Company registration number: 05322719

Registered as a Charity in England and Wales (1107713) and in Scotland (SC039692)

OPPORTUNITY
International

Opportunity International United Kingdom

A company limited by guarantee

Report and consolidated financial statements

For the year ended 31 December 2017

Opportunity International United Kingdom

Report and financial statements 2017

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Opportunity International United Kingdom

Trustees' report
Year ended 31 December 2017

The trustees of Opportunity International United Kingdom (hereafter "Opportunity International" or the "Charity", registered company number 05322719, registered charity number 1107713 and SC039692), who are also the directors and members for the purposes of company law, present their report and financial statements for the year ended 31 December 2017.

Reference and administration

Principal and registered office

Opportunity International United Kingdom
Angel Court
81 St Clements
Oxford OX4 1AW

Bankers

Barclays Bank Plc
Oxford Corporate Banking
Wytham Court
11 West Way, Botley
Oxford OX2 0JB

Auditor

Mazars LLP
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Trustees

The trustees of the Charity who served from 1 January 2017 to the date of this report were as follows:

Clifford Hampton (Chairman)
John Ford (Treasurer)
Robert Goldspink
Kristine Braden (resigned 19 September 2017)
Ireti Samuel Ogbu
Edward Fox
Anne Grim (appointed 10 October 2017)
Michael Crofton-Briggs (appointed 10 October 2017)

Senior staff

Edward Fox, Chief Executive Officer
Sally Vicaria, International Programmes Director
Will Briston, Director of Philanthropy and Strategic Partnerships
Deborah Foy, Special Adviser to the Chief Executive and Director of Projects
Shabnam Zamurd, Finance Director.

Financial highlights – summary results and financial position of the Charity

Opportunity International is a member of the Opportunity International Network (OIN); furthermore it is the largest international development charity in the United Kingdom

specialising in microfinance. Opportunity International works with poor people to develop their small businesses, strengthen their communities and transform their lives by supporting other members of the Opportunity International Network which provide sustainable financial and development services.

	2017 £'000	2016 £'000
Income		
Private unrestricted donations	806	931
Private restricted donations	968	702
Grants from government sources	3,197	2,643
Grants from non-governmental sources	317	187
Legacy income	191	35
Income from bank deposits	17	10
	5,496	4,508
Expenditure		
Cost of generating funds	474	436
Charitable activities	4,791	4,182
	5,265	4,618
Net movement in funds	231	(110)
Balance sheet		
Tangible fixed assets	8	7
Debtors	602	491
Cash at bank	3,065	2,733
Creditors less than one year	(609)	(396)
	3,066	2,835
Reserves – Unrestricted	2,035	2,240
– Designated	269	469
– Restricted	762	126
Total reserves	3,066	2,835

Objectives and activities

The objectives of the Charity and Group are to relieve poverty abroad and in particular (without prejudice to that generality):

- to provide assistance to poor persons in the establishment of small businesses;
- to provide temporary support for appropriate small businesses; and

- to provide training and retraining in the skills required for employment and self-employment.

'Appropriate' in this context means small businesses owned by, and primarily employing poor persons where there is otherwise insufficient alternative employment to relieve their poverty and where any such business is in danger of failure without such temporary support, but in circumstances where with such support the small business concerned shall have good prospects of recovery and viability. The objectives are achieved by providing the resources needed to make loans, offer savings opportunities and insurance and provide financial education and training to poor entrepreneurs.

Aims and public benefit of the Charity and Group

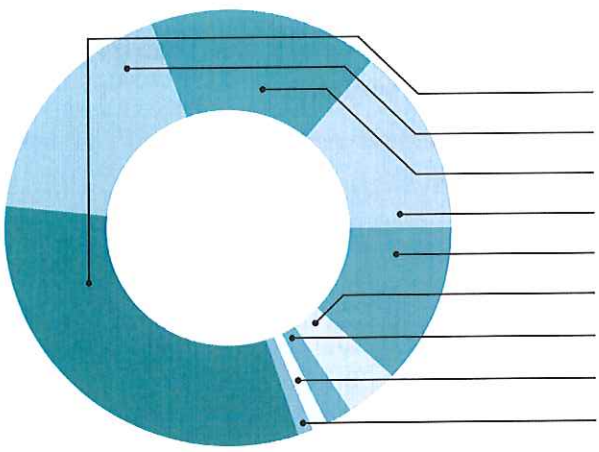
The trustees confirm that they have referred to and given due consideration to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities for the year. The Charity's primary aim is to facilitate the provision of microfinance services to the world's poor people thereby helping them to transform their lives and work their way out of poverty.

Grant beneficiaries

The ultimate beneficiaries of the grants, given by the Charity, are the clients of Opportunity International's Implementing Members.

Specific objectives of the Charity

Opportunity International's primary objective is to focus on our existing operations in sub-Saharan Africa. We aimed to achieve quality and depth in our activities rather than geographical spread, therefore we intended to focus our efforts on a small number of key partners based in Ghana, Uganda, DRC, Rwanda and Mozambique; this has been achieved and is depicted in the chart below (the following three charts depict the Charity only results):

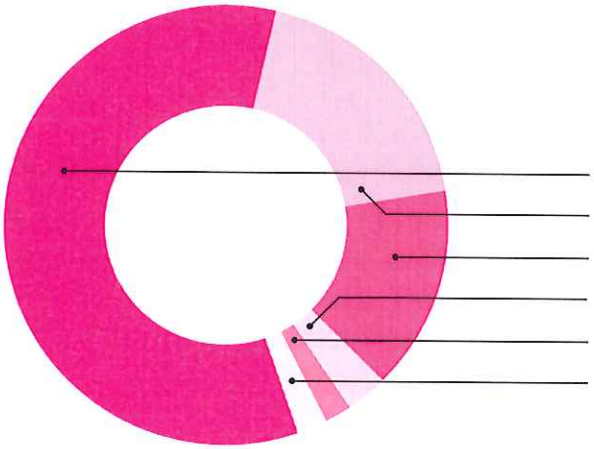


SPEND BY COUNTRY

Democratic Republic of Congo **32%**
Uganda **18%**
Ghana **17%**
Regional – Various **14%**
Rwanda **12%**
Mozambique **4%**
Colombia **2%**
Malawi **<1%**
India **<1%**

The trustees believe the public benefit requirement has been met by achieving this aim. By focusing the Charity's activities more narrowly, a greater impact has been achieved and resources have been deployed effectively and with greater governance, monitoring and control.

The following chart depicts the income sources of the Charity:



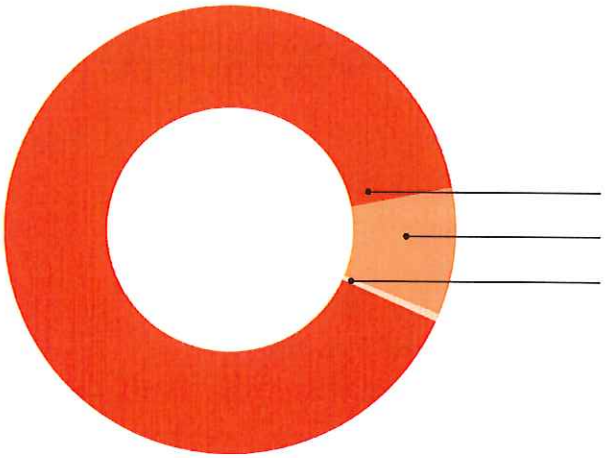
2017 INCOME
£5.67M*

Where the money came from:

Statutory **59%**
Trusts and Foundations **19%**
Individual donations **15%**
Legacies **3%**
Companies **2%**
Other income **2%**

** Income includes £0.17m raised in-country*

£174,000 of the above income was raised for our Implementing member in Uganda, as that is an independent entity the funds are not consolidated with OIUK, hence this income is not reflected in our consolidated income. Yet again we exceeded our on-going target of directing at least 80% of income to charitable expenditure (these funds are spent on alleviating poverty in line with our charitable purpose). 91% of income, spent in the year, was directed to charitable activities and 9% was spent on fundraising and governance costs as shown in the final chart below:



2017 EXPENDITURE

How money was allocated by type of expenditure:

Charitable activities **91%**
Cost of generating funds **9%**
Governance costs **<1%**

Significant activities of OIUK (Charity):

1. DFID UK AID III - Creating Wealth in the Democratic Republic of Congo (DRC)

Opportunity UK was awarded its third DFID UK AID Match grant in 2013. Following the appeal, the final budget totalled £2,262,412. The original aim of the project was to open three new community branches in Kinshasa in order to provide group loans, savings, financial education and community outreach to micro-entrepreneurs living on the margins of society. The project began in February 2014, (initially for two years, extended to four years) with the aim of reaching 7,470 loan clients and 11,010 savers by February 2018. There has been a specific focus of serving women clients (65% of target beneficiaries), with indicators tracking changes in women's decision-making within the household.

