered Foundation
- Subsea 7
- The Harrison-Frank Family Foundation
- TransferRoom

A big **Thank You** to all our supporters and partners, including those who wish to remain anonymous, for their generosity and commitment to our programmes.

The kindness, dedication and support shown by supporters – in what was another turbulent and difficult year for everyone – was truly inspiring and we are immensely grateful for it. All donations help us to make a difference and ensure that children everywhere can develop the bonds they need to thrive and grow up feeling safe, loved and respected.

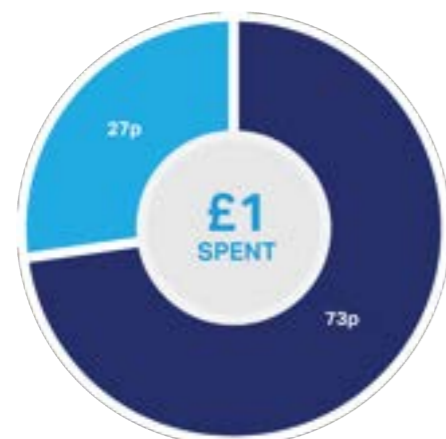
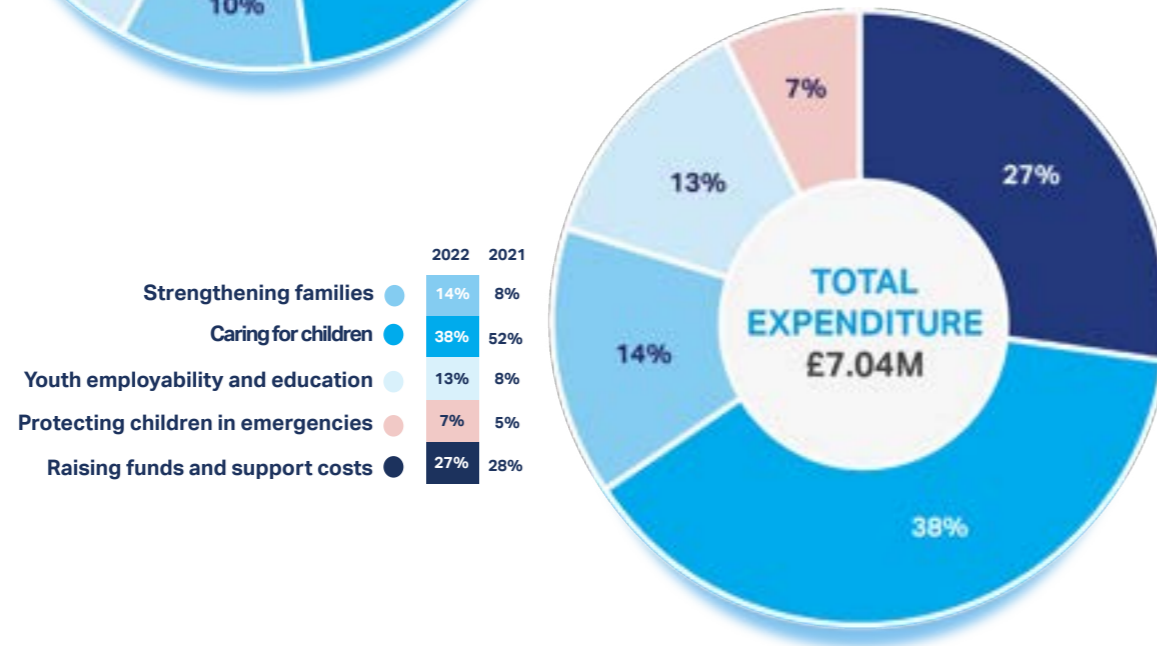
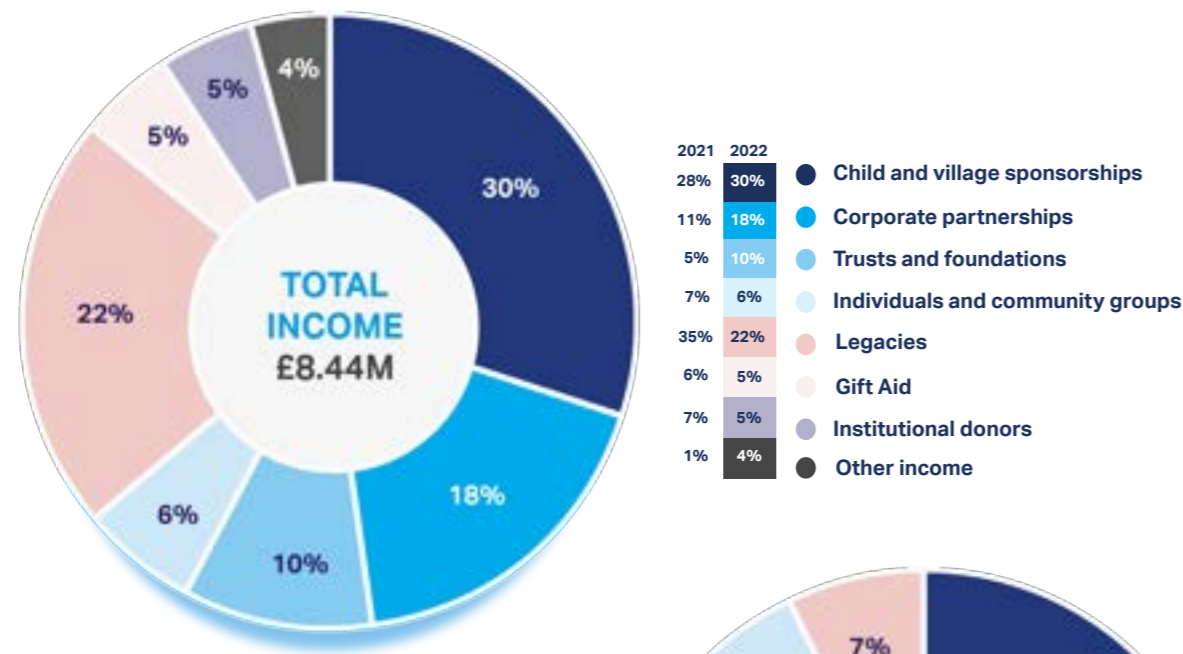
We also wish to extend a warm Thank You to those who have raised awareness of our work and who have fundraised by taking part in challenges, quizzes and other activities.

We especially want to remember and acknowledge all those far-sighted supporters who kindly gave and fundraised In Memoriam of a loved one and who left a gift to the work of SOS Children's Villages UK in their Will. Their legacy continues to make a lasting impact to the lives of children, their families and communities. Thank you all for your kind support.



A young girl standing outside her house in Tanzania © Lars Just

# FINANCIAL REVIEW



## How we spent your money

- 73p: Activities to support children, families and young people.
- 27p: Raising funds and support costs

Governance and support costs have been apportioned across charitable activities, and raising funds and support.

SOS Children's Villages UK's reach continued to grow in 2022 as the Charity adapted and evolved to meet the rising challenges of the war in Ukraine and other global crises.

## Income

Total income in 2022 increased to £8.44m and was £0.59m (8%) higher than the 2021 outturn of £7.85m. This was due to the consistent generosity and loyalty of our supporters, as well as our ability to secure new partnerships with corporates and trusts and foundations, and broaden our donor reach through our investment in fundraising. All income streams have exceeded the results from the prior year, especially due to a new fundraising campaign to raise funds to help children affected by the war in Ukraine.

