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Action on Disability and Development

Annual Report and Financial Statements

31 December 2012

ADD International is registered as Action on Disability and Development

Company Limited by Guarantee

Registered in England and Wales. Company Number: 2033925.

Charity Commission Number 294860.

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Vision, Mission and Values

Vision

A world where all disabled people are free from discrimination and oppression, enjoying equality within an inclusive society

Mission

To achieve positive and lasting change in the lives of disabled people, especially those living in poverty.

- We will do this through developing capacity, influencing and working in partnership to ensure that
- Disabled People's Organisations are stronger and better able to realise the rights of their members, and to tackle poverty and exclusion
- Conditions are in place to empower disabled people to transform their lives
- Changes are secured in policies, practices, services and attitudes so that disability discrimination is addressed
- Mainstream development programmes focus on disability and include disabled people as active participants

Values

Along with our mission and vision, our values underpin the essence of the work we do and what ADD stands for, and thus we believe in

Rights: An understanding of disability that is rooted in the equal human rights of all individuals

Empowerment: Creating the conditions for individuals to transform their own lives

Participation The self-representation and active engagement of disabled people

Inclusion Modelling and promoting practices that facilitate the inclusion of all disabled people, such as those who are marginalised as a result of gender, age, geographical location and other factors in addition to disability

Collaboration Working as an ally to the Disability Movement and in partnership with all those who share our vision in order to achieve our mission

Learning: Continually learning from our and others' experiences, to develop our practice, improve outcomes, demonstrate our impact and remain accountable to disabled people and our supporters

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Welcome from the Chair and CEO

Last year, many doors which were previously closed to the inclusion of disabled people, started to open. This includes the 2015 Millennium Development Goals (MDGs) which were developed in the late 1990s with the aim of tackling extreme poverty and deprivation. Whilst this was a step forward in many areas, disabled people were neither in the room when they were negotiated, nor mentioned in the goals that actually emerged.

As we approach 2015, a high-level panel appointed by the UN Secretary General and co-chaired by David Cameron has been asked to debate and make recommendations on the global development framework beyond 2015, and disabled people from developing countries are now getting an opportunity to have their say. We have been working with leaders of disability movements in support of this positive change, to ensure that whatever follows is inclusive of disabled people in a meaningful way.

At the grassroots level, our work continues. In Cambodia, we met with Yana, a 16 year old girl who has learning difficulties. Yana had never been to school, but with the support from a disabled people's organisation funded by ADD, she now helps run the family shop, saving her earnings in the village savings scheme so that she can expand the business. She is a truly inspiring example of the potential that can be unlocked if you just remove some of the obstacles disabled people face in contributing to society.

Last year we finalised a new five-year strategy setting out a clear direction for the organisation, building on the strength of our 28 years of working with disabled people in developing countries, whilst also updated to reflect the ever changing circumstances around us. By the end of 2012, we were delighted to have finished the year in a stronger financial position than in 2011.

As we look ahead, we view ADD as an organisation that is gaining in strength and influence, and we are particularly pleased to see the wider world waking up to the issue of inclusion of disabled people. For this, we thank our supporters, our funders and our followers for helping to make this possible.

Haji Saghir Alam OBE
Chair of Trustees



Tim Wainwright
CEO



Who we are and what we do

ADD International is a leading UK-based development agency working as a major ally of disability movements across Asia and Africa, from grassroots to national levels

Established in 1985, we work with a network of Disabled People's Organisations (DPOs) - groups made up of dedicated and determined disabled people, who challenge disability discrimination in their own countries. We support them in becoming strong, effective, self-sustaining, transparent, accountable, democratic and representative membership organisations.

This collaborative approach is at the core of ADD's work, in how we operate day to day but also in our vision of empowering our allies.

ADD supports DPOs through providing information, training, mentoring and funding. As part of our mission to form projects and relationships that are sustainable rather than dependent, we help our partners identify and access other sources of funding.

In parallel with this work, we seek to influence others to include disabled people in their work.

Note on terminology – As a UK-based organisation, we continue to use the term “disabled people”. However, we recognise that the UNCRPD advocates the use of the term “people/persons with disabilities” and this term is used by our in-country programmes. For this reason, in this report, the term “disabled people” is used in all sections other than the country specific sections.

Organisational Achievements

In 2012, our key objectives covered a range of focus areas including strategic, programmes, fundraising, influencing and advocacy

1. Set our strategic ambitions for the next five years

Last year, we completed our **Strategic Framework for 2013 – 2017**, which seeks to guide and focus our work as we respond to the development needs of disabled people. Over the next five years our **six focus areas** will be disabled people living in poverty, reaching the unreached, learning, communication and influencing, and resourcing. In parallel to this strategy sits our Global Theory of Change, where we recognise the link between poverty and disability, along with the strategic role ADD plays in supporting and promoting the empowerment of disabled people.

2. Support the building of an influential force of well-resourced DPOs in the developing world

Through our work with DPOs across Africa and Asia, we reached a significant number of disabled people through their organisations and through collaborative work with our partners. In Bangladesh, for example, DPO membership increased to over 20,000. In Côte d'Ivoire we achieved a 7% increase in the number of DPOs we worked with, while in Sudan we worked with almost 55,000 DPO members and their families, covering a wide scope of disabilities.

3. Influence and lead the International Development world to include more disabled people in their work.

The 2015 Millennium Development Goals set ambitious targets to tackle poverty by 2015, without a single mention of disability. Last year, ADD recognised that if there ever was a time to be involved in the debate on whatever new framework follows, that time was upon us. Since then, we have strongly pursued, engaged with and attempted to influence the debate at the highest level, including attending high profile discussions involving David Cameron, about what comes next. Our role is to facilitate disabled people from developing countries to be included in these processes so that their needs are accounted for in the future framework.

Progress happened at country level too. In a landmark achievement, the Bangladeshi civil service was forced to consider applications from disabled people for senior roles. Our Country Director for Bangladesh was directly involved in influencing the government's decision to pursue this policy.

4. Improve and demonstrate the impact of our work with disabled people.

Over the past year we have been working on improving the quality of our monitoring and evaluation (M & E) systems, not only to demonstrate the evidence and impact of our work but also to adapt ourselves according to lessons learnt and the changing needs and context of our work. We have been developing a suite of reporting tools.

which include gathering stories of significant change within our projects so that both funders, and the wider public, can see the impact. Although challenges remain, we strive to make this an ongoing focus and a core part of our new five-year strategic framework.

5. Strengthen our funding base and engage supporters in ADD's dynamic programmes.

Thanks to funding partners and support from the public, we achieved an increase in our income from last year. You can read more about our fundraising performance on page 21, and by viewing our financial statements.

6. Support DPOs to reach even more disabled people in Africa and Asia to access their most basic rights.

As we have supported the capacity, skills and learning within DPOs, groups of disabled people have continued to come together. They have initiated a range of activities which have improved their financial and economic independence, and self-esteem. Some of these activities include the formation of self-help groups, income generation projects and realising their rights to challenge discrimination in areas such as employment, gender-based violence and education.

What next: key objectives for 2013

- 1 Continue to support DPOs to reach more disabled people across Africa and Asia
- 2 Influence and lead the international development world to include more disabled people in their work
- 3 Deliver quality programmes - whilst clearly demonstrating the impact and value of our work
- 4 Begin implementation of our new strategic framework.
- 5 Grow our funding base by engaging new donors, and strengthening relationships with existing supporters and funders

Where we work

- Bangladesh
- Burkina Faso
- Cambodia
- Cote d'Ivoire
- Mali
- South Sudan
- Sudan
- Tanzania
- Uganda

In total we have 6 country offices, covering 9 countries. In 2012, through our support of direct partners in India and Zambia, our work spanned a total of 11 countries

ADD continued important strategic partnerships with the Secretariat of the African Decade of Persons with Disabilities and the East African Federation of Disabled People

ADD in Bangladesh

Where we are

In 1995, ADD's work began with 73 people with disabilities in 12 villages in the remote Kushtia district and thus the disability movement started with a handful of dedicated people. With limited resources, the growth of the movement over the last 15 years is solely down to the commitment and determination of people with disabilities.

