Annual Accounts and Financial Statements For the year ending 30 November 2017

Theirworld

THEIRWORLD (a charitable company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2017

Company Number 4422413 Charity Number 1092312

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2017

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LEGAL AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 30 NOVEMBER 2017

Trustees	S Brown D J Boutcher MBE L Doughty I Laing A Weir
Secretary and registered address	D. J. Boutcher, Third Floor, The Broadgate Tower, 20 Primrose Street, London, EC2A 2RS
Company number:	4422413
Charity number:	1092312
Auditors	haysmacintyre 10 Queen Street Place London EC4R 1AG
Bankers	Lloyds Bank City Office Branch P O Box 1000, BX1 1LT
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2017

The Trustees have pleasure in presenting their report and audited financial statements of the Charity and group for the year ended 30 November 2017. The financial statements have been prepared in accordance with the accounting polices set out on pages 13 to 15 and comply with the current statutory requirements, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Structure, governance and management

The company was incorporated and received its charitable status on 23 April 2002. It is registered with the Charity Commission under the Charities Act 2011 on 31 May 2002.

Management of the Charity is by a Board of Directors ("Trustees"). The Trustees, who have served during the year and since the year end, are set out in this report.

The Trustees are appointed by invitation on to the Board by existing Trustees. On appointment, an induction is given by an existing Trustee explaining the grant making processes and procedures as well as an overview of the administrative procedures employed by the Charity. In addition all new Trustees are given a copy of the Code of Conduct for a Trustee, explaining in detail their role and responsibilities.

Trustees

The following were on the Board of Trustees during the year ended 30 November 2017 and to the date of this report unless as otherwise stated:

S Brown D J Boutcher MBE L Doughty I Laing A Weir

Objectives and activities

The governing document of the Charity is its Memorandum and Articles of Association dated 22 April 2002. This sets out the objects of the charity which are principally the relief of poor or infirm children and young people and the advancement of the education of children and young people. The Trustees continue to support fundraising for an awareness of some of the most exciting and innovative charity ventures for children.

Grant making policy

During the year ended 30 November 2017 the Trustees adopted a grants policy pursuant to which the Charity will prioritise projects relating to the health, education and welfare of children and young people.

Activities and performance for the public benefit

This year the Charity hosted an anniversary event at the Jennifer Brown Research Laboratory in Edinburgh to mark its first decade of scientific research and publications. The Laboratory continues to flourish under the Scientific Directorship of Dr James Boardman with the support of an expert Advisory Board at the University of Edinburgh. The work of its flagship project, the Theirworld Edinburgh Birth Cohort continues to develop well, and the investment in the MRI Scanner at the Queen's Medical Research Institute plays a valuable role in monitoring the progress of the premature infants who have joined this longitudinal study. Dr Boardman is also developing the parents network for all the cohort families to share information and updates as the eldest in the cohort are now turning 5 years old.

FOR THE YEAR ENDED 30 NOVEMBER 2017

Activities and performance for the public benefit (continued)

The work of the Laboratory continues to focus on a range of study areas centred around the causes and consequences of prematurity with the recruitment of new clinicians engaged in PhD study this year. The team continue to feature in prestigious scientific publications, garner awards and make presentations at national and international meetings. A total of nine papers were published in scientific journals this year.

This year Theirworld celebrated its 15th anniversary at a reception hosted by the Speaker of the House of Commons held in the Speaker's Apartments. The reception was attended by many supporters of the charity, and was addressed by Speaker Bercow and Sarah Brown. Theirworld continues to have a strong focus on its international work on global education and skills for young people. Our high level advocacy work has focused on Safe Schools (covering education in emergencies), Early Childhood Development (with the #5for5 campaign) and Education Financing, where we have supported the Global Partnership for Education's replenishment campaign, the establishment and financing of the Education Cannot Wait fund, and the new International Financing Facility for Education. We have continued to contribute at the Syria Pledging conferences speaking up for education investment to meet the promise of governments to educate every refugee child. We held another successful event for International Women's Day in March 2017 and have established this as an annual high level event in London.