As of 31 December 2022, the legacy pipeline held an estimated value of £0.8m. These are legacy gifts we have been notified of but which do not meet our recognition criteria for income in 2022.

## Expenditure

Expenditure in 2022 at £7.04m was £1.82m (35%) higher than 2021 spend of £5.23m.

## Fundraising Activities

Exceptional investment in fundraising activities of £758k has increased compared to £512k invested last year. In 2022 we continued to scale up our fundraising investment to increase the Charity's income, with a particular focus on unrestricted funds and growing unrestricted regular giving, as well as raising our UK brand profile to appeal to new audiences with differentiated propositions.

By the end of 2022, the new donor acquisition campaign returned an increase to our total income of £1.24m, adding £0.35m in unrestricted funds, and £0.89m in restricted funds.

## Charitable Activities

As a result of raising higher than expected income, we have been able to support more children globally, including those impacted by the war in Ukraine. In 2022, we directly supported over 4,500 children in 108 countries, providing quality, alternative care, including in The Gambia and Zambia. Equally we continued to increase our focus on the prevention of situations in which children are at risk of losing parental care through family strengthening programmes that offer long-term, sustainable solutions. Through our youth education, empowerment and employability programmes, we prepared young people to live independent lives and develop the skills to enable them to sustain their own livelihoods and families in the future. In response to global crises, this year we also launched our Emergencies Fund, and a specific Ukraine Emergency Appeal to provide funds directly to help children fleeing the conflict.



## Reserves

The 31 December 2022 unrestricted reserves position is £2.9m which is classified as follows:

**Designated Funds** – As of 31 December 2022 the Charity had one designated fund which was created, at the discretion of the Trustees, to protect against any potential foreign exchange loss. It continues to be maintained at a minimum of 5% of the annual value of our international transfers and the fund balance was £206k. The second designated fund for investment in our fundraising strategy has now been fully utilised.

**General Funds** - The Board of Trustees requires the Charity to maintain readily accessible assets sufficient to fund not less than nine and not more than twelve months of running costs, at all times. In 2022 this equated to £1.78m - £2.39m, and as of 31 December 2022, the net operational reserves were £2.39m which provides a 12-month cover of running costs.

Included in the above, our reserves have £0.3m to ensure we can fulfil our obligations to safeguard two specific programmes, in Chipata, Zambia, and Basse, Gambia, protecting the future of the children and families in those programmes.

## Investments

Investments are overseen by the Audit and Risk Committee. Professional Fund managers have been appointed to invest in accordance with the UN Principles on Responsible Investment (UNPRI).

The Charity has two portfolios: an equity growth portfolio, and a short-dated corporate bond portfolio. As at 31 December 2022, the value of the investment was £1,228k which was £23k lower than the previous year, due to the wider effects of the stock market downturn in 2022.

## How we raise money

We are registered with the Fundraising Regulator and a member of the Chartered Institute of Fundraising (CIOF) and as such abide by the Code of Fundraising Practice. In line with this, we work in close partnership to build transparent relationships with donors, supporters, grant making organisations and corporate partners, and with the SOS Children's Villages programme teams, aiming for accountability in all that we do. Reflecting this commitment, we regularly monitor our own compliance and review our practices in line with the General Data Protection Regulation (GDPR), which came into effect in May 2018 and the Code of Fundraising Practice.

In 2022, we have continued to ensure open dialogue and clear lines of communication with our donors. This has included the prompt and transparent reporting of any challenges, delays or other obstacles experienced as part of the programme implementation process, while ensuring timely reporting against agreed project performance indicators.

As we work with children and families in very disadvantaged areas, including in conflict, disaster zones and crises, the work of SOS Children's Villages is complex and challenging – and our reporting reflects this.

When supporting individual fundraisers, we provide them with an agreement making clear how they should promote their activity, how to fundraise effectively and without undue pressure; how the funds raised will be spent; and ensuring they are informed of their obligations to conduct fundraising in line with our values and to the highest possible standards. They are given a named contact at SOS Children's Villages UK to support them and answer any questions.

We regularly monitor and review activities undertaken in support of SOS Children's Villages UK, through supporter feedback, tracking online activity, prompt follow-up after fundraising activities have taken place and ongoing dialogue.

Our fundraising staff receive thorough training in how to identify and protect people. If we encounter someone showing signs of distress, confusion or vulnerability, our staff are trained to politely end the conversation and refuse any donation offered.

We also work with a small number of corporate supporters who operate in a way that does not commit undue pressure on a person to donate, seek unreasonable intrusion on a person's privacy or is unreasonably persistent in their actions, so as to protect vulnerable people, as reflected in our written agreements with our partners.



young people in Ethiopia watering plants © Petterik Wiggers



Portrait of mother and child from Ukraine, now living in SOS Children's Village Dren, Bulgaria © Katerina Ilievska

### Corporate commercial participators include:

Lines & Current donates 10% of profits to SOS Children's Villages UK every year, donated quarterly. DeMellier donates £2 per bag sold with a retail value greater than £400, £1 per bag sold with a retail value between £250 and £400 and £0.20 per small leather good or bag sold with a retail value below £250. Donations are paid annually. Humble Warrior donates 2% of its revenues annually. Donations are paid annually.

All partnerships are formalised through a signed written agreement and activities are monitored jointly, including quarterly review meetings. SOS Children's Villages UK is not aware of any complaints raised regarding any of these activities undertaken by our corporate partners. All employee fundraising activity is monitored with regular review meetings with corporate partners and supporters, ensuring they are compliant with the Fundraising Regulator, GDPR and any other necessary insurance policies, in line with best fundraising practice.

SOS Children's Villages UK is not aware of any complaints raised regarding any employee fundraising activities. Our Ethical Partnership Policy sets out the criteria for determining whether we can accept donations. This is reviewed on an annual basis to ensure it is kept up to date. Further information including a link to the Ethical Partnerships policy can be [found on our website](#).

We received 233 complaints about our fundraising activities in 2022, showing an increase of 107 compared to 2021 reflecting an increase in our fundraising activity. All were resolved to the satisfaction of the individuals raising the issues and none of these complaints were escalated. We learn from all complaints we receive and monitor these on an ongoing basis to ensure we improve areas in need of addressing.

In 2022 we continued to engage in public-facing fundraising activities again, such as Face-to-Face, Door-to-Door, and private site fundraising. These activities helped us increase our supporter numbers significantly.

As part of our three-year strategy, we have developed a balanced income portfolio, which does not rely on one or two income streams alone, and this strengthened our resilience in the face of the pandemic, which still affected many people in 2022, and an unpredictable fundraising environment in light of the cost-of-living crisis.

We continue to be humbled by the reassuring messages received from our supporters, many of whom renewed their commitment to our work in 2022, and we are grateful to all our donors, who make the work of SOS Children's Villages possible.

If you have any questions about any aspect of our fundraising, please don't hesitate to get in touch with Susanne Owers, Director of Fundraising, at [susanne.owers@sosuk.org](mailto:susanne.owers@sosuk.org).