After DPOs were established at grass-roots level, two organisations were formed at the national level: the National Grassroots Disability Organisation and the National Council of Disabled Women. ADD continues to support these two organisations to strengthen their ability to achieve their goals.

Highlights and Successes

We are now working collaboratively with DPOs representing over 20,000 members and have extended our reach to cover nearly one third of the country.

Following advocacy work by ADD and local DPOs (and after a successful trial period), the Vice President of the Bangladesh Knit-wear and Manufacturing Export Association has announced that at least 5% of jobs in their factories will be allocated to people with disabilities.

21 partner DPOs received funds from our project 'Disabled People's Rights to Social Justice & Inclusion in Bangladesh' - this project focuses on advocacy work, training, and future funding strategies for DPOs.

Samsul's story

"My father did not like me very much in the past due to my disability," Samsul Alam tells us. Samsul is 39 and has a physical impairment.

Samsul is a member of the Chiro Jagoroni Self-Help Group, which he joined in 2003. After receiving various types of human rights and organisational development training through the group, **ADD appointed Samsul as a paid volunteer**, covering 5 unions. He has developed excellent relationships between Union Councils, District Councils and NGOs.

Due to his immense contribution in the field of disability, Samsul was awarded the best Human Rights activist of the year 2011 by the Manusher Jonno Foundation.

"When I arrived home after receiving the prize, about 200 community people cordially received me and saw my medal and crest. I also received a cash prize! This reception continued for 20 days after receiving the award because neighbours kept visiting me to congratulate me."

Samsul added, "After hearing of my success, my father was so pleased that he decided to transfer the Wakf land (donated for charitable purposes) which my grandfather had donated, to me instead of my other brother. Now, my father has totally changed his views and he is very proud of me. This is something I cherish above all."

ADD in Cambodia

Where we are

ADD was established in Cambodia at the same time as the Cambodian Disabled People's Organisation (CDPO). CDPO represented the voice of people with disabilities at national level, while ADD supported the formation of grassroots DPOs.

There were many social barriers to overcome in order to be able to speak directly to people with disabilities. ADD staff spent a lot of time with disabled individuals, providing counselling and helping build their confidence and awareness of their rights in order to improve their own situation.

Highlights and Successes

ADD is the only organisation working specifically to improve the lives of people with intellectual disabilities in Cambodia using a **community participation approach**. This successful pilot project has reached 161 beneficiaries, who were previously ignored. Though this is a small number, the project has changed the attitude of communities who previously had no belief that people with intellectual disabilities could make a valuable contribution to society. This unique approach is proving to be very effective in changing the lives of people with intellectual disabilities in a sustainable way.

All of the beneficiaries are now able to look after themselves and help their family in general housework such as house cleaning, washing, and cooking. Encouragingly, they are also taking part in a number of income-generation activities such as rearing chickens, vegetable gardening, setting-up grocery shops, mat weaving and repairing motorbikes. They are now becoming part of community and have received mentoring and support from family members, neighbours and villagers.

Kunthea's story

Kunthea is 20 and lives in a village in Svay Rieng province. In the recent past, villagers, and even her parents, knew her as the "mad" or "stupid" girl.

With support from ADD and the Kampongro Disabled People's Development Federation (KRDF), a big change has happened in Kunthea's life within a short space of time.

According to her mother, Kunthea was sick with a high fever as a baby, as a result of which she developed an intellectual disability. When Kunthea was ten, her parents divorced; her mother was too poor to take care of her, so she sent Kunthea to live with an aunt. In 2008 Kunthea's father took her to live with him and his new wife who was not very nice to her. However, her father encouraged Kunthea to join a self-help group in her village where she found friends – something she had never had before.

In April 2011, KRDF and ADD began a small grant project which involved providing training in poultry rearing and raising community awareness of intellectual disabilities. This was achieved through providing examples of how disabled people can live independent and productive lives with support from their families and the community.

This resulted in a change in the way Kunthea's father treated his daughter and he even started to teach her how to cook and care for the chickens. "At first I thought there was no sign of learning in Kunthea, but I found she could do well with instructions, like cooking rice and feeding and controlling animals."

Discussing the support they received from ADD and KRDF, he said, "The project helped bring great change in my daughter. People used to think she was a stupid girl but now she has become another person who is capable and productive."

ADD in Francophone West Africa

Where we are

When ADD began working in Francophone West Africa (Burkina Faso, Mali and Côte d'Ivoire), National Federations had been set up by governments to represent people with disabilities, but their links with grassroots DPOs, which were few and informal, were weak. ADD began by working with these groups, strengthening their links and facilitating the emergence of a disability movement. Through training, organisations have learnt to initiate, and effectively participate in, discussions with decision-makers for disability inclusive policies and legislation. Over time, this has resulted in regular dialogue between DPOs and governments on disability bills, political representation, employment, training and education as well as other basic services. Our operations in Cote d'Ivoire re-started in 2010, following a period of forced absence caused by the civil war, and we are now working on rebuilding a strong movement.

Highlights and Successes

In **Mali**, we provided financial support to DPOs, enabling them to run advocacy campaigns for inclusive education and inclusion in social and economic activities. The Regional Federation in Sikosso gave training to teachers and parents of disabled children the use of sign language.

In **Burkina Faso**, we provided financial support to the offices of provincial DPOs and mentored them to strengthen their networking, develop and implement livelihood initiatives and mobilise other partnerships and resources to implement their micro projects. Training in agricultural techniques was provided to women with disabilities who grew crops, including cereals, vegetables and cassava, and are expecting a total yield of over 5 tons of produce. The benefit of this will be felt throughout their communities. We have set up savings groups in 23 villages where women with and without disabilities work together, this is benefitting almost a thousand women.

In **Côte d'Ivoire**, we provided financial support towards the publication of the Ivorian Sign Language Dictionary, which will enable hundreds of people with hearing impairments to communicate more easily with others in their communities. An increase in member numbers, and the strengthening of collaborative income-generating activities amongst DPOs, has resulted in a reduced amount of begging among people with disabilities.

Rosalie's story

Rosalie is a 19 year old girl with a physical disability. She lives with her three brothers, two sisters and mother.

In the past, children made fun of her and copied the way she walked. They used to run and then tell her to catch them, which was a way of making fun of her. "I used to spend all my time crying," she says.

She recently became a member of the Provincial Association for Disabled Women of Bougouriba, which was set up in 2010 and receives funding from ADD. They arrange activities including meetings, training sessions (on disability, writing in sign language, creating and managing businesses, as well as saving money and taking out loans) and the production and selling of soap.

Over the last six months, many things have changed for Rosalie. She is now a key member of the group that makes and sells soap.

"I am now an important person in my family because I contribute to the family's household income. The adults in my community now have respect for me. This change within me, and of others' attitudes towards me, mean that now I am not really embarrassed about my disability anymore."

ADD in Sudan (and South Sudan)

Where we are

In the early 1970's, people with disabilities in Sudan began to form small groups. Although the groups grew in size as people began to recognise them as an opportunity for a social life, they had no clear plans or strategic direction to effect positive change.

ADD began supporting 8 state unions (DPOs) to develop the plans and strategies needed to work effectively towards their goals. Each state union works with a network of grassroots DPOs that ADD supports, to access services and overcome the barriers preventing them from being actively included in society.