In August 2016 majority ownership was transferred to VisionFund with Opportunity retaining 20% and a board seat. Political uncertainty and civil unrest have created a challenging operating environment, however whereas other microfinance institutions have closed VisionFund DRC has expanded its footprint to 7 locations in Kinshasa.

Despite challenges VisionFund DRC achieved significant growth during 2017 serving 10,023 loan clients (up from 2,828 in 2016) and 32,443 savings clients (up from 9,369 in 2016). The project tracks voluntary savers of which there were at 9,719 at the end of 2017. Around 50,115 family members have benefited from the extra income generated by businesses and 11,025 additional jobs have been created. Collaboration has played an important role in growth. VisionFund DRC has established partnerships with nine local NGOs, which focus on supporting women. As a result, 62% of clients are female. This is significant in a country with the reputation of being one of the world's worst places to be born a girl. The grant finished in February 2018, and a final evaluation is being conducted by MicroSave.

2. DFID UKAID IV - Improving agricultural production and incomes for smallholder farmers in Ghana and Mozambique

A fourth DFID UK Aid Match grant, obtained in 2014, supports Opportunity's agricultural programmes in Ghana and Mozambique. The project which runs from June 2015 to May 2018 has a total budget of £3,467,568. The primary aim is to help 10,000 smallholder farmers in the Northern and Brong Ahafo regions of Ghana as well as the provinces of Zambezi and Manica in Mozambique to obtain loans enabling them to access quality inputs (seeds and fertilizer) and increase yields. By the close of 2017 8,217 loans had been disbursed to farmers, against the 10,000 target.

At the end of 2017 Ghana had disbursed loans to 5,417 farmers out of its 6,000 target and was on schedule to meet the project deliverables. OISL continues to deliver mobile banking education to farmers as part of its vision to make at least 80% of its transactions digital within the next 5 years. In Mozambique nearly 3,000 farmers had been served by the end of 2017. This is partly due to a partnership with Empresa de Comercializacao Agricola

(ECA), a grain trading and agri-processing business working with 5,000 local farmers in central Mozambique. Such partnerships are crucial to ensure that farmers have a reputable buyer for their crops and are able to obtain competitive prices. Six more Agricultural Loan officers have been recruited in Mozambique to assist in achieving the final target, and a marketing campaign has been launched including roadshows, client forums and engaging with government institutions responsible for national identification to help identify women farmers who could benefit from the programme.

Results at the midline were encouraging with at least 19,053 jobs created or sustained, 38,106 family members benefiting from increased household incomes, and over 50% of households reporting joint decision making. Farmers achieved more than 40% increase in crop yields as a direct result of loans and training, although this increase is still not consistent across all farmers with maize and rice farmers in Ghana experiencing lower than expected yields.

3. DFID Girls Education Challenge Fund (GEC), Uganda

Opportunity's first GEC grant entitled, *'Innovating in Uganda to support educational continuation by marginalised girls in relevant primary and secondary education'*, commenced in May 2014 and concluded in March 2017. The project received a Civil Society Achievement Award at the 2016 Child and Youth Finance International Global Inclusion Awards in Stockholm. The following results were achieved:

Access: 8,130 children, including 4,065 girls, were able to continue their education with the help of School Fee loans. 5,367 Child Savings Accounts were opened, 2,666 to support girls' education and 2,701 for boys. Loans facilitated on-time payment of school fees preventing girls from being sent home from school and lowering the risk of dropout.

Infrastructure: 88 schools were able to enhance facilities through School Improvement Loans (SILs). 51% of loans were for classroom construction/renovation, 25% were for other building works such as dorms, teachers' quarters, or multi use halls and 15% were for WASH facilities. Renovations were found to reduce teacher to student ratios, allowing teachers to move freely around the room engage with students. Improved WASH facilities have reduced absenteeism during menstruation and prevented infection, as well as reducing time out of class spent queuing.

Empowerment: 202 Girls' Clubs were formed. 13,495 girls and 791 boys received financial education and life skills training. 98% of girls reported increased confidence in financial planning, and 70% began saving regularly. Transition rates of girls in Girls' Clubs were higher (90%) than in the control group (85%) The project changed the attitude of girls towards education. Activities such as mentorship, inspirational talks and sessions on personal understanding and exploration inspired girls to focus on their education, which had a positive influence on their performance.

Education Quality: 256 school proprietors were trained in Opportunity's School Leadership Professional Development (SLPD) Programme. More than 800 teachers formed

clusters under the Self Improving School System. 90% of school proprietors said that the training helped them identify a clear pathway to school improvement.

4. DFID Girls Education Challenge Fund – Transition (GEC-T), Uganda

In 2017 Opportunity was awarded a second DFID GEC grant. The project which runs from May 2017 to April 2020 aims to help 28,988 girls in Uganda transition through key stages of their schooling and complete a full cycle of education. Opportunity is working in consortium with six other organisations to deliver the project under the banner 'Empowering Girls Education' (EGE). The project activities will lead to the following outcomes:

Learning: Activities helping girls, households and schools overcome barriers to education will result in improved learning environments, reduced absenteeism and drop-out, facilitating more "time on task" and improved learning outcomes. Improvements will be measured in literacy, numeracy, self-esteem and confidence using financial services

Transition: Dropout will be prevented by sensitising parents on the value of girls' education whilst providing households with financial tools to keep girls in school. Life-skills training in Girls' Clubs will motivate girls to persevere with their learning and provide them with a vision for the future.

Sustainability: Our market-driven approach of delivering quality education has already proven to be financially sustainable and replicable. Education Quality will be delivered in school clusters through our Self-Improving School System. Schools will be assessed via Opportunity's "Pathways to Excellence" performance tool and leaders will be empowered via a School Leadership Professional Development (SLPD) programme led by Educational Specialists.

Activities conducted to date include: disbursing £199,583 to 20 schools; continuing activities with 2,487 girls and 248 boys in 40 Girls' Clubs; training PEDN staff on Aflatoun's digital learning platform, and newspapers for education; training on participatory sessions on Adolescent Sexual Reproductive Health; SLPD training for 286 leaders on Classroom Design, Early Childhood Education and Pathways to Excellence self-assessments; training 447 teachers on classroom management; and a five day Child Protection workshop for 26 consortium members.

5. DFID UK Aid Direct and Guernsey Overseas Aid - Improving crop productivity, farm income and rural livelihoods for smallholder farmers in Rwanda

A three year DFID funded project, with a total budget of £1,276,681, from April 2015 to March 2018, to help 12,000 smallholder farmers in Northern and Eastern Rwanda maximise yields and increase agricultural productivity in order to increase incomes and improve the overall financial resilience of farming communities. Activities focused on the provision of loans and savings for agricultural production, Good Agricultural Practice (GAP) training, and enhancing agricultural value chains, particularly for rice and maize, beans and Irish

potatoes. In December 2015 a £40,000 grant was secured from Guernsey Overseas Aid as a matched funding for the project.

At the end of 2017 loans had been disbursed to 12,956 smallholder farmers (55% women) growing rice, maize, beans and potatoes in Kirehe and Gakenke districts of Rwanda, thus exceeding the project target. In addition, 28,500 family members indirectly benefitted from improved nutrition and increased access to healthcare and education. On average each farmer has created two new jobs per farm, which equates to 25,912 new jobs for poor rural communities.

All farmers received training in 'Good Agriculture Practices', with topics tailored to the specific needs of each farming co-operative. Training is delivered at 'demonstration sites' close to the farmers' smallholdings. As a direct result of accessing loans for inputs and training in 'Good Agricultural Practices' farmers reported an overall 28% increase in income from their starting point in 2015, with some farmers achieving a 50% increase in yields. Farmers also received training in financial literacy, as a result of these trainings 69% of the women farmers said that their confidence in using financial services had increased. The success of this project has led Urwego Bank Limited, Rwanda (Urwego) to replicate activities with smallholder farmers in the Western region of Rwanda.

6. Scottish Government - Strengthening Livelihoods in Rural Rwanda

In 2017 Opportunity UK won a new grant through the Scottish Government's Rwanda and Zambia funding line. The total project budget is £1,625,755 of which the Scottish Government will contribute £1,200,000 and Urwego the balance. The project started in October 2017 and will run for four years.

The project responds directly to Rwanda's poverty reduction strategy and builds on an existing DFID-funded project targeting smallholders in Northern and Eastern Rwanda. It will reduce poverty in Western and Southern Rwanda by strengthening the livelihoods of poor rural households. There will be 12,000 direct beneficiaries: 8,500 smallholders (50% women) and 3,500 Village Savings and Loans Association (VSLA) members (75% women). 48,000 family dependents will indirectly benefit from better access to nutrition, housing, education and healthcare.

Access to credit will be extended to 8,500 smallholders for improved agricultural inputs (seeds, fertiliser). Urwego will expand its presence in existing value chains (rice, coffee, potatoes) and investigate new value chains. Working in partnership with CARE (Rwanda) Urwego will provide 3,500 VSLA members (75% women) with small business loans. Beneficiaries will engage in a bi-monthly training programme including health awareness, business skills, financial literacy and leadership development. Farmers will also receive training in 'Good Agricultural Practices' including land preparation, crop rotation, irrigation and disease control. Access to secure, interest-bearing savings accounts will help 12,000 rural households build assets and smooth consumption. Urwego will add 100 new Banking

Agents in the target districts to serve previously unbanked populations with Digital Financial Services (DFS).