# RISK MANAGEMENT AND INTERNAL CONTROLS

The risks the Charity faces are formally reviewed twice a year. Any new risks that are identified are assessed in terms of the likelihood of their occurrence and their potential impact, in order to rank all risks. Significant risks are highlighted for consideration and monitoring by the Finance and Audit Committee and reported to the Board of Trustees twice a year. The Senior Management Team (SMT) takes the lead in terms of day-to-day management of these and other operational risks and reports on the procedures which are in place, or are being developed or enhanced, to provide assurance that the risk is being managed.

The Charity operates a comprehensive annual planning and budgeting process, which is approved by the Trustees. Performance is monitored through the use of financial targets and other key performance indicators. Reports are made to the Trustees which compare actual results against the phased budget and which link financial and other performance with resource and activity levels.

As part of their audit of the financial statements, the Charity's Auditors review the internal controls for the purpose of the audit. SOS Children's Villages UK does not have dedicated internal auditors.

Below is a list of five major risks the Trustees have identified and the mitigating strategies in place:

RISK	MITIGATION STRATEGY
<b>Reputational risk arising from the actions or omissions of other SOS Member Associations or the General Secretariat</b>	<ul style="list-style-type: none"> <li>Establish and maintain good working relationships with key media outlets.</li> <li>Develop staff understanding of SOS Children's Villages work, strengths and challenges.</li> <li>Board of Trustees Safeguarding Committee to improve oversight.</li> <li>Maintain close working relationship with the General Secretariat Communications Team.</li> <li>Contribute to Secretariat Crisis Communications Planning.</li> <li>Crisis Communications process rolled out to staff.</li> </ul>

RISK	MITIGATION STRATEGY
<b>Child or vulnerable person safeguarding incident</b>	<ul style="list-style-type: none"> <li>Child and Vulnerable People Safeguarding Policy in place and implemented.</li> <li>Regular review of safeguarding outcomes and reporting by the Safeguarding Committee of the Board of Trustees.</li> <li>Programme visit protocol for staff, volunteers and donors in place and implemented.</li> <li>Staff and Trustee training.</li> <li>New staff induction.</li> </ul>
<b>Short term changes to programming and priorities within the Federation impacting on funding relationships.</b>	<ul style="list-style-type: none"> <li>Establish and maintain good working relationships with Federation Regional offices.</li> <li>Establish and maintain good working relationships with National Association Directors and Project Managers.</li> <li>Contribute to Federation discussions on programming and priorities.</li> <li>Keep donors informed.</li> </ul>
<b>Failure to meet income targets</b>	<ul style="list-style-type: none"> <li>Monthly management accounts report to SMT to identify challenges and take mitigating actions.</li> <li>Ongoing cash flow monitoring.</li> <li>Quarterly reporting to the Board of Trustees, including income and reserves projections.</li> <li>Ongoing investment in fundraising strategy to grow charitable income and spread risk across income channels</li> <li>Maintenance of reserves to cover funding commitments if necessary</li> </ul>
<b>Loss or misappropriation of the Charity's financial assets</b>	<ul style="list-style-type: none"> <li>Control procedures in place for approving financial transactions</li> <li>Appropriate insurance in place.</li> <li>Purchasing process in place.</li> <li>Annual audit.</li> <li>Regular reporting against budgets.</li> <li>Quarterly reporting to the Board of Trustees.</li> </ul>

# STRUCTURE GOVERNANCE AND MANAGEMENT

## Charitable Objects

The objects of the Charity are set out in the Articles of Association, which were revised and agreed by the Board of Trustees in December 2017. In summary, these are for the advancement of education, the relief of poverty and the promotion of good health of vulnerable children, particularly but not exclusively by the establishment and maintenance throughout the world of SOS Children's Villages and the education of children and young persons from SOS Children's Villages.

## SOS Children's Villages Federation

SOS Children's Villages UK is a member association of the SOS Children's Villages Federation. As a member we are consulted on, help to shape and implement the global strategy of the Federation. While we support a variety of programmes helping children, young people and families in different countries around the world, we have a long-standing commitment to The Gambia and Zambia, where we support specific programme activities.

## Board of Trustees

SOS Children's Villages UK is governed by a Board of Trustees, which in 2022 consisted of seven members, who are legally responsible for directing the affairs of the Charity and are also the directors of the company for the purposes of the Companies Act 2006.

Trustees are appointed for a term of up to five years or until the end of the year of their seventieth birthday, whichever is earlier, and may be re-appointed for a period of up to three years. They are invited to attend induction and training courses and we regularly review the composition of the Board to identify potential vacancies and the need for particular skills. New Trustees are sought to replace resigning Trustees.

In 2022, we started working with Diversifying Group to recruit a further four trustees, aiming to make the process more inclusive and diverse. These new trustees took up their responsibilities in May 2023, bringing additional skills

and knowledge to the Board, in particular in the areas of finance, HR and communications. The Board actively seeks to ensure that Trustees encompass a broad diversity of skills and background in order to support the Charity's operations.

The Board of Trustees meets at least four times each year to review and direct SOS Children's Villages UK strategy, budget and performance. The Board delegates day-to-day management of the Charity through the Chief Executive to the Senior Management Team, while delegating specific responsibilities to the Board's sub-committees:

- The Finance & Audit Committee meets at least four times a year to review the Charity's annual financial statements; internal financial control and risk management systems; and external and internal audit matters.
- The Human Resources Committee meets twice a year to oversee the Charity's people management policies and best practice implementation.
- The Safeguarding Committee meets twice a year to oversee the Charity's safeguarding duty of care, and review outcomes and reporting.

The Trustees do not receive any remuneration for their services. Trustees may claim reimbursement of reasonable expenses necessarily incurred in carrying out their duties. The members of the company comprise all of the Trustees.

The Board of Trustees strives to meet the recommended practice for good governance set out in the Governance Code. In 2021, an external recruitment agency supported the search for an appointment of a new Chair as result of which Harpinder Collacott was appointed to the role with effect from 1 January 2022. In 2022 the Board of Trustees also evaluated its performance using Governance: A Guide for International NGOs. It subsequently started a recruitment process for new Trustees, supported by an external recruitment agency.

Pay and remuneration of the Chief Executive Officer is set by the Board of Trustees and reviewed annually following a performance appraisal. Terms and benefits are set with reference to average pay in the sector and competencies required of the role. Remuneration for the Senior Management Team is set by the Chief Executive Officer, in accordance with the Pay Policy agreed by the Board of Trustees.

The Trustees present their report with the financial statements of the Charity for the year ended 31 December 2022. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

## Public Benefit

SOS Children’s Villages UK meets the definition of a public benefit entity under FRS 102.

The Trustees confirm they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission’s guidance on public benefit which addresses the need for all charities’ aims to be, demonstrably, for the public benefit.

SOS Children’s Villages UK fulfils the public benefit by the relief of poverty, and improvement of poor education and health outcomes for children and their families. Details about the specific programmes pursued can be found throughout this report.

## Policies and procedures for the induction and training of trustees

The Trustee induction and training programme is comprised of a variety of activities spread over a period of time, including:

- meetings and introductions to other trustees, employees and beneficiaries
- invitations to events, meetings and presentations
- a trustee induction pack
- access to relevant training, including through National Council for Voluntary Organisations (NCVO).