Each union and DPO is led by democratically elected leaders with disabilities. ADD provides technical and financial support to DPOs via the national state unions for the deaf, the blind, and people with physical disabilities.

Currently, ADD is supporting the national state unions to come together to form one National Federation representing all impairment specific DPOs. Working together this way will ensure better coordination, and therefore effectiveness, of activities across the country and will enable us to reach those states where people with disabilities are not currently reached.

Highlights and Successes

Grants totalling almost £125,000 were awarded to DPOs for training and education, equipment, events, and awareness building activities. We are now working with almost 50,000 DPO members and their families.

We organised a number of radio and TV programmes to raise the profile of the National Disability Council, which was established in 2011 to represent the needs and views of disabled people in Sudan.

Supported by ADD, DPOs organised health awareness campaigns on subjects including Female Genital Mutilation, Malaria and HIV/AIDS. This has significantly increased understanding of these issues amongst people with disabilities and their local communities.

Adam's story

Adam is 23 and has been deaf since birth

In 2009, Adam found out about the Kassala Union of the Deaf (KUD), which is a DPO partner that receives funds and assistance from ADD. Adam read about how it helped to develop disabled people's skills and talents, and decided to join.

He says, "The union conducted a sign language course which helped me to better communicate with my peers. When I started using the Sudanese Unified Sign Language (SUSL), I was very pleased. I have been involved in many activities through the union. Recently, a health awareness campaign was implemented by the union and ADD International. I was very impressed with the information I received, especially those relating to HIV/AIDS. My knowledge has definitely increased. Before, I didn't really care for my health, but now I do very much."

ADD in Tanzania

Where we are

In 1969, the Tanzania Association of People with Physical Impairments (CHAWATA) was formed to represent people with all types of impairments. The next 20 years saw five more impairment specific organisations established. In 1992, a group of disability activists formed SHIVYAWATA (the Tanzania Federation of People with Disabilities Association), a national umbrella organisation that now has ten affiliate DPOs working together to demand their rights through advocacy and lobbying.

Highlights and Successes

Members of local government and DPOs formed teams to raise awareness on inclusive education from village to district levels. This led to an increase in children with disabilities being enrolled in school - giving them the opportunity to gain a normal education. Alongside this, the number of specially trained teachers increased by 46% and a number of school buildings were improved to become more accessible to children with disabilities.

We have launched a ground-breaking 5 year project, focusing on enabling disabled children to receive quality primary education and on overcoming barriers within Tanzania's education system. This project encompasses 265 primary schools, reaching over 3,000 children with disabilities and over 9,000 indirect beneficiaries. This innovative project is modelling how a fundamental change from segregation to inclusion can be rolled out across the country, enabling children with disabilities to receive quality primary education alongside their non-disabled peers.

Saidi's story

Saidi Adamu is 13 years old and has a physical disability. He lives with his grandmother in Sanza village, Kisarawe district. He had never attended school before, because his grandmother was unaware of the importance of education, especially for children with disabilities.

When Saidi was 9 years old, the advocacy team met him and his grandmother. The team, with ADD International's support, managed to identify a nearby school for him to attend. The school infrastructure was not adequate for pupils with disabilities, so the advocacy team had to arrange for the school management to create a more conducive environment. They succeeded in getting the school to build toilets for pupils with disabilities, and install ramps.

By the time Saidi was supposed to join the school, his grandmother had become reluctant to send him. So the advocacy team, with support from teachers and local leaders, held a session to stress the importance of education and the need for family support while he studied. His grandmother felt reassured by this and she allowed him to join the school.

His grandmother is thankful to ADD and the advocacy team for teaching her about the importance of education, because now her grandson is "able to read and write, and mix with other children."

ADD in Uganda

Where we are

ADD has been in Uganda since 1987. We have a long-standing and close partnership with the National Union of Disabled Persons of Uganda (NUDIPU). We are uniting and strengthening DPOs. We have supported the development of a strong disability movement in Uganda through raising awareness, advocacy and support, with ongoing initiatives across multiple areas.

Highlights and Successes

A number of women and girls with disabilities were trained in their rights and in strategies for avoiding gender based violence.

We opened a resource centre with offices and conference facilities that can accommodate over 100 participants. In the past, people with disabilities either trained under trees or at expensive, often inaccessible, training centres – or not at all. The local government reacted by renovating local buildings, installing ramps and wide doors in order to allow people with disabilities to access the relevant offices.

In 7 districts of Bugisu and Sebei, and with funding from the **European Union**, we began the 'Project for Promoting full and Equal Enjoyment of Human Rights by Persons Living with and Affected by Albinism'. 7 groups of people with or affected by albinism have registered in the region (with a membership of about 300). 20 children with albinism have been enrolled in school, and 10 cases of rights violations involving people with albinism have been reported to the police.

ADD trained local government officials from more than 20 districts about the *Convention on the Rights of Persons with Disabilities*, as well as supporting our partners to deliver training to police, prison officers and other security workers.

We provided financial and logistical support to Martin Babu, who was successfully elected to the UNCRPD Committee.

Sherry's story

Nambuba Sherry is 34. She lost her vision eight years ago.

A member of Mbale District Association of the Blind (MBADAB), she has teamed up with people with albinism to establish the Elgon Foundation for Persons with Albinism (EFPA), of which she is the coordinator. It is currently the most prominent such organisation in the country. It identifies and mobilises those people with albinism and encourages them to join groups in the 6 districts that they are operating in.

EFPA educates the parents of people with albinism, and the general public, about their plight and unique needs. They also support community based functional skills training for people with albinism to enhance their subsistence and income opportunities. Additionally, they advocate for mainstreaming issues of albinism in government and development agencies' programmes and activities.

Sherry notes that in the two years that EFPA has existed, many people with albinism have been mobilised and supported in accessing medical support. In instances where their eyes have been assessed, many have been provided with glasses, Vaseline and hats - all key assistive items in their lives.

Sherry feels that thanks to EFPA, many of those with albinism have greater self-esteem, are no longer afraid to express their feelings and thoughts, and can now confidently access many social services in their communities that they weren't able to before.

Local communities as a whole have benefited by being able to appreciate the needs and potential of those with albinism, and many have emerged as strong allies in their struggle for inclusion.

Fundraising

Fundraising – strengthening income from grants

A substantial grant from Comic Relief enabled us to develop a new programme in Tanzania based around inclusive education. This funding unlocks opportunities for achieving greater impact in a country where currently less than 5% of disabled children go to school. Increasing awareness about the importance of ensuring all children receive an education, as well as working with the Tanzanian government, will be the central aspects of this new programme. Our ultimate aim is to bring about change to the *entire education system* in Tanzania.

We received ongoing funding from organisations such as, The Breadsticks Foundation, The Innocent Foundation (who fund income-generation projects for our partners at ADD India), The Kadoorie Foundation, The Tides Foundation, The European Union and AusAID, to name but a few. Such worldwide support is vital, particularly for projects assisting extremely marginalised groups, for example in Cambodia, where we are the only organisation working with people with intellectual disabilities.

We received grants of just over £1.4 million (an increase of over 50% on last year's figure). We continue to face challenges to secure major funding for our programmes in an increasingly competitive environment, where donors' funds have also come under pressure.

Our relationship with the UK government through a Partnership Programme Arrangement (PPA) is in the second of a three-year strategic partnership. This flexible strategic funding enables ADD to continue investing in supporting the strengthening of disability movements across Africa and Asia, and lobbying for long-term change. It also enables ADD to strengthen internal functions, ensuring that we are prepared for the future.

Fundraising - stabilising income and engaging our supporters

In 2012, and after a period of a number of years, a decline in income was eventually stemmed and **we raised almost £1 million through the generosity of regular supporters, appeals and major donors, and a generous legacy gift**. As we sought to build long-term relationships with supporters – both existing and new – we turned our attention to producing high quality evidence of our impact. A **new website** was also launched – www.add.org.uk – creating greater accessibility of our news, project information and stories of change.