Anticipated impacts of the project include a 30% increase in household income, 29,000 jobs created and/or sustained and enhanced resilience for 12,000 households. 57% of the beneficiaries will be women, and at least 55% will be youth (aged 18-35 years) as defined by the African Union.

Loan disbursement has started and by the end of 2017 Urwego had disbursed loans to 874 rice farmers, exceeding the Year 1 target of 800 farmers. GAP and financial Literacy training will start in January 2018. Banking Agents are being recruited in the Southern and Western provinces as part of Urwego's expansion outside Kigali.

7. Providing Quality Education to Children in Rwanda

In December 2015 Opportunity UK received an award of £141,500 for education quality in Rwanda. Over a three-year period, the project will contribute to keeping 22,500 children in full time education through school fee loans, while improving school facilities and the quality of education provided to 26,250 school children through school improvement loans. 90 school proprietors will benefit from training to facilitate improvements in school management and teaching quality.

Two years into the project school fee loans have helped parents to keep 9,114 children in school. This is behind the two-year target of 15,000 children however parents' awareness of and confidence in the school fee loan product has accelerated in recent months and there was a surge in applications just before the new school year started. School Improvement loans have resulted in better school facilities and quality education in 56 schools, impacting over 14,000 pupils. A marketing campaign, promoting education finance products and services, has been broadcast on national Rwandan TV and radio, and an SMS campaign targeted at Mobile Money clients, which began in December 2016, continued throughout 2017.

The primary focus in 2017 was on raising school standards and educational quality. Opportunity's education quality programme includes school quality assessments; proprietor training; networks for teachers to receive training and share best practices; and increased parental engagement. Throughout most of 2017 School Leadership Professional Development (SLPD) training has been delivered to schools via cluster groups. To date 241 school leaders have benefited. So far workshops have focused on Opportunity's "Pathways to Excellence" school self-assessment tool; school development planning; child protection; management of school relations and entrepreneurship.

Opportunity has also introduced a teacher mentorship programme being led by our local education quality specialist. It facilitates peer-to-peer problem solving and serves as a catalyst to improving standards and practice. Lead teachers are identified and will promote what is known as 'joint practice development' to improve the quality of teaching in literacy,

numeracy, science and early childhood education. Across all these pioneering interventions we are aiming to support improvements to school governance, management practices, school facilities (including water and sanitation), classroom management and teaching effectiveness.

8. Scottish Government - Stimulating wealth creation, increasing employment and fostering local entrepreneurship in Malawi

The three year Scottish Government funded project which runs from April 2015 to March 2018 aims to support 1,000 micro-business owners (those with 1 to 4 employees) with the tools and financial services needed to sustain and grow their businesses. Loans, savings accounts and business training are equipping entrepreneurs to improve the running of their businesses; enabling them to increase their income, provide for their families and create employment in their communities. The project has a particular focus on encouraging female entrepreneurs to transition from operating small scale micro-enterprises in the informal sector to managing larger sustainable businesses. The total project budget is £1,802,826, of which £598,301 is from the Scottish Government.

1,817 clients including 830 SME clients and 817 Group Loan clients have received business development and sustainable livelihoods training. 30% of SME clients are women. The 830 micro-business owners are each generating additional jobs and supporting more family members than we had anticipated from the outset. They are supporting an estimated 4,250 family members with the profits from their business and have created at least 425 additional jobs in their communities.

Opportunity's Transformation Officers and other external trainers used games and activities to explain the importance of choosing the right business, identifying demand in the market, protecting the business during adverse conditions, marketing products, and the importance of persevering through challenges. Transformation Officers have also provided financial literacy training to improve the financial capability of clients enabling them to make the most of access to financial services. Topics include savings, debt management, record keeping and other basic business principles.

Central to the project is a mentoring scheme whereby successful business women support aspiring female entrepreneurs to grow their businesses. The scheme matches women with experienced female business owners to share good business management practice and skills. There are 70 mentors and 110 Mentees under the scheme. Regular training workshops and networking events give the mentees training and insight from professional business experts. The workshops were also used as a platform for gender awareness training including discussion on gender based violence and HIV/AIDS.

9. *Financial Sector Deepening Uganda (FSDU)* - Using innovation to promote availability and use of financial services in Northern Uganda (in country funding)

In 2015 Opportunity UK secured a three year grant of $689 535 from FSDU, for Opportunity Bank of Uganda (OBUL) to test the use of digital technology to reach low income Ugandans with access to financial services. The ultimate goal of the project is to extend OBUL's outreach to rural clients, with a suite of products designed to meet their needs and to develop a business case to show the impact of financial services alongside technical support in building resilience and increasing smallholder farmers' income. Grameen Foundation is providing Extension Services and technical support for data capture and analytics and OBUL has contracted Juntos, digital behavioural change specialists, to conduct a two way SMS interactive text campaign to drive up product adoption and usage, to encourage clients to use financial products.
The project started in April 2016. By the end of 2017 the following outcomes had been achieved:

- 51,301 people reached through financial education and awareness initiatives
- 5,286 customers subscribed to OBUL's mobile banking platform (Ku Ssimu)
- 5,200 farmers mapped and had their profiling data digitised
- 5,200 farmers trained by Grameen's Community Knowledge Workers (CKWs)
- 2,215 farmers opened AgroSave and ExtraSave accounts
- 8,738 customers qualified for insurance claims

Due to delays in executing the project activities and underspending in Years 1 & 2, FSDU cut the budget and a revised project scope has been submitted for Year 3.

10. *aBi Trust - Using innovation to promote availability and use of financial services in Northern Uganda* (in country funding).

In September 2016 Opportunity UK was awarded a two-year grant of $201,764 from the aBi Trust. The first batch of funding of $125,000 was received in 2017. The purpose of this project is to promote the financial inclusion of the rural poor in Northern Uganda, with the aim of reaching 23,566 beneficiaries and 944,301 in direct beneficiaries over a two year period.

The grant covered the set-up costs of a new branch in Oyam. The branch which opened in September 2017 is now providing access to a full range of financial services for the rural poor, including savings and loan products, as well as services for small agro businesses, buyers and input providers. In addition, the project will pilot branchless banking services including a combination of tablet technology, GPS mapping, and mobile phone banking for both groups and individuals using OBUL's successful Mobile Money platform Ku Ssimu. Alongside new products and services a financial education programme will be launched, including a radio campaign which will educate beneficiaries and the wider community in essential financial concepts and practices and build their confidence and trust in the financial system. Beneficiaries will be able to achieve sustainable livelihoods by increasing

household incomes, creating wealth, smoothing consumption and ensuring long-term security against shocks.

11. Jersey Overseas Aid Commission - Colombia

In January 2017, The Jersey Overseas Aid Commission provided a one year grant of £87,000 towards Opportunity's work supporting people living in poverty on Colombia's Northern Coast. Working through Opportunity's longstanding local partner Asociación General para Asesorar Pequeñas Empresas (AGAPE) the project is providing access to small business loans, savings and training for poor micro-entrepreneurs who would otherwise be excluded from the financial system; empowering them to sustain and grow their businesses and to provide for their families in the long term.

The project has the following targets:

- 1,000 micro-entrepreneurs receive small business loans, averaging £75, and training
- 85% of loan recipients to be women, particularly targeting female head of households
- 1,000 new savings accounts to be opened with an average balance of £15
- 3,000 family members benefit from access to good nutrition, healthcare and education.

Midway through the project AGAPE was well on target to reach the project goals having disbursed 478 small group loans (average loan size £111) and opened 477 savings accounts (average savings balance £7.90). At the midpoint 70% of the beneficiaries served were women. Over 90% of clients have received training in topics related to financial literacy, leadership, family relationships and improving their quality of life. Over 1,500 family members of the micro-entrepreneurs have benefitted from improvements in their wellbeing.

12. Private Donors – Water, Sanitation and Hygiene (WASH) pilot in Ghana

Funded by private donors Opportunity's partner Sinapi Aba Trust (SAT) has been working with Water.org to develop a programme using microfinance as the catalyst for providing market-based solutions to deliver improvements in water, sanitation and hygiene (WASH) in Ghana. 3 million of the country's 25 million inhabitants lack access to safe water and 86% lack access to improved sanitation. 70% of diseases in Ghana are caused by unsafe water and poor sanitation, and diarrhoea is one of the leading causes of death amongst children under five.

In 2016 market research conducted in ten communities in the Kumasi region confirmed high levels of interest in WASH products from households and micro-enterprises. An exchange visit to Water.org's programme in Kenya helped Sinapi Aba Trust (SAT) to identify which products and services to offer and the WASH programme was launched in July 2016. Since then 258 WASH loans have been disbursed with an average loan size of £1,647, and a 98% repayment rate. 223 loans were for households - 132 for improved access to water, 81 for

improved sanitation facilities and 10 for improved hygiene facilities, the remaining 35 were for WASH businesses e.g. public latrines and waste removal.