We continue to focus on pilot projects to explore innovation and best practice in Lebanon and Turkey and in several countries in Africa, including Kenya, Uganda and Nigeria, looking at different 'safe schools' learning, health and wellbeing outcomes for the most vulnerable and marginalised children.

Projects included:

- A series of girls' code clubs in East and West Africa
- School activities including STEM and coding for Syrian refugees in Lebanon
- School nutrition project with ongoing measurements to see how low cost snacks can improve school attendance and learning for Syrian refugees in Lebanon
- Teacher training programme in Turkey to support better understanding of Syrian refugee needs post trauma on arrival in the classroom, and a small project to provide school uniforms where they were badly needed for refugees in Turkey
- We also published a series of reports including a series on Early Childhood Development in April 2017, and a report on pre-primary education with research partner Dr Pauline Rose at the University of Cambridge in September 2017 calling for 10% of education funding to go to pre-primary.

We continue to invest in our Global Youth Ambassador programme with a remarkable group of dedicated young campaigners supporting our campaigns around the world. The weekly newsletter and regular reporting on the Their News section of our website has proven popular with an engaged global audience receiving updates and taking campaign actions such as petition signing and letter writing to the global leaders who make education budget decisions.

As in previous years, Theirworld entered a team in the fifth Prudential RideLondon-Surrey 100-mile cycle sportive, in July 2017; and a team of runners also took part in the 2017 Great North Run; all raising funds for our work and showing the commitment of our community based fundraisers.

Our Theirworld Advisory Board continues to meet three times per year and the membership has grown with everyone supporting the charity's work in raising its profile, fundraising, or directly supporting campaign communications.

TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 30 NOVEMBER 2017

Activities and performance for the public benefit (continued)

The Global Business Coalition for Education (GBC-Education), a US registered corporation with exemption from Federal Income Tax under section 501(C)(3) of the Internal Revenue Code, is now in its sixth year. Theirworld is the founding and sole member.

GBC-Education is a central driver and coordinator for the global business community to progress the delivery of the private sector contribution to global education as donors, partners and innovators. GBC-Education continues to reflect its members' interests in its events and activities covering Education in Emergencies, Early Childhood Development, Girls' Education and Youth Skills. Launching the Commission for Youth Skills and Innovation with the support of INTEL Foundation and research partner Deloitte GBC-Education will be publishing the first major report in September 2018. GBC-Education hosted events this year in Washington DC (during the World Bank Spring meetings) and New York (during UNGA) that were well attended, and at the annual dinner in New York GBC-Education honoured the outgoing heads of UNICEF and UNESCO for their work, as well as former Tanzanian President Jakaya Kikwete for his work, since leaving office, on global education across Africa. GBC-Education continues to develop the innovative in-kind database REACT, designed to register and coordinate private sector support for education in emergencies.

The Trustees would like to thank fellow Trustee and President, Sarah Brown for her continued support and leadership of Theirworld, as well as Gil McNeil, Director, Konrad Caulkett, Grants and Finance Director, Ben Hewitt, Campaigns and Communications Director, Justin van Fleet, Senior Education Consultant, Christianne Cavaliere, Senior Projects and Partnerships Consultant, Fiona Duggan, Head of Projects and James Cox, Head of Digital Advocacy for their hard work during the course of the year, for which the Trustees are extremely grateful. The Trustees would also like to congratulate Theirworld Trustee and Secretary David Boutcher MBE and Theirworld Director Gil McNeil CBE on their recognition in the Queen's Birthday Honours List of 2017.