Following an in-depth review, the Public Fundraising unit was restructured and relocated to London - to help us achieve our ambitious growth target over the next 5 years. With plans for a small 'hub' office operating in London, Frome continues to be the main headquarters of ADD International.

Financial Review

The key challenges for 2013 remain, ensuring we have the right cost base to ensure that we maintain good value for money, income generation, donor recruitment and further improvements in developing the capacity across the organisation to meet the increasing demands of transparency and accountability

1) *Income*

Total income in 2012 (as set out in the statement of financial activities) was £3 526m, an increase of £0 565m from £2 961m in 2011. This was due to an increase, particularly in relation to institutional funding, from £2 022m in 2011 to £2 569m in 2012 (note 2), an increase of £0 546m on 2011

This was due, in large part, to the securing of long term funding and support for our programme in Tanzania, and better than expected institutional fundraising in our programme in Bangladesh. Regular donations from the public were similar to 2011 at £0 850m (note 1). Despite continued challenging economic conditions in the UK, we carried out a large regular giving recruitment campaign in 2012. In addition, we received a legacy donation of £63,000, and funding from DFID's unrestricted Partnership Programme Arrangement (PPA) contributed £1 134m towards total income

2) *Expenditure*

Total expenditure in 2012 was £3 000m, £0 067m less compared to 2011. However, the costs of generating voluntary income increased by £0 109m from £0 353m in 2011 to £0 462m in 2012, due to increased investment in supporter retention activities in the UK

Spending to support the disability movements in Africa and Asia was £2 030m in 2012, a decrease of £0 129m compared to the figure in 2011 of £2 159m

In 2012, a necessary review of our public fundraising work resulted in administrative job losses in our UK head office in Frome

Provisions required in 2012 (note 14) relate to further costs of restructuring in the UK and country offices and estimated commitments to finalise obligations for current year projects. Governance costs were slightly down on 2011 at £0 183m and included the costs of UK and overseas audits and two face-to-face board meetings in the UK

3) *Financial position and reserves policy*

Total fund balances at the end of the year were £1.367m representing an increase of £0.527m compared to 2011. Restricted fund balances were £0 485m and unrestricted funds were £0 882m. Approximately, £0 247m of these unrestricted funds (note 16) will need to be designated for 2013 to cover our proposed investment in retaining existing and recruiting new supporters, for monitoring, evaluating and learning and in supporting our country teams to be able to bid more successfully for donor funds for our work overseas

It is our policy to retain sufficient reserves to safeguard on-going commitments and operations. Our reserves policy was reviewed in 2010, and included a statement to hold reserves sufficient to cover unrestricted expenditure commitments for approximately five months' at current spending levels. Our 'free' reserves are currently standing at £0.598m, which is slightly below the suggested reserves level of approximately £0.685m and the Trustees are working towards bringing these back up to the desired level.

4) *Financial outlook*

Financial planning and forecasting activity takes place within the context of the overall strategic plan and objectives. While our expectation is that fundraising challenges will continue, we successfully secured a 3 year Programme Partnership Arrangement (PPA) from the Department for International Development in 2011 and this is expected to contribute £1.134m of our income in 2013. We expect income from individuals to remain fairly static in 2013 and funding from institutional funders to increase in 2014 following increased numbers of quality proposal submissions currently being made. Income from this stream in 2013 may fall due to the time lag between submission and receipt of funds.

5) *Risk management*

An understanding of the risks the organisation faces and careful management of these risks is necessary. The major potential risks facing the organisation in relation to resources have been identified as:

- 1 Longer term shortfall in funding, particularly if the PPA funding which ends in March 2014 is not extended or no alternative funding can be found,
- 2 The inability to continue to raise voluntary unrestricted income to support the organisation in 2014 and beyond at current or increased levels;
- 3 Failure to manage grants effectively – both contractual and associated programme delivery,
- 4 Not clearly demonstrating the impact of our work,
- 5 Skills shortage within our country programmes arising from an inability to retain or recruit staff.

Steps taken to mitigate these risks include:

- Regularly reviewing our three-year fundraising strategy, monitored by the fundraising sub-committee,
- Monitoring a range of performance indicators to track the success of funding proposals and diversifying our portfolio to attract more supporters,
- Looking at ways to increase our income from Public Fundraising by investing further in this area,
- The introduction of a more cohesive and disciplined grant management process and undertaking a series of training sessions with our country directors, relevant programme staff and finance teams,

- In addition, undertaking continuous training specifically for the Country Office finance teams to provide a focus on further improving our basic systems and controls
- Continued investment in country-based M&E officers focussing on the development of a strong M&E Framework to accurately record and demonstrate the impact of our work
- Review and implement a comprehensive training and development policy for staff with clear objectives We are also establishing and implementing a transparent worldwide salary review policy

6) *Internal control*

The trustees have overall responsibility for ensuring that the organisation has appropriate systems of control, financial and otherwise They are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and enable them to ensure that the Financial Statements comply with the Companies Act 2006

The trustees recognise that systems of control can only provide a reasonable and not complete assurance against inappropriate or ineffective use of resources, or against the risk of errors or fraud. They remain satisfied that the internal systems provide reasonable assurance that the organisation operates efficiently and effectively, safeguards its assets, maintains proper records and complies with relevant laws and regulations

We operate a comprehensive accountability system which includes a rolling 18-month cash-flow and annual budgets approved by trustees These are reviewed by the Finance and Audit sub-committee who will consider actual results compared with plans and forecasts, and non-financial performance data We do not have an internal audit function but instead outsource this to overseas auditors who conduct risk-based internal audits and review internal controls Reports and recommendations are submitted to the finance and audit sub-committee for scrutiny each quarter

7) *Public benefit statement*

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and aims and in planning future activities for the year

Statement of trustees' responsibilities

The trustees (who are also directors of Action on Disability and Development for the purposes of company law) are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- make judgements and estimates that are reasonable and prudent,
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Each of the trustees confirms that

- so far as the trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

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

A handwritten signature in black ink, appearing to read 'SAR', with a long horizontal line extending to the left.

Haji Saghir Alam OBE
Chair of Trustees

Independent auditor's report to the members of Action on Disability and Development

We have audited the financial statements of Action on Disability and Development for the year ended 31 December 2012, which comprise the statement of financial activities, the balance sheet, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

The trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the Statement of Trustees' Responsibilities set out in the Trustees' Annual Report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion, the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

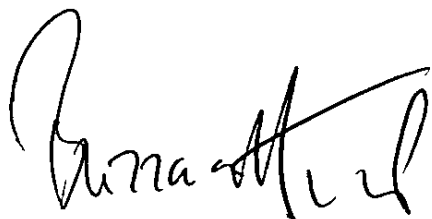
In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of these matters



Edward Finch, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL 13/9/13

Financial statements

Statement of financial activities year to 31 December 2012

	Unrestricted funds £	Restricted funds £	2012 total funds £	2011 total funds £
Income and expenditure				
Incoming resources				
Incoming resources from generated funds				
Voluntary income (notes 1 and 2)	2,093,923	-	2,093,923	2,026,281
Interest receivable	6,903	2,761	9,664	8,070
Incoming resources from charitable activities (note 2)				
	-	1,414,839	1,414,839	896,861
Other incoming resources	4,973	3,184	8,157	30,311
Total incoming resources	2,105,799	1,420,784	3,526,583	2,961,523
Charitable expenditure				
Cost of generating funds				
Cost of generating voluntary income (note 1)	462,047	-	462,047	353,138
Support of the International Disability Movement				
International programme offices	976,063	1,053,942	2,030,005	2,159,666
Programme support	324,483	-	324,483	360,768
Governance costs	183,763	-	183,763	193,634
Total resources expended (note 6)	1,946,356	1,053,942	3,000,298	3,067,206
Net incoming / (outgoing) resources before transfers	159,443	366,842	526,285	(105,683)
Transfers between funds	37,278	(37,278)	-	-
Net incoming/(outgoing) resources and Net movement in funds (note 7)	196,721	329,564	526,285	(105,683)
Fund balances b/f at 1 January 2012	685,178	155,611	840,789	946,472
Fund balances c/f at 31 December 2012	881,899	485,175	1,367,074	840,789