## PRESIDENT

**Dame Mary Richardson DBE**

## BOARD OF TRUSTEES

### CHAIR

**Harpinder Collacott** (appointed on 1 January 2022)

### VICE-CHAIR/TREASURER

**Matthew de Villiers**

### BOARD MEMBERS

**Graham Budd**

**Suli Hampson** (appointed 13 April 2023)

**Don Haszczy** (resigned 06 October 2022)

**Nicola Robert**

**Ian Briggs**

**Solava Ibrahim**

**Susie Hargreaves** (resigned 02 December 2022)

**Louise McDonald** (appointed 13 April 2023)

**Janet Reilly** (appointed 13 April 2023)

**Jon Steinback** (appointed 13 April 2023)

## COMPANY SECRETARY

**Begay Jabang**, Director of Finance and IT

**Alison Wallace**, Chief Executive officer (from 03 February 2023)

## SENIOR MANAGEMENT TEAM

**Alison Wallace**, Chief Executive officer

**Susanne Owers**, Director of Fundraising

**Catherine Weston**, Director of Communications and Brand (resigned 31 October 2022)

**Sarah Bradford**, Director of Communications and Brand (appointed 06 February 2023)

**Craig Mullaly**, Director of Individual Giving

**Begay Jabang**, Director of Finance and IT (resigned 9 February 2023)

**Evgeny Dmitriev** (appointed 13 February 2023)

## DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the Trustees are aware:

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

## ORGANISATIONAL DETAILS

### Registered office:

Ravenscroft House  
59-61 Regent Street  
Cambridge  
CB2 1AB

### Independent Auditors:

Sayer Vincent LLP  
Invicta House  
108-114 Golden Lane  
London  
EC1Y 0TL

### Principal Bankers:

Barclays Bank Plc  
28 Chesterton Road  
Cambridge  
CB4 3AZ

### Solicitors:

Taylor Vinters  
Merlin Place  
Milton Road  
Cambridge  
CB4 0DP

Company Registered No. 03346676

Charity Registered No. 1069204



A group of children laughing in Bangladesh © Alea Horst

# Trustees' Responsibilities

## Statement of Responsibilities of the Trustees

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year. 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 Charity. In preparing the financial statements, the Board of Trustees is 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
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue its activities
- observe the methods and principles in the Charity SORP 2019 (FRS102).

The Trustees are responsible for keeping adequate accounting records. These must be sufficient to show and explain the Charity's transactions. They should disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that its financial statements comply with the Companies Act 2006. The Trustees have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity, 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.

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 13 July 2023. Signed on its behalf on 13 July 2023.

by:



**Harpinder Collacott**  
Chair of Trustees SOS Children's Villages UK



*A mother hugs her daughter in Palestine © Salma Inani*

# INDEPENDENT AUDITOR'S REPORT

To the members of SOS Children's Villages UK

## OPINION

We have audited the financial statements of SOS Children's Villages UK (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

### In our opinion the financial statements:

- Give a true and fair view of the state of the Charity's affairs as at 31 December 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

## BASIS FOR OPINION

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

## CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on SOS Children's Villages UK's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## OTHER INFORMATION

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

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

We have nothing to report in this regard.

## OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

## RESPONSIBILITIES OF TRUSTEES

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

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance and audit committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.



- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### USE OF OUR REPORT

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

**Noelia Serrano**  
(Partner)

for and on behalf of

**Sayer Vincent LLP**  
Invicta House  
108-114 Golden Lane  
LONDON  
EC1Y 0TL

*Sayer Vincent LLP*

Date: 27 July 2023



Siblings playing with each other outside their house. © Jakob Fuhr

# FINANCIAL STATEMENTS

## Statement of Financial Activities

(including Income and Expenditure account)

### FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
<b>INCOME</b>					
Donations and legacies	2	5,101,702	3,033,321	<b>8,135,023</b>	<b>7,797,706</b>
Other income	3	0	287,482	<b>287,482</b>	<b>50,075</b>
Investments	4	0	18,938	<b>18,938</b>	<b>1,005</b>
<b>TOTAL INCOME</b>		<b>5,101,702</b>	<b>3,339,741</b>	<b>8,441,443</b>	<b>7,848,786</b>
<b>EXPENDITURE</b>					
Raising funds and support costs	5	224,711	2,384,684	<b>2,609,395</b>	<b>1,481,617</b>
Charitable activities	5	4,060,013	373,575	<b>4,433,588</b>	<b>3,744,058</b>
<b>TOTAL EXPENDITURE</b>		<b>4,284,724</b>	<b>2,758,259</b>	<b>7,042,983</b>	<b>5,225,675</b>
Net gains/(losses) on investments		0	(24,937)	<b>(24,937)</b>	<b>155,497</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>816,978</b>	<b>556,545</b>	<b>1,373,523</b>	<b>2,778,608</b>
<b>Reconciliation of funds:</b>					
Total funds at 1 January 2022	14	3,122,348	2,340,066	<b>5,462,414</b>	<b>2,683,806</b>
<b>TOTAL FUNDS AT 31 DECEMBER 2022</b>	<b>14</b>	<b>3,939,326</b>	<b>2,896,611</b>	<b>6,835,937</b>	<b>5,462,414</b>

All activities relate to continuing operations.

The notes on pages 85-103 form part of these financial statements.

## Balance Sheet

as at 31 December 2022

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Intangible Assets	10	<b>293,527</b>	<b>124,882</b>
Tangible fixed assets	10	<b>15,974</b>	<b>17,261</b>
Investments & long term deposits	11	<b>1,228,353</b>	<b>1,253,290</b>
<b>TOTAL FIXED ASSETS</b>		<b>1,537,854</b>	<b>1,395,433</b>
<b>CURRENT ASSETS</b>			
Debtors	12	<b>975,933</b>	<b>3,116,020</b>
Cash at bank and in hand		<b>5,572,593</b>	<b>2,082,885</b>
<b>TOTAL CURRENT ASSETS</b>		<b>6,548,526</b>	<b>5,198,905</b>
<b>CURRENT LIABILITIES</b>			
Creditors: amounts due within one year	13	<b>(1,250,443)</b>	<b>(1,131,923)</b>
<b>NET CURRENT ASSETS</b>		<b>5,298,138</b>	<b>4,066,981</b>
<b>TOTAL NET ASSETS</b>		<b>6,835,937</b>	<b>5,462,414</b>
<b>FUNDS OF THE CHARITY</b>			
Restricted income funds	14	<b>3,939,326</b>	<b>3,122,348</b>
Unrestricted income funds	14	<b>2,896,611</b>	<b>2,340,066</b>
<b>TOTAL CHARITY FUNDS</b>		<b>6,835,937</b>	<b>5,462,414</b>

The attached notes on pages 85-103 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Board of Trustees on 13 July 2023 and signed on their behalf by:



**Harpinder Collacott**

Chair of Trustees SOS Children's Villages UK

Company registration number: 03346676

## Statement of Cash Flows

For the year ended 31 December 2022

	Total 2022 £	Total 2021 £
<b>Net expenditure for the year (as per the Statement of Financial Activities)</b>	<b>1,373,523</b>	<b>2,778,608</b>
<b>Adjustment for:</b>		
Depreciation of fixed assets	4,554	4,335
(Gain)/Loss on fixed assets disposals	0	174
(Gain)/Loss on investments	24,937	(155,497)
Dividends, interest and rents from investments	(18,938)	(1,005)
(Increase)/Decrease in debtors	2,140,086	(2,251,002)
(Decrease)/Increase in creditors	118,520	(128,835)
<b>Net cash used in Operating Activities</b>	<b>3,642,682</b>	<b>246,778</b>
<b>Cash Flows from Investing Activities</b>		
Bank interest received	18,938	1,005
Purchase of Fixed Assets - Tangible	(3,267)	(1,032)
Purchase of Fixed Assets - Intangible	(168,645)	(124,882)
<b>Net cash provided by / (used in) Investing Activities</b>	<b>(152,974)</b>	<b>(124,909)</b>
Change in cash and cash equivalents in the year	3,489,708	121,869
Cash and cash equivalents brought forward	2,082,885	1,961,016
<b>Cash and cash equivalents carried forward</b>	<b>5,572,593</b>	<b>2,082,885</b>

The notes on pages 85-103 form part of these accounts.