The Trustees would like to thank the members of the Theirworld Advisory Board for their support: Marc Adelman, Bec Astley-Clarke, Dr Lisa Belzberg, Tamara Box, Lorraine Candy, Nigel Chapman, Torie Chilcott, Mary Contini, Louise Court, Nick Eagleton, Emma Freud, Mazen Hayek, Peter Kelsey, Kathy Lette, Tania Littlehales, Mark Lucas, Andrew Miller, Lord O'Neill of Gatley, Nisha Parti, Jim Prior, Chris Robichaud, June Sarpong, Scott Thomson, Mel Varley, and Karen Wagner.

The Trustees would also like to express their gratitude to our Ambassadors who have been generous with their time in supporting and amplifying the work of Theirworld: Laura Carmichael, Minnie Driver, Dynamo, Julian Morris, Steve Nguyen, Nick Sharratt and Sandi Toksvig OBE.

The Trustees would also like to thank the following organisations who have generously supported our work; The Office of Gordon and Sarah Brown, Reed Smith, The Doughty Family Foundation, Dubai Cares, the Nationale Postcode Loterij (Netherlands), Conrad N. Hilton Foundation, The Players of the People's Postcode Lottery, Open Society Foundation, Voith, and the RS MacDonald Foundation

Plans for the Future

Our strategy for the year ahead centres around a continuation of existing themes and priorities to include:

- 1. Support for the Jennifer Brown Research Laboratory and its flagship work on the Theirworld Edinburgh Birth Cohort with a number of high value donor and community fundraising activities.
- 2. Focus our campaign work on the message that the lack of education and skills for young people is a humanitarian crisis in the making.

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- 3. Safe Schools and the #YouPromised campaign' will continue to track delivery of pledges and donor promises for education in emergencies and for Syrian refugees.
- 4. #5for5 continue our efforts in the global campaign for Early Childhood Development with a particular emphasis on Kenya for tracking delivery.
- 5. Girls and women expanding our code clubs and continue to highlight innovative work led by women for International Women's Day.

We will also continue our various programmes of work in Lebanon and Turkey for Syrian refugee education, and we will expand our pilot projects in Africa. Our global education work will maintain the focus on including Early Childhood Development and the importance of early years' development and learning in 0-5 year olds pre-school.

Theirworld will also continue the development of partnerships with private sector and non-profit organisations to support fundraising, campaigning, youth engagement and skill sharing activities. We will continue to work with the Omnicom Group on their pro-bono communications campaign in support of UN Sustainable Development Goal 4 as part of the UN Common Ground initiative. We will also continue to develop the GBC-Education team in New York to best serve the corporate membership and continue to develop ways for the private sector to play its part in bringing education and learning opportunity for every child and young person.

Financial review

Total income for the year was \pounds 4,679,326 (2016 - \pounds 3,770,104) with total expenditure of \pounds 3,964,876 (2016 - \pounds 3,865,842). Funds held increased by \pounds 680,385 (2016 - decrease of \pounds 68,282).

Unrestricted funds held are £1,486,680 (2016 - £979,261) with restricted funds at £1,477,928 (2016 - £1,304,962) - this figure includes £31,081 for the Jennifer Brown Research Laboratory, £1,305,186 (2016 - £1,234,835) for the Global Education campaign, and £141,661 (2016 - £70,123) for the Global Business Coalition for Education.

Theirworld is reliant on voluntary donations received and receipts from fundraising events, as well as grants made by Trusts and Foundations. These funds are held in bank deposit accounts so as to obtain the best available rates of interest and mitigate investment risk.

The fundraising events during the year generated funds of £9,809 (2016 - £12,243), which have been treated as unrestricted income in the financial statements. The Trustees are not aware of any restrictions placed on this income but are mindful that certain individual donors may have considered that their donation would be used to support the Jennifer Brown Research Laboratory or Global Education projects. As stated in the Reserves Policy note below, in considering future grants to the University of Edinburgh Development Trust for the Jennifer Brown Research Laboratory, the Trustees will have access to the excess unrestricted funds.