Many Ghanaian families live in compound housing without toilet facilities, and have to use poorly maintained public toilets. As a result, SAT and Opportunity are in discussion with Kumasi Metropolitan Assembly and Water & Sanitation for the Urban Poor (WSUP) to finance improved public latrine blocks. To date, 18 loans have been made to upgrade/build new public latrine facilities in the Kumasi area.

New funding has been granted to expand the WASH programme into the Ashanti region and Greater Accra. The local WASH team will conduct product promotion and hygiene awareness activities in each new community it enters and train field officers to provide support to new clients.

13. UBS Optimus Foundation - improving the education quality of affordable private schools in Ghana

In October 2016 Opportunity UK received funding of £476,853 from UBS Optimus Foundation to expand Opportunity's Education Quality (EdQu) programme in Ghana. The programme aims to target 250 pre-primary and primary schools across Ghana, reaching 62,500 children over a 3-year period.

The project has expanded rapidly with 417 School Improvement Loans disbursed in the first 12 months versus the target of 50. This rapid expansion has been due to the word being spread by schools participating in Opportunity's Education Quality training which has appealed to other schools.

Opportunity's Education Quality team is conducting a programme of training and mentoring within both formal training and cluster meetings. 38 school clusters have been formed and 244 school leaders were trained in the first 12 months. 6 different sessions of the School Leadership Development Programme (SLDP) training were held in May and August with an average of 75 school leaders attending each session. Key SLDP topics included School Budgeting, Marketing, Staff Management and Retention, Child Protection and introductions to the Pathways to Excellence (P2E) self-assessment tool and Opportunity's mentoring approach. 49 mentees from selected schools were trained on the 'Phonics by Phone' approach, Early Childhood Education and Science. The mentees returned to their schools to mentor their peers on these topics supported by Opportunity's Education Specialists. An estimated 48,750 children have been impacted by improvements to their education quality as a direct result of the interventions.

14. Youth Empowerment Programme

In April 2017 a donor agreed to extend Opportunity's Youth Empowerment Programme into a second year (May 2017 – April 2018) with a grant of Euro €101,000.

The project aims to improve the future prospects of 2,000 young people (approx. 60% girls) in Eastern Uganda by working through 20 schools to provide quality learning, life skills, social enterprise, entrepreneurship, and financial literacy training. Project activities focus on behaviour change in both young people and parents in terms of understanding and utilising financial services, and understanding how they impact continued education and future planning. Activities bring together community stakeholders to collectively work towards prevention of school drop-out; and encourage social community projects to develop young people's understanding of enterprise.

The project's ultimate goals are to empower youth, parents, and communities to have a better understanding of the importance of education for young people's futures; to have the tools to take control of their futures through savings, enterprise and active citizenship; to have the confidence and self-esteem to improve learning and continue education to the point of transitioning to tertiary studies or employability.

Fundraising activities

Our Oxford and Scottish teams continue to focus on developing and servicing fundraising partnerships in line with our programme strategy. Our passion is to build relationships with philanthropists, corporations, foundations and institutions to meet our respective goals.

With a very modest fundraising budget we focus on a series of events to deepen our relationships with supporters and prospective supporters. Our objective is to increase their understanding of, and commitment to, our growth plans. In addition to providing our supporters with an opportunity to help alleviate poverty, the educational activities also provide a public benefit in the United Kingdom.

Significant activities of OMIL

During the year Opportunity International UK made grants of £386,975 (2016: £110,000) to its wholly owned social investment vehicle, Opportunity Microfinance Investments Limited (hereafter OMIL). This was invested in the OIN Implementing Member, Opportunity International Savings and Loans Limited (OISL). During the year the following shares in the programme investments had been divested in 2017:

- 12.12% of the shares in Opportunity International Bank of Malawi Limited (OBM);
- 17.58% shareholding in Banco Oportunidade de Mocambique, SA (BOM);
- Finally, 6.24% shareholding in S.C. Opportunity Microcredit Romania S.R.L. (OMRO).

OMIL still retains the convertible loan of £218,582 to Sinapi Aba Savings and Loans Limited (SASL), in Ghana as well as the £934,570 local currency convertible loan in OISL.

Trustees' report
Year ended 31 December 2017

Charity results for the year

The trustees are very pleased with the excellent results of 2017, as the income from our supporters was 22% higher than last year and the Charity has exceeded its ideal financial model targets and exceeded all budgetary targets. With a team of 14 staff (13 full time equivalent), low running costs were maintained, thereby sustaining charitable expenditure at over 90% (2016: 90%) of total expenditure. Two funds were in deficit at the end of the year, due to timing of receipts; our unrestricted funds are used to cover such delays.

Group results for the year

The Charity may retain an interest in the programmes it funds by taking a shareholding in the receiving institution. These programme investments help the Charity to improve its ongoing oversight but also have the effect of forming a financial group. The Group is a consolidation of the Charity's finances and the additional net income, attributable to the group, by virtue of its shareholdings. The Consolidated Statement of Financial Activities and Consolidated Balance Sheet describe the Group that is formed.

Group results have significantly changed when compared to last year:

- Income has increased from £4.5million to just under £5.5million; and
- Net assets have increased by over £535,000 and
- Results for the year reflect a surplus of just over £535,000.

The increase in the surplus and assets has been due to a greater increase in restricted funding. Only one investment remains in OMIL and two convertible debts.

Volunteers and donations in kind

We sincerely thank the volunteers who kindly donated their time and expertise. We estimate that these contributions have saved the Charity at least £10,000 in staff costs.

Investments

All investments held by Opportunity International have been acquired in accordance with the powers available to the trustees. Cash surplus to immediate requirements is deposited in high interest accounts operated by the Charities Aid Foundation, Scottish Widows and CCLA Investment Management Limited.

Shares are purchased in OIN Implementing Members in order to achieve charitable objects rather than with the aim of generating income or the best investment return. As such, investments are classed as programme investments. Implementing Members are faced with difficult economic and political conditions, and it is challenging to appoint and retain senior management in these organisations, hence the Charity is unable to guarantee the economic value of such investments. No dividends are payable on these investments and, if this changed in the future, the proceeds would be reinvested into the institution in service of the poor clients.

Trustees' report
Year ended 31 December 2017

Governing document

Opportunity International is a charitable company limited by guarantee and is governed by its Memorandum and Articles of Association.

Organisational structure

The Board of Trustees, currently consisting of seven members, administers the Charity. The Board of Trustees meets at least quarterly. Additionally, the trustees have formed a finance and audit committee and a board development committee.

The finance and audit committee reviews detailed budgets, the risk register, staff remuneration, and it reviews matters pertaining to external and internal audits. The board development committee reviews the performance and composition of the board.

A Chief Executive is appointed by the trustees to manage the day to day operations of the Charity. During 2015 he was added to the Board of Trustees following Charity Commission approval. The pay for all staff is compared to the market for similar charities in size and location, as well as individual performance. The senior management team remuneration is set and annually reviewed by the Finance Committee.

Appointment of Trustees

As set out in the Articles of Association the Chairman and Treasurer are nominated by the trustees.

The Board of Trustees consists of at least five and no more than 15 individuals, all of whom are the members of Opportunity International and directors for purposes of company law.

One third (or the number nearest one third) of the trustees retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots. However, a retiring trustee who remains qualified may be reappointed for a maximum of two consecutive terms of office.

Trustees' remuneration

No trustees' receive remuneration, except, from 2015, the trustee that is also the CEO. The CEO's remuneration is set by the board of trustees and annually reviewed by the finance and audit committee, the remuneration is reviewed for inflation in March each year at the same time as the remuneration for all staff.

Trustees' indemnity provision

The Charity has taken out indemnity insurance on behalf of the trustees.

Appointment, induction and training of trustees

Potential new trustees are reviewed by the board development committee and may then subsequently be asked to attend a Board of Trustees' meeting where they meet trustees and key staff of Opportunity International. At the following trustees' meeting the potential new trustee is nominated and seconded, and providing that all trustees are in agreement, the individual becomes a new trustee.

Trustees' report
Year ended 31 December 2017

The new trustee's induction is made by the Chairman and Chief Executive of Opportunity International at a further meeting where the new trustee is introduced to his or her legal obligations, the content of the Memorandum and Articles of Association, the committee and decision making process, the strategy and the recent financial performance.

Relationship with other organisations

Opportunity International is a member of the Opportunity International Network (OIN), a global association of Christian organisations dedicated to providing opportunities for people in poverty to allow them to transform their lives.

Opportunity International is one of five Support Members (others are in Australia, Canada, Germany and the United States of America) raising funds on behalf of Implementing Members in 20 low and middle income countries around the world. In 2017 Support Members together raised £31 million. This was invested in Implementing Members and programmes located in Africa, Asia, Eastern Europe and Latin America.