## Notes to the Financial Statements

For the year ended 31 December 2022

SOS Children's Villages UK is incorporated in the United Kingdom as company limited by guarantee, company number 03346676 and is a registered charity in England and Wales, registration number 1069204. SOS Children's Villages UK is a Public Benefit Entity whose registered office and operational address is Ravenscroft House, 61 Regent Street, Cambridge, CB2 1AB.

### 1. Accounting policies

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

#### 1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) applicable in the UK and Republic of Ireland (FRS 102) for Accounting and Reporting by Charities, the Companies Act 2006 and the Charities Act 2011 and UK Generally Accepted Practice. The accounts are prepared under the historical cost convention, with the exception of quoted investments which are stated at market value.

#### Basis of consolidation

The financial statements were not consolidated with the charity's subsidiary in Hong Kong on the basis of materiality and significance, further detailed in Note 18. The accounts are prepared in Pound Sterling, being the functional currency of the

charitable company, and rounded to the nearest pound.

#### Going concern

Whilst the COVID 19 pandemic has created unprecedented disruption of normal operations and created uncertainty about the future as a Charity we have been able to successfully adapt the way we work. A going concern review process is in place which includes a 5-year financial projection and scenario planning of income and expenditure and levels of reserves forecast. The financial plan takes into consideration the current economic and geo-political conditions and their impact on our main income streams and consequent implication for fundraising investment as well as normal spend levels. The Trustees are regularly monitoring the Charity's finance as well as key risks and therefore have a reasonable expectation that SOS Children's Villages UK has sufficient resources to continue in operational existence for the foreseeable future and they consider that there are no material uncertainties about the Charity's ability to continue as a going concern and these accounts have therefore been prepared on this basis.

## 1. Accounting policies (continued)

### 1.2 COMPANY STATUS

The company is a company limited by guarantee. There are 11 members of the company being the Trustees named on page 73. The registered office address is also shown on page 73.

In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

### 1.3 FUND ACCOUNTING

Restricted funds are generated when donors stipulate how their donations are to be spent. These funds are used in accordance with specific restrictions imposed by donors or for the purposes they have been raised by the Charity and are shown as restricted funds in the statement of financial activities. An analysis of the movements on restricted funds is set out in Note 14 after allowable expenditure has been applied.

Unrestricted funds are generated when the donors do not stipulate how donations are to be spent. These funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the company. Unrestricted funds are divided into two further classifications:

1. General reserves are the minimum level of funds set aside to cover possible operational and financial risks identified as part of the annual planning process, and a contingency fund for other

unidentified operational issues.

2. Designated reserves are funds to support SOS Children's Villages UK in two key areas:

**a.)** Fundraising Reserves: to cover the commitment made by the Board to invest in the Charity's fundraising operations in particular in growing our Individual Giving Income. In 2021 these funds were fully utilised.

**b.)** The Trustees anticipate the designated reserves to be fully utilised over the coming next three years.

An analysis of the movements on unrestricted funds is set out in Note 14.

### 1.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and grants received during the year are fully accounted in that year unless they are subject to performance-related conditions or other terms and conditions that may prevent income recognition.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation and are

treated as unrestricted income unless otherwise specified by the donor and is recognised at the time of the donation.

Legacies are recognised when receipt is reasonably certain, and the amount can be reliably measured. Receipt of a legacy, in whole or in part, is only considered reasonably certain when the charity has been notified of the executor's intention to make a distribution following the agreement of the estate's accounts. Where the charity is aware of the granting of probate, but the final or interim estate accounts have not been received to determine amounts receivable, then the legacy is treated as a contingent asset and disclosed if material. However, income relating to both pecuniary and residuary legacies is accrued if the amount is material and the Charity has received evidence to support its receipt within six months of the year end.

Gifts in kind i.e. goods, facilities and services donated for the charity's use, are included at a value equivalent to that which the charity would ordinarily incur on them and, are recognised in the Financial Statements, as both income and expenditure.

### 1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. governance costs are allocated to the applicable expenditure headings.

Charitable expenditure relates to work undertaken by the charity, in supporting children and Children's Villages in which children without parental care live, delivering family strengthening and youth empowerment programme, responding to emergencies including COVID 19, sector strengthening and capacity building. Expenditure on charitable activities includes both costs that can be directly allocated as well as costs of an indirect nature such as support costs incurred to provide the infrastructure and critical Finance, HR, admin and IT service as well as a share of the governance costs.

The costs of raising funds relate to the costs incurred by Charity on activities to generate donations grants and legacies and to keep donors informed about our work. Costs are made up of salaries of people working on fundraising, supporter care and the direct costs of running fundraising campaigns as well as the indirect costs necessary to support fundraising activities.

Support costs comprise the infrastructural and organisation services that support the charitable activities. i.e. the salary of the support functions such as Finance, IT, Human Resources & Admin, the Chief Executive's Office, rent, office running cost and the fee paid for being a member of the SOS Children's Villages federation.

Governance costs are those costs associated with meeting SOS Children's Villages UK constitutional and statutory requirements. These include a percentage of salaries for time spent on governance, company secretarial and external audit costs, legal, tax advice, meeting costs of the Board and its Committees and an allocation of support costs.

## 1. Accounting policies (continued)

### 1.6 BASIS OF EXPENDITURE ALLOCATION

The greatest proportion of the Charity's expenses are directly attributable to either raising funds or specific charitable activities. The remaining costs relate to support and governance costs which support more than one activity and are as a result allocated to raising funds and charitable activities based on staff time.

The basis of cost expenditure allocation is reviewed periodically for reasonableness.

Tangible Assets -Furniture & Fittings
---------------------------------------

10% per annum
---------------

Tangible Assets - Office Equipment
------------------------------------

20% per annum
---------------

Tangible Assets- Computer Hardware
------------------------------------

20% per annum
---------------

Intangible Assets- Software
-----------------------------

14%-20% per annum
-------------------

### 1.7 INVESTMENTS

Investments, including bonds held as part of an investment portfolio are held at market value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Donated shares which are freely tradable are included at the market valuation at the balance sheet date. Shares are not intended to be held as investments and are sold as soon as practically possible. The gain or loss for the period is reflected in the SOFA.