There is no difference between the net movement in funds stated above, and the historical cost equivalent. All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 December 2012

	2012	2012	2011	2011
	£	£	£	£
Fixed assets				
Tangible fixed assets (note 10)		64,184		35,386
Current assets				
<i>Debtors (note 11)</i>	343,183		176,535	
<i>Cash at bank and in hand (note 12)</i>	1,351,115		1,040,782	
	1,694,298		1,217,317	
Creditors Amounts falling due within one year (note 13)	(114,112)		(101,272)	
Net current assets		1,580,186		1,116,045
Total assets less current liabilities		1,644,370		1,151,431
Provisions (note 14)		(277,296)		(310,642)
Total net assets		1,367,074		840,789

Represented by

Funds and reserves

Income funds

<i>Restricted funds (note 15)</i>	485,171	155,611
<i>Unrestricted funds (note 16)</i>		
- <i>General funds</i>	634,903	534,347
- <i>Designated funds</i>	247,000	150,831
	1,367,074	840,789

Approved by the trustees on 10 May 2013 and signed on their behalf



Saghir Alam OBE
Chair of Trustees

Principal accounting policies

Basis of accounting

These financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 2006 and applicable accounting standards. The Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005) has been followed in the preparation of these financial statements.

Incoming resources

All incoming resources becoming available to the charitable company during the year are recognized, gross, in the Statement of Financial Activities. Volunteer time is not included in the financial statements.

Legacy income is accounted for on a receivable basis. A legacy is considered receivable for the period only once the amount is known with certainty.

Grants receivable are normally accounted for when receivable, except where they relate to a specified future period, in which case they are treated as deferred income.

Resources expended and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended are shown gross and accruals are included in creditors for all known liabilities relating to the year.

Expenditure on overseas programmes comprises all direct programme expenditure and all staff related costs of the countries' offices. Grants payable to overseas partners are those grants paid both directly from the UK and those paid by ADD programmes overseas to the charitable company's partners overseas.

Programme support costs comprise expenditure incurred for management of and support to overseas programmes together with the related overheads which are recovered through administration charges levied on programmes in agreement with funders.

Cost of generating funds relate to the costs incurred by the charitable company in inducing others to make voluntary contributions to it.

Governance costs of the charitable company comprise costs of the management of its assets, organisational management and administration, and compliance with constitutional and statutory requirements including audit fees.

Support costs comprise staff and overhead costs which fall into more than one of the above categories. These costs have been allocated on the basis of full time equivalent staff numbers in the relevant categories of expenditure.

The charitable company makes contributions on behalf of its UK employees into their personal pension funds. The amounts charged in the Statement of Financial Activities represent the contributions payable to the funds in respect of the accounting period. Outstanding pension contributions at the year-end are included in creditors.

In a number of countries in which the charity operates, it is legally required to fund end of service payments to staff at the end of their employment with the charity. Full provision is made for the cost of these benefits relating to past services and this is included within overseas staff costs.

Tangible fixed assets

All assets in the UK costing more than £500 and with an expected useful life exceeding one year are capitalised.

Fixed assets are depreciated at the following annual rates in order to write them off over their estimated useful lives:

- Computer equipment 25% straight line
- Office equipment 25% reducing balance
- Motor vehicles, overseas programmes 33% straight line

Capital items purchased for use overseas, with the exception of vehicles, are depreciated 100% in the year of acquisition.

Fund accounting

Restricted funds are funds subject to specific conditions imposed by the funders and relate to specific projects. Expenditure which meets these criteria is charged to the funds together with a fair allocation of management and support costs.

Interest earned on restricted income is not applied to the restricted fund unless specifically requested by the donor. Such interest will be treated as unrestricted income designated for programme support.

Unrestricted funds comprise accumulated surpluses and deficits on general funds and are available for use at the discretion of the trustees in furtherance of the objectives of the charitable company.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Cash flow

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

Foreign currencies

Transactions in foreign currency are accounted for on a monthly basis at the monthly spot rate. At the balance sheet date, any cash or other monetary items held are translated at the closing spot rate.

Provisions

Provisions are made where there exist contractual liabilities for payment of funds at an unspecified future date, or for obligations where it is probable that payment of funds will be required at an unspecified future date where no contractual liability exists.

Termination provision For staff entitlements on cessation of their employment contracts.

Organisational restructure

A provision has been made for the costs that the charity may have to face for dilapidations following the decision to move the Frome Head Office.

Notes to the financial statements

1 Voluntary income and cost of generating voluntary income analysis

	2012 total funds	2011 total funds
	£	£
Income		
Grants (note 2)	1,153,825	1,125,369
Regular donations and collections	850,469	858,104
Donations from legacies & trusts	67,255	3,628
Mailings	22,374	32,398
Events and merchandise	-	6,782
Total voluntary income	2,093,923	2,026,281
Costs of generating voluntary income		
Grants	78,062	84,697
Regular donor acquisition and support	266,983	131,904
Trust development	47,780	37,106
Mailings	11,780	45,360
Events and merchandise	-	5,407
Promotional activities	57,442	48,664
Total costs of generating voluntary income	462,047	353,138

Note: The increase in regular donor acquisition investment to almost £0.267 in 2012 was as a result of increased investment in donor retention activities which resulted in the stemming of the trend of annual income decline in this stream over the past few years. Also, this investment will help secure future income stability.

2 Grants (all institutional)

	Unrestricted funds	Restricted funds	2012 total funds	2011 total funds
	£	£	£	£
Allan & Nesta Ferguson Charitable Trust		25,000	25,000	-
AusAID		36,524	36,524	25,586
AusAID (CBM)		23,047	23,047	-
Bread for the World			-	13,690
The Breadsticks Foundation		78,000	78,000	78,000
CAFOD		87,541	87,541	80,050
Comic Relief		300,000	300,000	-
Commission for the European Communities (CEC)		369,392	369,392	195,598
Cordaid (note 4)		43,473	43,473	132,836
Department for International Development (DFID)	1,133,825		1,133,825	1,110,369
Japan League on Developmental Disabilities			-	16,523
Light for the World		21,249	21,249	-
Manusher Jonno Foundation		130,786	130,786	98,782
National Children's Bureau (NCB)		5,053	5,053	-
New Field Foundation		41,931	41,931	40,333
Other and anonymous grants	20,000	22,954	42,954	15,000
Shiree		134,674	134,674	72,511
Sightsavers International		9,027	9,027	-
The Global Fund for Women			-	11,161
the innocent foundation		22,000	22,000	20,287
The Kadoorie Charitable Foundation		29,078	29,078	46,210
The Liliane Foundation			-	464
The Sylvia Adams Charitable Trust		13,000	13,000	24,000
The Tides Foundation		22,110	22,110	19,813
UNICEF			-	16,130
World Vision			-	4,887
Total grants	1,153,825	1,414,839	2,568,664	2,022,230

3 Movement in deferred income

	At 1 January 2012	Movement	At 31 December 2012
	£	£	£
Breadsticks Foundation	-	18,623	18,623

4 Cordaid grants by country

	2012	2011
	£	£
Bangladesh	43,473	132,836

5 Grants and payments to partners from programmes

	2012	2011
Paid from ADD's country programmes	£	£
Bangladesh	53,952	98,023
Cambodia	71,255	66,274
Sudan	123,957	82,571
Tanzania	15,583	13,044
Uganda	27,106	26,745
Francophone West Africa	68,809	65,788
	360,662	352,445
Paid from UK direct to partners	£	£
ADD India	40,000	68,281
The Secretariat of the African Decade of Persons with Disabilities	15,000	-
East Africa Federation of the Disabled	1,811	10,000
Ghana National Council for Persons with Disability		5,222
POWER International	15,000	33,000
United Kingdom Disabled People's Council	(7,500)	7,500
	64,311	124,003
Total grants	424,973	476,448

Where ADD's support to partners includes the provision of funds, a formal Agreement to Support (ATS) is entered into. Grants are made for the running costs and activities of the partner or disabled peoples' organisations. A list of grants and payments to partners greater than £2,000 is shown in Appendix 1.