The Implementing Members share a common purpose and work in cooperation with each other to provide sustainable financial services, training and advice for poor people who wish to develop small businesses, so earning their own livelihood and securing their future.

The OIN envisions a world in which poor people are able to access the financial services they need to lift themselves out of poverty. It works with people to develop their small businesses, strengthen their communities and transform their lives by supporting member organisations that provide sustainable financial and developmental services in a way that fosters economic, social and spiritual growth.

We are motivated by our Christian faith and we work with people to transform their lives through microfinance, regardless of their race, gender or religious affiliation. Six core values guide the way we do our work: commitment to the poor; humility; respect; integrity; stewardship; and transformation.

The results of OIN for the year ended 31 December 2017 are as follows:

	Year ended 31 December 2017	Year ended 31 December 2016
Number of loan clients	5,457,186	4,667,162
Percentage of loans to women	95%	95%
Portfolio in arrears (over 30 days)	1.1%	1.6%
Number of depositors	6,790,069	6,561,340

Donations

During the year the Group made no political donations (2016: £nil).

Reserves policy

The level of unrestricted reserves is assessed on the basis of need for the foreseeable future. This includes contingencies, such as:

- A downturn in some of Opportunity International's various sources of income;

- Cash flow funding to accommodate donations that are made in arrears, and an inability to reduce expenditure in the immediate short term;
- Anticipating that our overseas partners are likely to face financial difficulties; in which case having reserves to hand means we will be able to support them as soon as the need arises.

In addition the requirement to manage OIN personnel and related costs is also taken into consideration. Opportunity International's policy is to maintain at least six months of core operating expenditure in reserves, and take into account the above. Current reserves are more than 12 months budgeted costs, due to the above and because two of our restricted projects are shown as being in deficit. This is due to timing, as we have pre funded our Implementing Members (from unrestricted reserves) whilst we await payment from the donor.

Prospective activities

Our determination is to give a hand up to some of the poorest people in the world, not a hand out. We're in the business of helping people to make a living, to generate wealth at grass roots, to reduce vulnerability and ultimately to live a dignified and fulfilling life.

Our strategy and fundraising will also seek to work with sustainable microfinance partners to tackle social problems such as food insecurity, poor nutrition, education, unsafe water and inadequate sanitation, housing and healthcare. The challenge is to bring market-based solutions to long standing challenges and Opportunity International will be a catalyst in this endeavour. This will involve working with others in an ever more creative way and we look forward to learning from them as well as sharing our own expertise.

We are confident, from our work to date, that the future of financial services will be digitally based. Mobile Money is already a force to be reckoned with in many developing countries. Our programme strategy will be developed so that we can aid and abet the process and that the poorest people can be the primary beneficiaries.

We will continue to focus on a limited number of countries, as we embrace a "deeper not broader" approach to expansion. We believe that by concentrating on geographic priorities, which are reviewed and agreed annually by the Board of Trustees, we will avoid spreading our energies too thinly and offer the best value for money to our donors. Poor clients will benefit too as economies of scale make it progressively easier to offer quality and value to them locally.

In addition we will optimise the synergies, within our global network, and raise income for other parts of the world when accountability and reporting can be provided by one of our colleagues in Australia, Canada, Germany or the USA.

It is clear that certain people and businesses have a natural affinity with our work and we will invest time and energy to ensure that we are brought to their attention. Financial support will be requested on a deeper basis, as we encourage donors to make multiyear commitments to our long term growth plans. In the UK and Europe we will concentrate on our partnerships with existing supporters. We will explain the need for well-trained local

partners, operating within a robust framework of good governance and a well-capitalised operation, as we leverage and maximise the scale and quality of our impact.

Opportunity UK will continue to be guided by its ideal financial model, targeting to direct at least 80% of income to charitable expenditure whilst recognising the need to invest in securing future income.

Risk management

The trustees have a risk management strategy which comprises an annual review of the risks the Charity may face, the establishment of systems and procedures to mitigate those risks, and the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise. The key identified risks are detailed below:

Identified risk	Risk mitigation measures
Potential fraud in an Implementing Member or an Implementing Member is dissolved.	The Charity has a: risk team; regional team; and carries out regular monitoring and evaluation.
Over commitment of funds and inability to raise a match requirement.	The Charity holds sufficient unrestricted reserves to mitigate this risk.
Heavy reliance on one donor.	The Charity ensures no more than 40% income is received from one donor (rolling three year average basis).
Loss of key personnel.	Mitigated by clear procedures, filing structure, notice periods and effective use of the new Razors Edge donor database.
Unpredictable funding or insufficient resources to complete projects.	The Charity also mitigates this risk by carrying sufficient unrestricted reserves.

Auditor

Mazars LLP have signified their willingness to continue in office and a resolution to reappoint them as auditor will be proposed at the 2018 Annual General Meeting.

Statement of trustees' responsibilities

United Kingdom Company Law applicable to incorporated charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charitable company's activities during the year, of the surplus or deficit of the charitable company for that year and of its financial position at the year end. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;

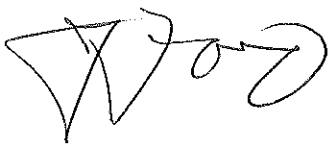
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare financial statements on a going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. So far as the trustees are aware:

- there is no relevant audit information of which Opportunity International's auditors are unaware; and
- they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that Opportunity International's auditors are aware of that information and that they have made such enquiries of fellow trustees and of Opportunity International's auditors for that purpose and taken such other steps (if any) for that purpose, as were required by their duty as trustees of Opportunity International to exercise due care, skill and diligence.

In preparing this report, the trustees have taken exemption of the small companies exemptions provided by section 416A of the Companies Act 2006.

Approved by the Board of Trustees and signed on behalf of the Board



John Ford

12 June 2018

Independent auditor's report to the members of Opportunity International United Kingdom
Year ended 31 December 2017

Opinion

We have audited the financial statements of Opportunity International United Kingdom (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2017 which comprise of the Charity Statement of Financial Activities, the Consolidated Statement of Financial Activities, the Charity Balance Sheet, the Consolidated Balance Sheet, the Consolidated Statement of cash flows 2017, the Consolidated Statement of cash flows 2016 and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and of the parent charity's affairs as at 31 December 2017 and of the group's and the parent charity's 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 charity 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.

Use of the audit report

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption

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 set out on page 20, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Stephen Brown
(Senior Statutory Auditor) for and on behalf of Mazars LLP Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: 15 June 2018

Opportunity International United Kingdom
Charity Statement of Financial Activities
(including income and expenditure account)
Year ended 31 December 2017

	Note	Unrestricted and Designated funds £	Restricted funds £	Total funds year ended 31 December 2017 £	Total funds year ended 31 December 2016 £
Income from:					
Voluntary income	2	997,384	4,481,822	5,479,206	4,497,440
Investment income	3	16,542	-	16,542	10,069
Total incoming resources		1,013,926	4,481,822	5,495,748	4,507,509
Expenditure on:					
Cost of generating funds	4	(473,998)	-	(473,998)	(435,346)
Charitable activities	4, 5	(945,029)	(3,845,724)	(4,790,753)	(4,182,238)
Total resources expended		(1,419,027)	(3,845,724)	(5,264,751)	(4,617,584)
Net movement in funds		(405,101)	636,098	230,997	(110,075)
Funds brought forward		2,709,153	125,641	2,834,794	2,944,869
Funds carried forward	17	2,304,052	761,739	3,065,791	2,834,794

The notes on pages 30 to 46 form part of these financial statements. All results are derived from continuing operations.

There are no recognised gains or losses other than those passing through the statement of financial activities.

Opportunity International United Kingdom
Consolidated Statement of Financial Activities
(including income and expenditure account)
Year ended 31 December 2017

	Note	Group Unrestricted and Designated funds	Group Restricted funds	Total funds year ended 31 December 2017	Total funds year ended 31 December 2016
Income from:		£	£	£	£
Voluntary income	2	997,384	4,481,822	5,479,206	4,497,440
Investment income	3	16,542	-	16,542	10,069
Total incoming resources		1,013,926	4,481,822	5,495,748	4,507,509
Expenditure on:					
Cost of generating funds	4	(473,998)	-	(473,998)	(435,346)
Charitable activities	4, 5	(959,566)	(3,458,749)	(4,418,315)	(4,076,960)
Total resources expended		(1,433,564)	(3,458,749)	(4,892,313)	(4,512,306)
Net incoming funds		(419,638)	1,023,073	603,435	(4,797)
Deemed disposal of OBM- *Associate to Investment accounting*	9	-	-	-	(1,194,582)
Exchange gain/(loss) on consolidation	10	-	-	-	68,079
Exchange gain/(loss) on convertible loans	12	-	(133,222)	(133,222)	9,624
Impairment of investments in OMIL		-	-	-	(100,220)
Net movement in funds		(419,638)	889,851	470,213	(1,221,896)
Funds brought forward		2,979,354	1,025,040	4,004,394	5,226,290
Funds carried forward	18	2,559,716	1,914,891	4,474,607	4,004,394

The notes on pages 30 to 46 form part of these financial statements. All results are derived from continuing operations.