### 1.8 OPERATING LEASES

Rentals under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

### 1.6 TANGIBLE & INTANGIBLE FIXED ASSETS AND DEPRECIATION

A new depreciation policy has been introduced in 2021 and so now all items costing more than £1,000 and are expected to have and economic useful life beyond 1 year are capitalised.

Tangible and Intangible fixed assets are stated at historical cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Subsequent expenditure on an asset is only capitalised where it provides an enhancement of the economic benefits of the asset. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

### 1.9 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

### 1.10 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities.

### 1.11 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

### 1.12 CASH AT BANK AND IN HAND

Cash at bank and 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 deposit or similar account.

### 1.13 CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the company 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.

### 1.14 PENSIONS

SOS Children's Villages UK operates a defined contribution pension scheme for its employees. The pension charge represents the amounts payable by the Charity to the fund in respect of the year. Contributions to the scheme are charged to the Statement of Financial Activities when incurred.

### 1.15 FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recorded at depreciated historical cost and investments are recorded at fair value, at the bid rate. All other assets and liabilities are recorded at cost which is their fair value.

### 1.16 TAXATION

SOS Children's Villages UK, as a registered charitable company, is not subject to Corporation Tax, other than on its trading activities, if statutory limits are exceeded. No liability is payable in respect of such activities in the year (2020: Nil). Income Tax incurred by deduction is reclaimed in full from the HMRC.

SOS Children's Villages UK is registered for VAT.

## 1. Accounting policies (continued)

### 1.17 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

In the application of the Charity's accounting policies described above, SOS Children's Villages UK's Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; or in the period of the revision and future periods if the revision affects the current and future periods. In the view of the Trustees, no estimation uncertainty or assumptions concerning the future affecting assets and liabilities at the balance sheet date have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Accounting estimates that have an effect on the amounts recognised

in the financial statements are described in the accounting policies and detailed in the relevant notes to the accounts:

a.) grant, legacy and gift in kind income are detailed in Note (2)

b.) The allocation of support costs which requires a judgement on the most appropriate basis to apportion costs and are detailed in Note (6)

c.) accounting estimates of asset useful economic lives and resulting depreciation charges are detailed in Note (10).

The principal accounting policies, as set out above, have all been applied consistently throughout the year and the preceding year.

## Note 2 Income from donations and legacies - Current Year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Gifts and donations	4,378,543	1,460,315	<b>5,838,858</b>	<b>4,597,895</b>
Legacies	713,846	1,140,580	<b>1,854,426</b>	<b>2,766,730</b>
Gift Aid	9,313	432,425	<b>441,738</b>	<b>433,081</b>
<b>Total donations and legacies</b>	<b>5,101,702</b>	<b>3,033,321</b>	<b>8,135,023</b>	<b>7,797,706</b>

In 2021, the Charity secured a 3 year grant from another member of the federation, Hermann Gmeiner(HGFD) to support the growth of SOS Children's Villages UK. The grant amount for 2022 came to £390,780

By the 31 December 2022 the Charity has been notified of legacies carrying an estimated value of at least £0.8m which have not been recognised as income in the year because the SORP FRS102 income recognition criteria has not been met.

## Note 3 Other Income

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Other Income</b>	<b>0</b>	<b>287,482</b>	<b>287,482</b>	<b>50,075</b>

In 2022 the Charity received £287,482 from another member of the federation under a funds swap arrangement

## Note 4 Investment Income

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest receivable	0	18,938	<b>18,938</b>	<b>1,005</b>
Dividends receivable	0	0	<b>0</b>	<b>0</b>
<b>Investments</b>	<b>0</b>	<b>18,938</b>	<b>18,938</b>	<b>1,005</b>

**Note 5 Analysis of Expenditure - 2022**

	Activities directly undertaken 2022 £	Support costs 2022 £	Total 2022 £
<b>Cost of raising funds:</b>			
Costs of raising donation income	806,959	329,081	<b>1,136,040</b>
Exceptional investment in fundraising strategy	758,374	0	<b>758,374</b>
<b>Total cost of raising funds</b>	<b>1,565,333</b>	<b>329,081</b>	<b>1,894,414</b>
<b>Charitable activities:</b>			
Caring for children	2,346,516	329,013	<b>2,675,529</b>
Strengthening families	868,349	121,754	<b>990,103</b>
Youth employability and education	816,204	114,443	<b>930,647</b>
Protecting children in emergencies	424,000	59,451	<b>483,451</b>
<b>Total Charitable Activities before exchange movements</b>	<b>4,455,069</b>	<b>624,661</b>	<b>5,079,730</b>
Exchange gain		68,839	<b>68,839</b>
<b>Total Charitable Activities after exchange movements</b>	<b>4,455,069</b>	<b>693,500</b>	<b>5,148,569</b>
<b>Total Expenditure</b>	<b>6,020,402</b>	<b>1,022,581</b>	<b>7,042,983</b>

Support costs include the impact of an exchange loss of £60,173 (in 2021 a gain of £145,747). Refer to note 6 for further breakdown of Support Costs.

Included in costs of charitable activities are grants of £1,020,029 (2021: £433,879) payable to recipients via SOS-Kinderdorf International.

**Analysis of Expenditure - 2021**

	Activities directly undertaken 2021 £	Support costs 2021 £	Total 2021 £
<b>Cost of raising funds:</b>			
Costs of raising donation income	637,193	332,452	<b>969,645</b>
Exceptional investment in fundraising strategy	511,972	0	<b>511,972</b>
<b>Total cost of raising funds</b>	<b>1,149,165</b>	<b>332,452</b>	<b>1,481,617</b>
<b>Charitable activities:</b>			
Caring for children	2,382,007	402,516	<b>2,784,524</b>
Strengthening families	381,665	58,648	<b>440,312</b>
Youth employability and education	358,745	59,863	<b>418,608</b>
Protecting children in emergencies	211,130	35,231	<b>246,361</b>
<b>Total Charitable Activities before exchange movements</b>	<b>3,333,548</b>	<b>556,257</b>	<b>3,889,805</b>
Exchange gain		(145,747)	<b>(145,747)</b>
<b>Total Charitable Activities after exchange movements</b>	<b>3,333,548</b>	<b>410,510</b>	<b>3,744,058</b>
<b>Total Expenditure</b>	<b>4,461,233</b>	<b>764,442</b>	<b>5,225,675</b>

Support costs include the impact of an exchange gain of £145,747 (in 2020 £99,037). Refer to note 6 for a further breakdown of Support Costs.

**Note 6 Support costs - 2022**

	Raising funds 2022 £	Charitable activities 2022 £	Total funds 2022 £
Personnel costs	136,067	79,284	<b>215,351</b>
Premises cost	36,991	21,554	<b>58,545</b>
IT & website costs	28,003	16,317	<b>44,320</b>
Other support costs	128,019	411,547	<b>539,567</b>
Governance (note 7)	0	164,799	<b>164,799</b>
<b>Total</b>	<b>329,081</b>	<b>693,500</b>	<b>1,022,581</b>

**Support costs - 2021**

	Raising funds 2021 £	Charitable activities 2021 £	Total funds 2021 £
Personnel costs	174,934	101,931	<b>276,865</b>
Premises cost	36,090	21,029	<b>57,118</b>
IT & website costs	47,980	27,957	<b>75,937</b>
Other support costs	73,448	236,115	<b>309,563</b>
Governance (note 7)	0	169,225	<b>169,225</b>
<b>Total</b>	<b>332,452</b>	<b>556,257</b>	<b>888,709</b>

Support costs are allocated across the charitable activities to give the most accurate view using staff time as the basis. Support costs comprises of management administrative and governance costs which is made up of Chief Executive, Communications & Marketing, Finance, Information Technology, Human Resources and office running costs.