6 Total resources expended

	International programmes	Programme support	Cost of generating voluntary income	Governance costs	Support costs	2012 Total	2011 Total
	£	£	£	£	£	£	£
Staff costs (note 8)	553,035	147,937	260,137	76,839	111,222	1,149,170	1,166,822
Office running costs and audits	65,212	12,183	17,405	58,953	111,035	264,788	354,026
Transport and travel	123,116	57,706	15,490	12,371	6,061	214,744	175,179
Grants payable to partners (note 5)	360,662	64,311	-	-	-	424,973	476,448
Field operations	639,398	-	-	-	-	639,398	582,668
Trustees' costs	-	-	-	27,733	-	27,733	45,520
Exchange losses/(gain)	11,791	-	-	-	-	11,791	(6,073)
Fundraising activities	-	-	136,733	-	-	136,733	95,267
Consultancy and external advice	12,005	31,153	15,292	5,009	67,509	130,968	87,575
Provisions for organizational restructure and project commitments (note 14)	-	-	-	-	-	-	89,774
	1,765,219	313,290	445,057	180,905	295,827	3,000,294	3,067,206
Support costs	264,786	11,193	16,990	2,858	(295,827)	-	-
Total resources expended 2012	2,030,005	324,483	462,047	183,763	-	3,000,294	-
Total 2011	2,159,734	360,768	353,138	193,634	-	-	3,067,206

The amount spent on programmes in this financial year has fallen slightly due to the required additional investment in our newly agreed 5 year strategy, including an increase in our investment in Public Fundraising to strengthen our future income streams. In addition, we raised additional income in restricted funds this year, of which £300,000 will be carried forward to 2013, to be spent on programmes in that year.

The **staff costs** related to staff involved in **development work** are included in staff costs and not in field operations.

Programme support costs comprise expenditure incurred for management of and support to overseas programmes. This includes the costs of fundraising for restricted grants and costs related to reporting to grant givers

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Similarly, costs will be incurred in supporting income generation activities such as fundraising, and in supporting the governance of the charity. Support costs include the UK office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources, restricted fundraising and reporting and financing. Support costs have been allocated on the basis of head count. The increased use of consultants and external advice this year relates primarily to the ongoing upgrading of our international IT infrastructure

Governance costs comprise trustees' costs (part of which relate to the costs of board meetings), auditors' remuneration as detailed in note 7 below and an allocation of staff costs associated with the governance of the charity

Exchange Losses/ (Gains) in previous years this has been absorbed into field operations, however this year to aid transparency, it has been decided to show this separately, the 2011 comparable figures have been adjusted accordingly

7 Net incoming (outgoing) resources for the year

This is stated after charging (crediting):

	2012	2011
	£	£
Depreciation	12,622	4,605
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses:		
Cost incurred in attending three trustees' meetings for 11 trustees (2011: three meetings)	27,733	38,362
Auditors' remuneration:		
Audit	15,750	16,508
Non-audit services	5,895	900
Overseas auditors	25,584	45,966

8 Staff costs and numbers

The total staff costs of UK-based employees were as follows:

	2012	2011
	£	£
Wages and salaries	472,799	484,731
Social security costs	48,804	56,102
Pension contributions	19,535	20,703
Total emoluments paid to staff based in UK	541,138	561,536
Other staff costs (health insurance, training & recruitment)	54,997	65,327
Total staff costs in UK	596,135	626,863
Total staff and salary costs for field staff based overseas	553,035	539,959
Total staff costs	1,149,170	1,166,822

No employee received total emoluments in excess of £60,000 in the year, excluding payments for disability. The average number of employees during the year, calculated on a full time equivalent basis, analysed by function was as follows:

	2012	2011
Field staff – overseas based	88	92
Programme support – UK based	4	6
Fundraising – UK based	5	5
Governance – UK based	1	1
Support – UK based	3	3
Staff numbers are based on a full time equivalent basis during 2012	101	107

9 Taxation

Action on Disability and Development is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Tangible fixed assets

	Office and computer equipment	Overseas assets	Total
	£	£	£
Cost or valuation			
At 1 January 2012	154,042	304,522	458,564
Additions in year	45,559	53,844	99,403
Disposals in year	(80,767)	(20,201)	(100,968)
At 31 December 2012	118,834	338,165	456,999
Depreciation			
At 1 January 2012	149,717	273,461	423,178
On disposals	(80,767)	(20,201)	(100,968)
Charge for year	12,622	57,983	70,605
At 31 December 2012	81,572	311,243	392,815
Net book values			
At 31 December 2012	37,262	26,922	64,184
At 31 December 2011	4,325	31,061	35,386

11 Debtors

	2012	2011
	£	£
Other debtors	491	61,615
Prepayments	30,152	21,689
Accrued income	291,872	81,888
Overseas floats and advances	20,668	11,343
	343,183	176,535

12 Cash at bank and in hand

	2012	2011
	£	£
UK current accounts and cash in hand	21,742	82,141
Foreign accounts	344,632	293,602
UK deposit accounts	984,174	664,454
Travellers cheques	567	585
	1,351,115	1,040,782

13 Creditors: amounts falling due within one year

	2012	2011
	£	£
Payroll taxes	-	12,715
Accruals	67,369	52,581
Other creditors	28,120	35,976
Deferred income (note 3)	18,623	-
	114,112	101,272

14 Provisions

	At 31 December 2011	Incoming (charge for year)	Outgoing (utilised)	At 31 December 2012
	£	£	£	£
Overseas staff terminations	184,926	29,486	(32,414)	181,998
Organisational restructure	45,838	-	(8,108)	37,730
Project commitments	79,878	-	(22,310)	57,568
	310,642	29,486	(62,832)	277,296

Provision has been made for the costs that the charity had committed to, following the decision to restructure at the beginning of 2011, the principle amount here being the dilapidations linked to the move of the Frome Head Office which is scheduled for mid-2013

Project commitments represent the trustees' best estimate at the balance sheet date of obligations in respect of project work completed at that date, net of amounts recoverable from donors. The provision has been estimated across a number of projects and any excess of expenditure, or reduction as applicable, will be recognised in the statement of financial activities in the year in which project accounting is finalised

15 Restricted funds

	At 1 January 2012	Incoming resources	Outgoing resources	Transfers	At 31 December 2012
ADD					
International					
Bangladesh	73,405	450,388	(447,187)		76,603
Cambodia	23,258	66,293	(88,935)		615
India	-	22,000	(22,000)		-
Sudan	-	161,651	(161,651)		-
Tanzania	11,006	338,000	(34341)		314,665
Uganda	-	118,178	(79,615)		38,564
West Africa	47,942	226,996	(220,213)		54,725
Zambia	-	37,278	-	(37,278)	-
Total					
restricted funds	155,611	1,420,784	(1,053,942)	(37,278)	485,171