There are no recognised gains or losses other than those passing through the statement of financial activities.

Opportunity International United Kingdom

Charity Balance Sheet
Year ended 31 December 2017

	Note	As at 31 December 2017 £	As at 31 December 2016 £
Fixed assets			
Tangible fixed assets	11	8,236	6,901
Current assets			
Debtors- amounts falling due in less than one year	13	465,961	90,761
Debtors- amounts falling due in more than one year	13	135,834	400,000
Cash and cash equivalents	14	3,064,543	2,733,171
		3,666,338	3,223,932
Liabilities: amounts falling due within one year	15	(608,783)	(396,039)
Net current assets		3,057,555	2,827,893
Net assets	17	3,065,791	2,834,794
Funds			
Unrestricted funds	21	2,034,652	2,239,753
Designated funds	21	269,400	469,400
Restricted funds – funds in surplus	24	981,250	1,113,549
– funds in deficit	24	(219,511)	(987,908)
		3,065,791	2,834,794

The notes on pages 30 to 46 form part of these financial statements. These financial statements were approved and authorised for issue by the Board of Trustees on 12 June 2018.

Signed on behalf of the Board of Trustees

John Ford

Opportunity International United Kingdom

Consolidated Balance Sheet
Year ended 31 December 2017

	Note	As at 31 December 2017 £	As at 31 December 2016 £
Fixed assets			
Tangible fixed assets	11	8,236	6,901
Programme investments	12	1,153,152	899,399
		1,161,388	906,300
Current assets			
Debtors- amounts falling due in less than one year	13	465,961	90,761
Debtors- amounts falling due in more than one year	13	135,834	400,000
Cash and cash equivalents	14	3,064,543	2,733,171
		3,666,338	3,223,932
Liabilities: amounts falling due within one year	16	(353,119)	(125,838)
Net current assets		3,313,219	3,098,094
Net assets	18	4,474,607	4,004,394
Funds			
Unrestricted funds	21	2,290,316	2,509,954
Designated funds	21	269,400	469,400
Restricted funds – Subsidiary and investments	24	1,153,152	899,399
– Charity restricted funds in surplus	24	981,250	1,113,549
– Charity restricted funds in deficit	24	(219,511)	(987,908)
		4,474,607	4,004,394

The notes on pages 30 to 46 form part of these financial statements. These financial statements were approved and authorised for issue by the Board of Trustees on 12 June 2018.

Signed on behalf of the Board of Trustees

John Ford

Opportunity International United Kingdom
Consolidated Statement of Cash flows
As at 31 December 2017
Company number 05322719

Year ended 31 December 2017	OIUK Unrestricted and designated	OMIL Unrestricted	Group Restricted Funds	Total funds year ended 31 December 2017
Cash flows from operating activities:	£	£	£	£
Net incoming/(outgoing) resources	(421,644)	(14,536)	889,851	453,671
Adjustments for: Depreciation charge	4,436	-	-	4,436
Investment in convertible loans	-	-	(386,975)	(386,975)
(Increase)/decrease in debtors	(111,034)	-	-	(111,034)
Increase/(decrease) in creditors	230,682	(3,401)	-	227,281
Cash flows generated from operating activities	(297,560)	(17,937)	502,876	187,379
Purchase of computer equipment	(5,771)	-	-	(5,771)
Interest received	16,542	-	-	16,542
Cash flows generated from investing activities	10,771	-	-	10,771
Change in cash and cash equivalents due to exchange rate movements	-	-	133,222	133,222
Net increase/(decrease) in cash	(286,789)	(17,937)	636,098	331,372
Cash and cash equivalents in the beginning of the year	2,332,729	274,801	125,641	2,733,171
Cash and cash equivalents at the end of the year	2,045,940	256,864	761,739	3,064,543

Opportunity International United Kingdom
Consolidated Statement of Cash flows
As at 31 December 2017
Company number 05322719

Year ended 31 December 2016	OIUK Unrestricted and designated	OMIL Unrestricted	Group Restricted Funds	Total funds year ended 31 December 2016
	£	£	£	£
Cash flows from operating activities:				
Net incoming/(outgoing) resources	95,834	(4,721)	(1,323,078)	(1,231,965)
Adjustments for: Depreciation charge	3,995	-	-	3,995
Share of Associates losses	-	-	1,194,582	1,194,582
Impairment charge	-	-	100,220	100,220
Investment in convertible loans	-	-	(110,000)	(110,000)
(Increase)/decrease in debtors	152,983	63,372	-	216,355
Increase/(decrease) in creditors	15,702	160	-	15,862
Cash flows generated from operating activities	268,514	58,811	(138,276)	189,049
Purchase of computer equipment	(4,965)	-	-	(4,965)
Interest received	10,069	-	-	10,069
Change in cash due to exchange rate movements	-	-	(77,702)	(77,702)
Net increase/(decrease) in cash	273,618	58,811	(215,978)	116,451
Cash and cash equivalents in the beginning of the year	2,059,111	215,990	341,619	2,616,720
Cash and cash equivalents at the end of the year	2,332,729	274,801	125,641	2,733,171

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2015) (Charities SORP FRS102) and the Companies Act 2006.

Basis of consolidation and departure from accounting standards

Consolidated accounts have been prepared in accordance with the Scottish Charities Regulation 6, requiring consolidation where consolidated gross income, after consolidated adjustments, is greater than £500,000.

The financial statements are prepared under the historical cost convention.

The Group financial statements consolidate the financial statements of Opportunity International and Group (the "Group") comprising the Charity, its 100% owned subsidiary Opportunity Microfinance Investments Limited (OMIL) and OMIL's investment in Opportunity International Savings and Loans Limited (OI-SL) in which it currently holds a 5.63% investment shareholding.

Also during the year OMIL disposed of its shares in: Banco Oportunidade de Mozambique (BOM); S.C. Opportunity Microcredit Romania S.R.L. (OMRO); and Opportunity International Bank of Malawi Limited (OBM).

The accounts are prepared in GBP sterling.

Going concern

The financial statements have been prepared on the going concern basis which assumes that the charity will continue in existence for the foreseeable future.

Income and expenditure statements

Income and expenditure statements are not presented because the Charity Statement of Financial Activities and Consolidated Statement of Financial Activities are considered to represent the activity of the Charity and the Group.

Foreign currency translation

Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the dates when the transactions occur, except for:

(i) monetary assets and liabilities which are translated at the rate ruling at the balance sheet date other than those in (ii) below; and

(ii) transactions to be settled at a contracted rate and trading transactions covered by a related or matching forward contract which are translated at those contracted rates.

Differences arising on the translation of such items are dealt with in the Charity and Consolidated Statements of Financial Activities.

1. Accounting policies (continued)

Incoming resources

Voluntary income including grants, legacies and donations are recognised where there is entitlement, certainty of receipt and the amount is measurable. Such income is only deferred when:

- the donor specifies that the grant must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

Resources expended

Expenditure shown in the accounts includes accruals for goods and services rendered up to the financial year end.

Costs of generating funds mainly comprises the cost of promotional material, leaflets and inserts together with the appropriate employee costs of the staff involved in fundraising. It also includes public relations, advertising, website development, events and travel for fundraising purposes.

Charitable activities of the Charity consist of grants made to OMIL for the purpose of investing in, and making convertible loans to, the Opportunity International Network's (OIN) Implementing Members and funds sent directly to OIN's Implementing Members for use in the provision of microfinance services. A proportion of support costs of the Group are also included. The grants made to OMIL are eliminated on consolidation.

Governance costs include those costs incurred for the purpose of the governance of the Charity and its assets, and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to cost categories based on the use of these resources such as staff numbers and time spent.

Operating leases

Rentals payable under an operating lease are charged against income on a straight-line basis over the period of the lease.

Pension cost

Contributions are paid into the personal pension schemes of employees and are charged to the income statement as incurred. The type of pension scheme is defined contribution stakeholder personal pensions.

Taxation

Opportunity International is a charitable organisation with exemption from UK taxation on its charitable activity under section 505 of the Income and Corporation Taxes Act 1988.

1. Accounting policies (continued)

Donated services

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' Report.

Programme investments

All investments are stated at cost less provision for impairment. Investments are made in the OIN Implementing Members in order to achieve Opportunity International's charitable objects rather than with the aim of generating income or the best investment return. OIN Implementing Members are locally established organisations, providing loans, insurance and savings products for poor entrepreneurs, and undertaking all expansion projects funded by Opportunity International.

An investment is considered to be impaired if its ability to assist in the delivery of Opportunity International's charitable objects is diminished. Given the countries in which Opportunity International operates and the nature of its charitable purposes, valuation of assets is subject to significant variation.

If Opportunity International UK's percentage ownership moves above 20% and the valuation basis moves from the programme investment approach to the percentage of net book value approach, valuation can change significantly.

Significant impairments have been made to programme related investments and convertible loans in the previous years to ensure that programme investments are valued in line with the expected proceeds from the sale of investments. The programme investments continue to fulfil the charitable objects of the charity.

Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation, with depreciation calculated on a straight-line basis over the lives described below.

Asset	Estimated useful economic life
Computer equipment	Three years
Furniture & fittings	Three years
Equipment	Three years

Assets costing less than £100 are not capitalised. Assets purchased using grant funding are fully written off in the year of purchase.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less at acquisition.

1. Accounting policies (continued)

Liabilities

These are the obligations of the Charity and Group arising from past transactions or events, the settlement of which may result in the transfer or use of assets, provision of services or other yielding of economic benefits in the future.

Unrestricted funds
All incoming resources which do not have a restricted use as set out by the donor and income from investments are accounted for as unrestricted funds.

Designated funds
Unrestricted funds are expendable at the discretion of the trustees in furtherance of the Charity's objects. Funds earmarked for a particular project are designated as a separate fund, but the designation is for administrative purposes only, and does not legally restrict the trustees' discretion to apply the fund.

Restricted funds
All incoming resources which have a restricted use as set out by the donor are separately accounted for as restricted funds.

Accounting estimates and judgements

In applying the accounting policies, the Trustees have made critical accounting judgements, estimates and assumptions about the carrying amount of the assets and liabilities. These estimates and assumptions are based on historical experience and are reviewed on a continual basis.

The critical accounting judgements, estimates and assumptions that have a material effect on the amounts recognised in the financial statements for both the current and next financial years are discussed below.

Judgements

All debtors are reviewed to determine if a bad debt provision is required for each balance.

Impairment testing is carried out for all tangible assets and investments at the year end date where there is an indication that impairment exists. For the purposes of impairment testing, the carrying amounts of the tangible assets are reviewed and an impairment loss is recognised where the carrying amounts exceed the assets recoverable amount.

Estimates

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in Statement of Financial Activities.

2. Voluntary income

The sources of the grants and donations received during the year were as follows:

	Unrestricted funds	Restricted funds	Total funds year ended 31 December 2017	Total funds year ended 31 December 2016
	£	£	£	£
UK DFID GPAF creating wealth in Zambezia, Mozambique.	-	-	-	10,000
UK DFID Aid II gender evaluation (extension to "Banking on Africa").	-	-	-	196,283
UK DFID Aid III creating wealth in Democratic Republic of Congo.	-	1,069,826	1,069,826	273,718
UK DFID Aid IV smallholder farmers in Ghana & Mozambique.	-	812,493	812,493	920,102
UK DFID GPAF livelihoods for smallholder farmers in Rwanda.	-	210,154	210,154	288,492
UK DFID GEC educational continuation of marginalised girls.	-	268,029	268,029	471,408
UK DFID GEC-T Girls Education Finance-empowerment for girls' education, in Uganda.	-	386,686	386,686	-
Scottish Government Malawi project.	-	229,369	229,369	184,574
Scottish Government strengthening livelihoods in rural Rwanda.	-	150,000	150,000	-
Scottish Government India.	-	-	-	100,000
Grants from other government sources.	-	69,600	69,600	198,350
Grants from trusts, foundations and non-governmental sources.	-	317,290	317,290	186,335
Donations.	805,948	968,375	1,774,323	1,633,158
Legacies.	191,436	-	191,436	35,020
Charity and Group total voluntary income	997,384	4,481,822	5,479,206	4,497,440

A more detailed breakdown of restricted funds is shown in note 24.

3. Investment income

Investment income consists solely of interest from bank and deposit accounts.

4. Analysis of resources expended

	Cost of generating funds (unrestricted)	Charitable activities	Governance costs (unrestricted)	Total funds year ended 31 December 2017	Total funds year ended 31 December 2016
	£	£	£	£	£
Trustees' expenses (note 20) (unrestricted)	-	-	1,445	1,445	8,167
Audit fees (unrestricted)	-	-	11,400	11,400	11,280
Support costs	88,187	289,863	-	378,050	350,374
Total support costs	88,187	289,863	12,845	390,895	369,821
Costs of generating future income (unrestricted)	385,811	-	-	385,811	341,696
Direct charitable activities	-	4,488,045	-	4,488,045	3,906,067
Charity total expenditure	473,998	4,777,908	12,845	5,264,751	4,617,584
OIUK funds invested by OMIL in equity and convertible loans (restricted)	-	(386,975)	-	(386,975)	(110,000)
OMIL direct charitable activities	-	14,537	-	14,537	4,722
Group total expenditure	473,998	4,405,470	12,845	4,892,313	4,512,306

Governance costs are part of the charitable activities in note 5.

5. Charitable activities

	Charity Unrestricted and Designated funds £	Charity Restricted funds £	Charity total year ended 31 December 2017 £	Charity total year ended 31 December 2016 £	Group total year ended 31 December 2017 £	Group total year ended 31 December 2016 £
Africa						
Malawi – OBM	7,509	30,558	38,067	34,018	38,067	34,018
Democratic Republic of Congo – OIDRC	303,484	1,235,077	1,538,561	671,172	1,538,561	671,172
Mozambique – BOM	35,248	143,445	178,693	431,155	178,693	431,155
Ghana – OISL	165,650	674,137	839,787	647,747	452,811	537,747
Ghana – SASL	-	-	-	404,322	-	404,322
Uganda - OBUL	173,904	707,731	881,635	1,210,839	881,635	1,210,839
Rwanda - UOB	109,283	444,746	554,029	456,707	554,030	456,707
Regional Africa	127,908	520,541	648,449	217,294	662,986	222,016
Total for Africa	922,986	3,756,235	4,679,221	4,073,254	4,306,783	3,967,976
Asia						
India – Dia Vikas/GOF	2,764	11,247	14,011	-	14,011	-
Colombia via OIC	19,279	78,242	97,521	108,984	97,521	108,984
Total for Asia	22,043	89,489	111,532	108,984	111,532	108,984
Total	945,029	3,845,724	4,790,753	4,182,238	4,418,315	4,076,960

6. Net incoming funds of the Charity

The net incoming funds are stated after charging:

	Charity for the Year ended 31 December 2017 £	Charity for the Year ended 31 December 2016 £
Depreciation of tangible fixed assets	4,436	3,995
Auditor remuneration	11,400	11,400
Operating lease rentals		
- Land and Buildings	24,983	24,983
- Other equipment	1,800	1,800

Net incoming funds of the Group

The net incoming funds are stated after charging:

	Group for the Year ended 31 December 2017 £	Group for the Year ended 31 December 2016 £
Depreciation of tangible fixed assets	4,436	3,995
Auditor remuneration – audit	13,200	16,020
- Non-audit	-	600
Operating lease rentals		
- Land and Buildings	24,983	24,983
- Other equipment	1,800	1,800

7. Taxation

Any excess of income over expenditure for Opportunity International and OMIL is exempt from taxation.

8. Staff costs

	Year ended 31 December 2017	Year ended 31 December 2016
	£	£
Salaries	534,054	456,138
Social security costs	69,177	60,456
Pension contributions	110,168	148,665
Charity staff costs	713,399	665,259

Pension costs are contributions to personal pensions. All staff are accruing retirement benefits under stakeholder personal pension schemes. The total costs of the senior management team, including pension payments, was £380,604 (2016: £323,692).

The number of employees whose total emoluments were in excess of £60,000 are as follows:

	Year ended 31 December 2017 Number	Year ended 31 December 2016 Number
£60,000 to £70,000	1	1
£120,000 to £130,000	-	1
£130,000 to £140,000	1	-

Average number of employees

	Year ended 31 December 2017 Number	Year ended 31 December 2016 Number
Senior management team	5	4
Finance and administration	1	1
Fundraising staff	4	3
Programme/project staff	4	5
Charity staff costs	14	13

9. Group's share of associate's results for the year and net assets – OBM & OTL

	Group total year ended 31 December 2017 £	Group total year ended 31 December 2016 £
Group's share of associates' results for the year		
Incoming resources from charitable activities	-	468,827
Investment income	-	140,757
Other income	-	143,827
Total share of associates' incoming resources	-	753,411
Expenditure on charitable activities	-	1,064,026
Tax charge on activities	-	(71,145)
Total share of associates' outgoing resources	-	992,881
Share of associates' net (outgoing)/ incoming resources	-	(239,470)
Deemed disposal of the shares in OBM	-	(955,112)
Total share of the associates' results	-	(1,194,582)
Reconciliation to share of associates' net assets:		
Share of associates' OBM net assets at 1 January	-	1,126,503
Exchange difference (note 10)	-	68,079
Total share of associates' results for the year	-	(1,194,582)
Share of associate's (OBM) net assets at 31 December	-	-

10. Exchange loss on consolidation

	Group as at 31 December 2017 £	Group as at 31 December 2016 £
Associates' exchange difference (note 9)	-	68,079
Exchange loss for the year	-	68,079

The exchange loss had arisen on the retranslation of opening share capital and reserves for the associate OBM, in 2016. The shares in OBM were sold in 2017, at £nil proceeds for OMIL.