Included in Other support cost is the membership fee the Charity pays to be part of the federation and in 2022 the amount came to £200,100 (2021 £253,500). In 2022, membership fees have been apportioned based on the time spent by the International Office on the various activities which is different to the previous year, which was the time spent by SOS Children's Villages UK staff on the various activities.

**Note 7 Governance**

	Raising funds 2022 £	Charitable activities 2022 £	Total funds 2022 £	*Total funds 2021 £
Staff costs	0	115,874	<b>115,874</b>	<b>136,076</b>
Chair recruitment	0	0	<b>0</b>	<b>12,000</b>
Audit fees	0	25,604	<b>25,604</b>	<b>11,970</b>
Legal fees	0	18,794	<b>18,794</b>	<b>7,307</b>
Meetings	0	0	<b>0</b>	<b>259</b>
Other	0	4,527	<b>4,527</b>	<b>444</b>
<b>Total</b>	<b>0</b>	<b>164,799</b>	<b>164,799</b>	<b>169,225</b>

**Note 8 Net expenditure / (income)**

This is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets owned by the Charity	<b>4,554</b>	<b>4,335</b>
Loss on the disposal of fixed assets	<b>0</b>	<b>174</b>
Auditors' remuneration	<b>16,800</b>	<b>13,140</b>
Operating lease payments	<b>52,641</b>	<b>43,229</b>
Pension	<b>43,006</b>	<b>40,693</b>
Foreign exchange loss / (gain)	<b>68,839</b>	<b>(145,747)</b>



**Note 9 Staff costs**

	2022 £	2021 £
Wages and salaries	981,145	954,659
National Insurance costs	111,994	105,006
Pensions and other costs	43,006	40,693
<b>Total</b>	<b>1,136,146</b>	<b>1,100,357</b>

No severance payments were made to any employees in 2022 (2021: £Nil).

**Average number of staff employed**

The average monthly number of employees during the year was as follows:

	2022	2021
Fundraising	13.40	13.30
Programme Management	1.00	0.80
Communications	2.80	4.10
Finance / IT & Admin	6.90	6.20
<b>Total</b>	<b>24.10</b>	<b>24.40</b>

The key management personnel of the charity comprise of the Trustees and 5 others (2021: 5) being the Chief Executive Officer, the Director of Finance & IT, the Director of Fundraising, the Director of Individual Giving and the Director of Communications. No Trustees received any remuneration or benefits in kind from the charity (2021 - none). The total employee benefits of the key management personnel of the charity comprised of their salary, employer national insurance and pension contributions totaling £414,237 (2021 - £421,061).

The number of employees whose total benefits excluding employer national insurance contributions and employer pension cost amounted to over £60,000 in the year was as follows:

	2022	2021
In the band £60,000 - £70,000	2	2
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	0	0
In the band £90,001 - £100,000	1	1

Total employer's pension contributions in relation to the above higher paid employees was £16,213 (2021: £15,938).

**Note 10 Tangible & Intangible fixed assets**

	Tangible fixed assets			Intangible fixed assets	Total fixed assets	
	Furniture & fittings £	Computer Equipment £	Total £	Computer software £	2022 Total £	2021 Total £
<b>COST:</b>						
<b>At 1 January 2022</b>	9,962	49,251	59,213	124,882	<b>184,096</b>	<b>122,381</b>
Additions	0	3,267	3,267	168,645	<b>171,912</b>	<b>125,914</b>
Disposals	0	0	0	0	<b>0</b>	<b>(64,200)</b>
<b>At 31 December 2021</b>	9,962	52,518	62,480	293,527	<b>356,007</b>	<b>122,381</b>
<b>DEPRECIATION:</b>						
<b>At 1 January 2022</b>	2,459	39,494	41,953	0	<b>41,953</b>	<b>101,644</b>
Charge for the year	879	3,674	4,553	0	<b>4,553</b>	<b>4,335</b>
Disposals	0	0	0	0	<b>0</b>	<b>(64,026)</b>
<b>At 31 December 2022</b>	3,338	43,169	46,507	0	<b>46,507</b>	<b>41,953</b>
<b>Net book value:</b>						
<b>At 31 December 2022</b>	<b>6,624</b>	<b>9,350</b>	<b>15,975</b>	<b>293,527</b>	<b>309,502</b>	<b>142,143</b>
At 31 December 2021	<b>7,503</b>	<b>9,757</b>	<b>17,261</b>	<b>124,882</b>	<b>142,143</b>	<b>20,737</b>

**Note 11 Investments**

	Listed investments 2022 £	Listed investments 2021 £
<b>MARKET VALUE:</b>		
At 1 January	1,253,290	1,097,793
Additions	0	0
Unrealised gain or (loss) on investments	(24,937)	155,497
<b>At 31 December</b>	<b>1,228,353</b>	<b>1,253,290</b>
<b>Comprising of:</b>		
Fixed interest	255,601	255,601
Equities	972,753	997,689
<b>Total market value</b>	<b>1,228,353</b>	<b>1,253,290</b>
<b>Total historical cost of investment</b>	<b>1,000,000</b>	<b>1,000,000</b>

**Note 12 Debtors**

	2022 £	2021 £
Other debtors	81,840	211,351
Prepayments and accrued income	820,157	2,868,487
Tax recoverable	73,936	36,182
<b>Total</b>	<b>975,933</b>	<b>3,116,020</b>

**Note 13 Creditors: amounts falling due within one year**

	2022 £	2021 £
Trade creditors	9,301	15,518
Other taxation and social security	59,929	42,945
Other creditors	43,896	36,468
Accruals	1,137,318	1,036,992
<b>Total</b>	<b>1,250,443</b>	<b>1,131,923</b>

**Note 14 Statement of funds**

2022	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried forward £
<b>UNRESTRICTED FUNDS</b>						
General fund	1,821,981	3,339,741	(2,445,760)	0	(24,937)	2,691,026
<b>Designated funds:</b>						
Fundraising research & investment reserve	0	0	0	0	0	0
Foreign exchange reserve	205,584	0	0	0	0	205,584
India Legacy	312,500	0	312,500	-	0	0
<b>Unrestricted funds subtotal</b>	<b>2,340,065</b>	<b>3,339,741</b>	<b>(2,758,260)</b>	<b>0</b>	<b>(24,937)</b>	<b>2,896,610</b>
<b>RESTRICTED FUNDS</b>						
Zambia	46,854	61,245	(61,245)	0	0	46,854
Gambia - YEP Project, Basse	101,450	124,834	(167,999)	0	0	58,285
Sponsorship fund	3,773	1,838,939	(1,707,248)	0	0	135,465
COVID 19 Appeal	156,891	4	0	156,895	0	0
Standard Chartered Foundation	398,403	1,138,613	(632,291)	0	0	904,726
M&G	(805)	240,002	(239,197)	0	0	0
Other Emergency Responses	772	446,331	(424,000)	0	0	23,103
Other projects <£50k	227,509	225,108	(156,895)	0	0	436,578
HGFD Grant	0	390,780	(390,780)	0	0	0
India Legacy	2,187,500	635,846	(488,768)	0	0	2,334,578
<b>Restricted funds subtotal</b>	<b>3,122,348</b>	<b>5,101,702</b>	<b>4,284,724</b>	<b>0</b>	<b>0</b>	<b>3,939,578</b>
<b>Total Funds</b>	<b>5,462,413</b>	<b>8,441,443</b>	<b>(7,042,983)</b>	<b>0</b>	<b>24,937</b>	<b>6,835,939</b>