Incoming resources includes institutional grant income (note 2), any sundry income and interest receivable

Purpose of the restricted funds

ADD Bangladesh received funding from:

- **The CEC and CAFOD:** for a project to ensure improved food and livelihood security in the Bagerhat District, in the context of increased disaster risk and climate change
- **CAFOD:** for a project making DPOs effective, self-sustaining, democratic and representative to influence policy makers and development organisations
- **Christian Blind Mission (AusAID):** to improve the quality of life for people with psychosocial problems and empower them to become self-supporting
- **Cordaid:** for a project supporting disabled people's rights to justice and social inclusion
- **Cordaid/NCB:** to strengthen rural health services at grassroots level
- **EEP/SHIREE (supported by UKaid from DFID):** for the economic empowerment of disabled people
- **Manusher Jonno:** for the empowerment of disabled people to continue their studies and run their own businesses
- **The Tides Foundation:** to build the capacity of rural DPOs, to work with the National Council of Disabled Women to strengthen their network and oppose violence, and to support the Disability Rights Fund Convening

ADD Cambodia received funding from:

- **AusAID (Australian Red Cross):** to improve the situation of disabled women by improving the governance and leadership of mixed disabled people's organisations and women's forums

- **Anonomous Charitable Foundation:** for livelihoods work with people with intellectual disabilities

ADD Sudan received funding from:

- **The CEC** for a programme of work to encourage the development of a strong representative disability movement by promoting cooperation and contacts between DPOs at state level, through the formation of eight cross-disability federations leading to the creation of a national cross-disability federation

ADD Tanzania received funding from:

- **Comic Relief and the The Allan and Nesta Ferguson Charitable Settlement:** for a project modelling inclusive education in 265 primary schools. The project includes the establishment of Resource and Assessment Centres to support schools to go inclusive, and includes relevant training, awareness raising and advocacy, and research of best practice
- **The Sylvia Adams Charitable Trust:** to advocate for inclusive education for disabled children in three districts of the Pwani region, Tanzania

ADD Uganda received funding from:

- **Bread for the World:** to influence and lobby government and civil society organisations to mainstream and include disabled people in all development programmes
- **The CEC and an anonymous trust:** to promote equal enjoyment of human rights of people with albinism in Eastern Uganda
- **Light for the World:** to conduct a study on the readiness of employers in the private sector to hire disabled people, and, for organising a regional workshop on how development organisations can include disabled people, with participants from 6 countries
- **Sightsavers:** for building capacity of five disabled people's organisations.

ADD West Africa received funding from:

- **The CEC and The Breadsticks Foundation:** to continue work to build the capacity of disability rights organisations in Côte D'Ivoire to form a vibrant, active, representative and democratic movement able to influence policies and practices for an inclusive decision-making process and the access of all disabled people to services and resources
- **Global Fund for Women:** to support core costs associated with work on disabled women's empowerment
- **New Field Foundation:** for work empowering disabled women in Mali and Burkina Faso through economic activities

ADD India

- The India fund relates to partners in India. ADD India received continued funding from the innocent foundation to invest in agricultural livelihoods of disabled people in rural areas in 5 states

16 Unrestricted funds

	At 1 January 2012	Incoming resources	Outgoing resources	Designations and transfers	At 31 December 2012
Designated funds:					
Matching funds relating to restricted balances	30,831		(30,831)		-
Donor acquisition investment	80,000		(30,000)	10,000	60,000
Monitoring, evaluation and learning	40,000		(30,000)	57,500	67,500
Programme development	-		-	89,500	89,500
Finance system	-		-	30,000	30,000
Total designated funds	150,831	-	(90,831)	187,000	247,000
General funds	534,347	2,105,799	(1,818,243)	-(187,000)	634,903
Total unrestricted funds	685,178	2,105,799	(1,909,074)	-	881,903

Designated funds

Purpose of designated funds

As part of ADD's strategic development the designated funds have been reviewed and the following funds have been reallocated to funds that reflect the current strategic priorities

Matching funds

Previous contracts allowed for in 2011 end in 2013 and so have been budgeted for and no designation is needed

Donor acquisition investment

These funds are for future investment in fundraising initiatives to increase our donations from members of the public, and also to provide funds for policy & influencing at international level

Monitoring, evaluation and learning

This fund is for the development of ADD's monitoring and evaluation systems which enable us to demonstrate the impact of our work to donors; for example, the Programme Partnership Arrangement (PPA) funding from DFID. In order to strengthen our organisational learning, a knowledge management system is also to be developed

Programme development

As our new M & E tools are not yet sufficiently providing us with adequate hard data (evidence) to support project developments and in turn be able to submit new high quality proposals to donors, we need to find an alternative way of providing

substantiated evidence. We have therefore decided to invest in a series of thematically focused situational analyses, one per country, to underpin new project development and significantly enhance our chances of success.

Finance system

This is to enable investment in a modern accounting system compatible with the current informational and reporting requirements, both internal and external, and to also to help with our commitment and responsibilities towards transparency in development funding.

17 Analysis of net assets between funds

	Restricted funds	Designated funds	General fund	Total 2012
Fund balances at 31 December 2011 are represented by:	£	£	£	£
Tangible fixed assets	26,922		37,262	64,184
Current assets	476,872	247,000	970,426	1,694,298
Current liabilities	(18,623)		(95,489)	(114,112)
Provisions			(277,296)	(277,296)
Total net assets	485,171	247,000	634,903	1,367,074

18 Leasing commitments

Within the next year the charity is committed to making lease payments of £29,583 (2011 £38,285). The obligation to make these annual payments expires as follows:

Land and buildings	2012	2011
	£	£
Expiring within 1 year	29,583	354
Expiring within 2 -5 years	-	37,931
Total	29,583	38,285

Appendix 1

List of grants over £2,000 paid to partners in 2012

	£
Bangladesh	
Jatio Trinomul Protibondhi Sangstha	4,734
Protibondhi Narider Jatio Parisad	4,347
Zilla Bondhon Protibondhi Sangstha	2,668
Kompon Zailla Protibondhi Federation	2,508
Torongo Protibondhi Sangstha	2,488
Nondon Natore Zilla Protibondhi Federation/Natore Zilla Protibondhi Sangstha	2,399
Total of payments over £2,000	19,144
Total of payments under £2,000	34,807
Total payments made to partners in Bangladesh	53,952

Cambodia	
Kampong Ro Disabled People Development Federation	11,079
Cambodia Disabled People Organization	10,044
Chulkiri Disabled People Development Organization	5,642
Udong Disabled People Development Federation	3,712
Vasor Disabled People Development Federation	3,683
Cambodian Disabled Development Federation	3,323
Svay Kravann Disabled People Development Federation	3,305
Samrongtong Disabled People Development Federation	3,261
Kampong Speu Disabled Women Forum	3,164
Khmer Disable Women Children Development Forum	3,143
Peany Disabled People Development Federation	3,125
Chumkiri Disabled People Development Federation	3,449
Bakan Disabled People Development Organization	2,111
Representative Self-help Disabilities Organization	2,037
Total of payments over £2,000	61,079
Total of payments under £2,000	10,176
Total payments made to partners in Cambodia	71,255