11. Fixed assets of the Charity and Group

	Computer equipment	Furniture & fittings	Equipment	Total
	£	£	£	£
Cost				
As at 1 January 2017	16,696	8,918	5,860	31,474
Additions	5,771	-	-	5,771
Disposals	(4,000)	-	(505)	(4,505)
As at 31 December 2017	18,467	8,918	5,355	32,740
Accumulated depreciation				
As at 1 January 2017	11,773	7,238	5,562	24,573
Charge for the year	3,639	630	167	4,436
Depreciation charge on disposals	(4,000)	-	(505)	(4,505)
As at 31 December 2017	11,412	7,868	5,224	24,504
Net book value				
As at 31 December 2017	7,055	1,050	131	8,236
As at 31 December 2016	4,923	1,680	298	6,901

12. Programme Investments

	Investments-equity shares	Investments-convertible loans
	£	£
As at 1 January 2017	-	899,399
Additions	-	386,975
Exchange difference	-	(133,222)
As at 31 December 2017	-	1,153,152

12. Programme Investments (continued)

	Share holding	Class of shares held	Activity	Net assets	Surplus/ (deficit) for the year
				£	£
OMIL – Opportunity Microfinance Investments Limited	100%	-	Microfinance	1,408,815	239,215
Investment held by OMIL: Programme investment:					
Opportunity International Savings and Loans Limited (OISL) (Ghana)	5.63%	Ordinary shares of no par value	Microfinance	6,314,940	763,916

OMIL company registration number is 04627098, registered charity number is 1098392, and the registered office address is the same as OIUK. During the year the following shares in the programme investments, held by OMIL, had been divested at £nil proceeds:

- 12.12% of the shares in Opportunity International Bank of Malawi Limited (OBM);
- 17.58% shareholding in Banco Oportunidade de Mocambique, SA (BOM);
- Finally, 6.24% shareholding in S.C. Opportunity Microcredit Romania S.R.L. (OMRO).

13. Debtors of the Charity and Group

	As at 31 December 2017	As at 31 December 2016
	£	£
Amounts falling due in less than one year:		
Income tax recoverable	3,931	6,529
Prepayments	12,535	11,017
Other debtors	129,495	73,215
Loan to OIUS	120,000	-
Loan to SAT	200,000	-
Group debtors	465,961	90,761

13. Debtors of the Charity and Group (continued)

Amounts falling due in more than one year:	As at 31 December 2017 £	As at 31 December 2016 £
Loan to OIUS	135,834	400,000

Other debtors include £121,345 (2016: £73,165) owed by Opportunity International US (OIUS), an affiliated Support Member of the Opportunity International Network (OIN).

14. Cash and cash equivalents – group and charity

	As at 31 December 2017 £	As at 31 December 2016 £
Deposit accounts of 90 days or more	1,134,475	630,250
Instant access deposit accounts	440,912	532,366
Current accounts	1,488,675	1,570,055
Cash in hand	481	500
Cash and cash equivalents	3,064,543	2,733,171

15. Liabilities of the Charity: amounts falling due within one year

	Charity as at 31 December 2017 £	Charity as at 31 December 2016 £
Taxation and social security	19,236	16,042
Accruals and deferred income	81,000	78,090
Other creditors	251,683	27,106
Amounts due to subsidiary	256,864	274,801
	608,783	396,039

Other creditors include £196,119 (2016: £900) owed to Opportunity International US, an affiliated Support Member of the OIN.

Amounts owed to subsidiary are interest free, unsecured and repayable on demand.

16. Group liabilities: amounts falling due within one year

	Group as at 31 December 2017 £	Group as at 31 December 2016 £
Taxation and social security	19,236	16,042
Accruals	82,200	82,690
Other creditors	251,683	27,106
	353,119	125,838

17. Analysis of net assets of the Charity's funds

Fund balances as at 31 December 2017 are represented by:

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	8,236	-	-	8,236
Net current assets	2,026,416	269,400	761,739	3,057,555
	2,034,652	269,400	761,739	3,065,791

Funds are received from a number of donors with each donation generally relating to a specific project. Donations received are distributed by Opportunity International to members of the OIN referred to as Implementing Members. These organisations are responsible for the project. Consequently no analysis of movements on the individual underlying funds has been provided.

18. Analysis of net assets of the Group between funds

Fund balances as at 31 December 2017 are represented by:

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	8,236	-	1,153,152	1,161,388
Net current assets	2,282,080	269,400	761,739	3,313,219
	2,290,316	269,400	1,914,891	4,474,607

19. Commitments

At 31 December 2017 the Charity and Group had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings		Other	
	2017	2016	2017	2016
	£	£	£	£
Within 1 year	24,983	24,983	5,772	5,772
Within 1 – 5 years	-	24,983	1,924	7,696
	24,983	49,966	7,696	13,468

20. Trustees' expenses and remuneration

One trustee received total remuneration, excluding pension, of £132,418 (2016: £131,661), pension payment of £11,542 (2016: £11,288) were also paid for this trustee. The trustee received remuneration for the service provided undertaking the role of Chief Executive, and not in respect of the service provided as a trustee. Refer to page 16 of the Trustee Report.

No other trustee or any connected person received any remuneration from the Charity, during the year ended 2017, other than the expense reimbursements, in relation to board meeting costs for all trustees.

Finally, no trustee made a restricted donation (2016: £5,000 from one trustee).

21. Unrestricted funds for the Charity and Group

	Brought forward as at 1 January 2017	Income in the year	Expenditure in the year	Carried forward as at 31 December 2017
	£	£	£	£
Unrestricted funds	2,239,753	1,013,926	(1,219,027)	2,034,652
Designated funds	469,400	-	(200,000)	269,400
Charity reserves	2,709,153	1,013,926	(1,419,027)	2,304,052
OMIL unrestricted reserves	270,201	-	(14,537)	255,664
Group reserves	2,979,354	1,013,926	(1,433,564)	2,559,716

Funds are designated by the trustees to provide support to the poor in Africa, where other funding is unavailable.

22. Related party transactions

The Charity has availed itself of the exemption provided in section 33 FRS102, for wholly owned subsidiaries, from the requirement to give details of transactions with entities which are part of the Group. The Implementing Members of the Opportunity International Network are considered to be autonomous. Opportunity International US is an affiliated OIN Support Member that is not considered a related party as defined in FRS102.

23. Ultimate control

The trustees are considered to be the ultimate controlling party of the Group.

24. Analysis of restricted funds of the Charity and Group

Restricted funds are funds subject to use for a specific purpose, which may be declared by the donor(s) or with their authority (e.g. in a public appeal) or created through a legal process, but still within the wider objectives of the Charity. The resources of these funds are appropriate for the intended purpose of each fund. All the costs of the subsidiary are restricted except for the governance costs of OMIL. Two projects were showing a deficit at the year end, due to the timing of receipts. It is not expected that they will remain in deficit at the end of the projects, however a designated fund of £269,400 has been set aside as a buffer in the event that one of them remains in deficit in future.

24. Analysis of restricted funds of the Charity and Group (continued)

	Brought forward as at 1 January 2017	Income for the year	Expenditure in the year	Carried forward as at 31 December 2017
		£	£	
Scottish Government Strengthening livelihoods in rural Rwanda	-	150,000	(114,677)	35,323
Scottish Government India-Dia Vikas Empowering communities for WASH.	24,823	-	(24,823)	-
DFID creating wealth in Zambezia-Mozambique includes match funding.	9,694	-	(9,694)	-
DFID GPAF improving rural livelihoods for smallholder farmers in Rwanda.	4,562	227,234	(205,304)	26,492
DFID GEC girls education Uganda Including private match funds.	25,859	180,947	(206,806)	-
DFID GEC-T Girls education Finance Empowerment for girls' education.	-	573,900	(403,693)	170,207
DFID UK Aid II – Gender evaluation.	61,165	-	(61,165)	-
DFID UK Aid III- creating wealth in the DRC*	(141,461)	1,203,495	(1,042,644)	19,390
Private restricted donations – See above.	843,703	968,367	(1,207,841)	604,229
Jersey Overseas Aid- creating financial security in Mozambique and Colombia	143,743	69,600	(87,734)	125,609
Restricted funds in surplus	972,088	3,373,543	(3,364,381)	981,250
Scottish Government - Malawi "go south" challenge fund.	(609,117)	295,784	(53,097)	(5,430)
Deficit written off **	-	-	*361,000*	-
DFID UK Aid IV- helping smallholder farmers in Ghana & Mozambique.	(237,330)	812,495	(789,246)	(214,081)
Restricted funds in deficit*	(846,447)	1,108,279	(481,343)	(219,511)
Total restricted funds for the Charity	125,641	4,481,822	(3,845,724)	761,739
Subsidiary's restricted funds.	899,399	-	253,753	1,153,152
Total restricted funds for the Group	1,025,040	4,481,822	(3,591,971)	1,914,891

* Brought forward deficit cleared during the year.

*** £200,000 was written off to designated and £161,000 to unrestricted reserves.*