**Note 14 Statement of funds (continued)**

2021	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried forward £
<b>UNRESTRICTED FUNDS</b>						
General fund	1,611,150	1,852,678	(1,821,925)	24,580	155,497	1,821,981
<b>Designated funds:</b>						
Fundraising re-search & investment reserve	24,580	0	0	(24,580)	0	0
Foreign exchange reserve	205,584	0	0	0	0	205,584
India Legacy	0	312,500	0	0	0	312,500
<b>Unrestricted funds sub total</b>	<b>1,841,315</b>	<b>2,165,178</b>	<b>(1,821,925)</b>	<b>0</b>	<b>155,497</b>	<b>2,340,065</b>
<b>RESTRICTED FUNDS</b>						
Zambia	39,098	7,756	0	0	0	46,854
Gambia - YEP Project, Basse	70,041	161,646	(130,238)	0	0	101,450
Sponsorship fund	62,125	1,758,889	(1,817,241)	0	0	3,773
Africa – general	235,576	5,968	(227,519)	(14,025)	0	0
COVID 19 Appeal	264,811	32,968	(149,532)	8,644	0	156,891
Standard Chartered Foundation	0	459,218	(60,815)	0	0	398,403
M&G	0	240,000	(240,805)	0	0	(805)
Other Emergency Responses	27,629	2,687	(34,925)	5,381	0	772
Other projects <£50k	143,209	307,106	(222,806)	0	0	227,509
HGFD Grant	0	519,869	(519,869)	0	0	0
India Legacy	0	2,187,500	0	0	0	2,187,500
<b>Restricted funds sub total</b>	<b>842,490</b>	<b>5,683,608</b>	<b>(3,403,750)</b>	<b>0</b>	<b>0</b>	<b>3,122,348</b>
<b>Total Funds</b>	<b>2,683,804</b>	<b>7,848,786</b>	<b>(5,225,675)</b>	<b>0</b>	<b>155,497</b>	<b>5,462,415</b>

Designated funds held for investment in fundraising activities have now been utilised. Each restricted fund has arisen in line with specific restrictions placed by the donor. The majority of restricted funds relate to specific SOS Villages and Projects overseas, such that funds are only used in connection with the donors' specified village and projects. In 2020 the Trustees agreed to reallocate old, restricted fund balances for emergency COVID-19 support. Transferred funds have been utilised within the same countries originally specified by the donors.

**Note 15 Analysis of net assets between funds - Current Year**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Intangible fixed assets	0	293,527	<b>293,527</b>
Tangible fixed assets	0	15,974	<b>15,974</b>
Investments	0	1,228,353	<b>1,228,353</b>
Current assets	3,939,326	2,609,200	<b>6,548,526</b>
Creditors due within one year	0	(1,250,443)	<b>(1,250,443)</b>
<b>Total</b>	<b>3,939,326</b>	<b>2,896,611</b>	<b>6,835,937</b>

**Analysis of net assets between funds - Prior Year**

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Intangible fixed assets	0	124,882	<b>124,882</b>
Tangible fixed assets	0	17,261	<b>17,261</b>
Investments	0	1,253,290	<b>1,253,290</b>
Current assets	3,122,348	2,076,557	<b>5,198,905</b>
Creditors due within one year	0	(1,131,923)	<b>(1,131,923)</b>
<b>Total</b>	<b>3,122,348</b>	<b>2,340,066</b>	<b>5,462,414</b>

**Note 16 Analysis of changes in net debt**

	Balance brought forward 01/01/2021 £	Cashflow £	Balance carried forward 31/12/2022 £
Cash in hand	2,082,885	3,489,708	5,572,593

**Note 17 Operating lease commitments**

At 31 December 2022 the charity had total commitments under non-cancellable operating leases as follows:

	Land and buildings		Equipment	
	2022 £	2021 £	2022 £	2021 £
<b>Expiry Date:</b>				
Within 1 year	42,000	42,000	4,200	4,218
Between 2 and 5 years	63,000	105,000	5,459	9,356
After more than 5 years	0	0	0	0
<b>Total</b>	<b>105,000</b>	<b>147,000</b>	<b>9,659</b>	<b>13,564</b>

A new 5 year operating lease of £210k was signed on 1st April 2020 for the rental of office space in Cambridge with a break option after 3 years.

**Note 18 Related party transactions**

At 31 December 2022 the Charity held all 100 ordinary shares of £1 each in the wholly owned subsidiary, SOS Children's Villages UK Trading Limited, which is registered in the United Kingdom. These shares were written down to nil value in the 2002 accounts and the company ceased trading on 31 December 2001 and has remained dormant since that date.

During the year under review a sum of £43,599 (2021 £28,875) was received from the Pakistan Support Group and a further amount was received directly from PSG child and village sponsors £66,418 (2021 £52,170). A Khan, who resigned from her position as a trustee of SOS Children's Villages UK in 2019 is currently a bank signatory of the Pakistan Support Group.

There are no other related party transactions.

**Note 19 Trustee expenses**

The trustees did not receive any remuneration neither did they make any claim for the reimbursements of expenses during the year (2021: Nil).

**Note 20 Statement of financial activities (including income and expenditure activities from the year ended 31 December 2021)**

	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
<b>INCOME</b>				
Donations and legacies	5,683,608	2,114,098	7,797,706	4,242,490
Other trading activities	0	0	0	0
Other income	0	50,075	50,075	17,512
Investments	0	1,005	1,005	5,004
<b>TOTAL INCOME</b>	<b>5,683,608</b>	<b>2,165,178</b>	<b>7,949,786</b>	<b>4,265,006</b>
<b>EXPENDITURE</b>				
Raising funds	38,025	1,443,592	1,454,115	1,068,287
Charitable activities	3,435,725	378,333	3,771,560	3,889,656
<b>TOTAL EXPENDITURE</b>	<b>3,403,750</b>	<b>1,821,925</b>	<b>5,225,675</b>	<b>4,957,943</b>
Net gains/(losses) on investments	0	155,497	155,497	(114,770)
<b>NET MOVEMENT IN FUNDS</b>	<b>2,279,858</b>	<b>498,750</b>	<b>2,778,608</b>	<b>(807,706)</b>
<b>Reconciliation of funds:</b>				
Total funds at 1 January 2021	842,490	1,841,315	2,683,806	3,491,512
<b>TOTAL FUNDS AT 31 DECEMBER 2021</b>	<b>3,122,348</b>	<b>2,340,065</b>	<b>5,462,414</b>	<b>2,683,806</b>



**No child should grow up alone**

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**SOS CHILDREN'S  
VILLAGES**

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Charity registered in England and Wales, No. 1069204