	£
Francophone West Africa	
Organisation Regionale des Aveugles et Malvoyants de la Vallée de Bandama (ORAMB)	13,148
Coordination de Personnes Handicapées de la Cote d'Ivoire (COPH-CI)	7,926
Federation Regionale des associations de personnes handicapees de Segou (FERAPH-SEGOU)	3,666
Association Nationale des Sourds de la Côte d'Ivoire-Daloa (ANASOCI-DALOA)	3,478
Union des Aveugles et Malvoyants de Toumodi(UAMT)	3,435
Association des Personnes Handicapés Physiques de la Région de la Marahoué(APHPRM)	2,718
Association des Femmes Vivant avec Handicap de Bouaké (AFeVHB)/Côte d'Ivoire	2,715
Society without barriere (SWB)	2,452
Association des Handicapés Physiques "DJINKAWILI) de Ferkessédougou	2,389
Nouvelles Génération des Jeunes Handicapes de Katiola (NGJHK)	2,008
Total of payments over £2,000	43,936
Total of payments under £2,000	24,875
Total payments made to partners in Francophone West Africa	68,809

Sudan	
Sudanese National Union of Blind	8,678
Red Sea Union of Deaf	8,119
Gadarif Union of Deaf	8,098
Haj Yousif Union of Physically Disabled	7,386
Gezira Union of Physically Disabled	7,187
Gadarif Union of Physically Disabled	7,095
Sudanese National Union of Physically Disabled	5,191
River Nile Union of Deaf	5,134
South Darfur Union of Physically Disabled	4,854
Sudanese National Union of Deaf	4,528
Kassala Union of Deaf	4,296
Khartoum Union of Deaf	4,098
South Darfur Union of Deaf	3,860
Mayo Union of Physically Disabled	3,806
River Nile Union of Physically Disabled	3,571
Gezira Union of Deaf	3,567
River Nile Union of Blind	3,544
Gadarif Union of Blind	3,262
Kassala Union of Blind	3,241
Khartoum Union of Blind	3,137
South Darfur Union of Blind	3,021
Gezira Union of Blind	2,942
Red Sea Union of Blind	2,912
Khartoum Union of Physically Disabled	2,908
Ghash Aroma Union of Physically Disabled	2,724
Kassala Union of Physically Disabled	2,552
Red Sea Union of Physically Disabled	2,151
Dwarf Organization	2,098
Total of payments over £2,000	123,957
Total of payments under £2,000	0
Total of payments to partners in Sudan	123,957
Tanzania	£
Shivyawata – Taifa	6,236
Total of payments over £2,000	6,236
Total of payments under £2,000	9,346
Total payments to partners in Tanzania	15,583
Uganda	£
National Union of Women with Disabilities of Uganda	9,314
National Union of Disabled Persons of Uganda	13,035
Total of payments over £2,000	22,349
Total of payments under £2,000	4,757
Total of payments to partners in Uganda	27,106
Total grants paid to partners	360,662

How we are organised

ADD was established as an international development agency in 1985, incorporated as a company limited by guarantee on 3 July 1986, and registered as a charity on 18 November 1986. ADD is governed by its memorandum and articles of association.

Governance

How trustees are recruited and appointed

ADD's trustees are recruited internationally to reflect the diversity of its stakeholders and we aim to have approximately 50% of our trustees being women and 50% disabled people. Of the 13 trustees serving at the end of 2012, five were women and five were disabled people.

Trustees are recruited and appointed through an open process. If a specific need for skills cannot be resolved through this process, individuals may be co-opted to the board.

Policies and procedures for induction and training of trustees

The role of trustees is set out in the *Trustees' Manual* which is given to all trustees and updated periodically. All trustees receive a day's induction with members of ADD staff before taking up their position, and are given the opportunity of external training courses in governance. The board follows a trustee and board annual performance appraisal process.

Organisational structure and how decisions are made

There are normally two face-to-face trustee meetings per year and two telephone conferences. The four current sub-committees (fundraising, HR, international development and finance) meet quarterly. They oversee and take responsibility for the agreement of ADD's strategic framework, monitoring progress against plans, and operational and financial targets.

Sub-committees are made up of trustees with specific skills who report routinely to the full board with their findings and recommendations.

A further sub-committee, consisting of the chairs of the sub-committees, the chair of trustees and the vice chair(s) of trustees is an informal group whose role is to support the CEO.

The trustees regularly review the ADD risk policy, and map and assess it to ensure all reasonable steps have been taken to eliminate, minimise or mitigate risk as appropriate.

Trustees and advisers

Trustees

Saghir Alam OBE – *Chair of Trustees*

Jane Anthony

A K Dube (from Nov 2012)

Sarah Dyer (from Nov 2012)

Liz Goold

Agnes Kalibbala (until May 2012)

Charlie Massey

Sebenzile Matsebula

Stuart McKinnon-Evans – *Treasurer*

Sally Neville

Bob Niven CBE

David Ruebain (from Nov 2012)

John Tierney (from Nov 2012)

Balakrishna Venkatesh

Bankers

Lloyds TSB
25 Cheap Street
Frome, Somerset
BA11 1BW

Nat West
4 Market Place
Frome, Somerset
BA11 1AE

Auditors
Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Solicitors
Harris & Harris
11 Stony Street
Frome
BA11 1BU

ADD Senior Staff

Senior management team (as of December 2012)

Tim Wainwright - Chief Executive Officer

Karen De Cokere - Head of International Development

Robert Dickenson - Head of Finance and Operations

Esther Kwaku - Head of Public Fundraising and Communications

Mark Stroud - Head of Institutional Fundraising

Country directors (as of December 2012)

Mosharraf Hossain - ADD Bangladesh

Kouch Ratanak - ADD Cambodia

Osman Abdelrahim - ADD Sudan

Sixbert Mzee Mbaya - ADD Tanzania

Joseph Walugembe - ADD Uganda

Emilienne Sanon - ADD Francophone West Africa Programme (Côte d'Ivoire, Burkina Faso and Mali)

Acknowledgements

ADD staff and trustees would like to acknowledge and thank the donors listed below and our thousands of loyal individual supporters.

The Allan and Nesta Ferguson Charitable Settlement

AusAID

Bread for the World

The Breadsticks Foundation

CAFOD

Comic Relief

Commission for the European Communities

Cordaid

EEP/SHIREE (supported by UKaid from DFID)

The Global Fund for Women

The innocent foundation

Japan League on Developmental Disabilities (JLDD)

Manusher Jonno Foundation

New Field Foundation

Sight Savers

The Sylvia Adams Charitable Trust

The Tides Foundation

UNICEF

Remembering Jabu Ncube

Last year, a dear friend and former colleague of ADD, Jabulani Manombe Ncube (Jabu) in Namibia, tragically passed away

Jabu had been a part of ADD and worked with us in many ways since our very beginning in the mid-1980s, and more recently served as our International Director, and Deputy Chief Executive, from 2007 to 2010

Jabu had very strong links with the international disability community and worked tirelessly to promote human rights for disabled people. After leaving ADD Jabu continued to support our work and maintained regular contact with colleagues. He will be sorely missed

Jabu will be remembered for his kind and generous spirit and for the many years he dedicated to the empowerment of disabled people all over the world

He was a co-founder of the Zimbabwe disability movement with which he was involved from 1975 to 1989. It was his quiet determination and personal dedication to disability rights that inspired Chris Underhill, now CEO of BasicNeeds, to set up Action on Disability and Development (ADD) when he met him in Zimbabwe in 1984

“Jabu was very interested in the idea of what became ADD and in turn was an important support to me as he took on the directorship of National Council of Disabled Persons of Zimbabwe (NCDPZ). Jabu and I would meet as often as we could. He was a really passionate advocate of disabled people being part of the wider development process of their country and encouraged me vigorously to start up ADD. Equally I was fascinated in the start-up and management of one of the really important early organisations run by and for disabled people, NCDPZ, and Jabu’s directorship of it was inspiring.”

(Chris Underhill, ADD founder)

More than 20 years after he had inspired the formation of ADD, Jabu joined the organisation as the International Programme Director in 2007, a role he held until 2010 when he returned to Africa to work

Jabu is greatly missed by his family, friends, colleagues, and the disability movement