Reserves policy

The Trustees aim to keep reserves to a minimum, in excess of ongoing grant commitments, in order to ensure that most of the income generated is distributed. The Charity operates on minimal overheads with some services and facilities provided free of charge. A reserve will be maintained to cover unforeseen costs. Total reserves at 30^{th} November 2017 amounted to £2,964,608 (2016: £2,284,223) of which £1,477,928 are restricted (2016: £1,304,962) and £9,533 are held in fixed assets (2016: £13,927). The Trustees continue to review the level of free reserves held and, will look to hold a balance to maintain core cash flow for a period of nine months. Any unrestricted reserves in excess of this will be donated to the University of Edinburgh Development Trust for the benefit of the Jennifer Brown Research Laboratory and to ongoing Global Education and project work.

FOR THE YEAR ENDED 30 NOVEMBER 2017

Fundraising

The Trustees have considered the requirements of the Fundraising Regulator and whether Theirworld needs to be registered with them. The view has been taken that as the Charity does not undertake any fundraising with professional fundraisers or commercial participators there is no need to register with the Fundraising Regulator. This will be kept under review and if this changes in the future the Trustees will take any appropriate steps. No complaints have been received in respect of the Charity's fundraising activity.

Pay Policy

The Trustees consider the Board of Trustees and the Senior Management Team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses, which are nil, and related party transactions are disclosed in note 9 to the accounts.

The pay of the directors and all staff are reviewed annually and normally increased in accordance with average earnings to reflect a cost of living adjustment. In view of the nature of the charity, the charity benchmark against pay levels in similar charities. The remuneration bench-mark is the mid-point of the range paid for similar roles in similar charities and sizes.

Risk management

A risk assessment has previously been undertaken and the principal risks associated with the Charity's activities have been identified and assessed. The Trustees are satisfied that adequate reporting structures and procedures are in place to manage the risks associated with the Charity's activities. An assessment of these risks is undertaken each year. The principal risks and uncertainties identified are ongoing fundraising challenges and effective monitoring and evaluation of local partners who work on overseas projects.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

FOR THE YEAR ENDED 30 NOVEMBER 2017

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

Auditors

All of the current Trustees have taken all steps that they ought to have taken to make themselves aware of any information needed by the Charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant information of which the auditors are unaware.

haysmacintyre have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

In preparing this Trustee's report advantage has been taken of the small companies' exemption from preparing a strategic report.

On behalf of the Board

D J Boutcher Secretary and Trustee

28 June 2018 Date:

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THEIRWORLD

Opinion

We have audited the financial statements of Theirworld for the year ended 30 November 2017 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 November 2017 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on pages 6 and 7, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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 charitable company's ability to continue to adopt the
 going concern basis of accounting for a period of at least twelve months from the date when the financial
 statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THEIRWORLD

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees. 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 Report of the Trustees (which incorporates 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 directors' report included in the Report of the Board of Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- · certain disclosures of Trustees' remuneration specified by law are not made; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Use of our report

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

AnnaBennett

Anna Bennett (Senior Statutory Auditor) For and on behalf of haysmacintyre, Statutory Auditors

13 August 2018

10 Queen Street Place London EC4R 1AG

GROUP STATEMENT OF FINANCIAL ACTIVITIES (Incorporating income and expenditure account)

FOR THE YEAR ENDED 30 NOVEMBER 2017

	Note	Unrestricted funds £	Restricted funds £	2017 £	2016 £
Income from:					
Donations Other trading activities and	3	1,550,154	3,112,370	4,662,524	3,752,783
fundraising events Investments	3	16,802 _	-	16,802 -	12,898 4,424
Total income		1,566,956	3,112,370	4,679,326	3,770,105
Expenditure on: Cost of raising funds					
Cost of raising donations Fundraising trading: cost of	4 4	2,004	18,376	20,380	1,994
goods sold and other costs	-	1,258	-	1,258	2,249
Charitable activities	5	950,672	2,992,566	3,943,238	3,861,598
Total expenditure		953,934	3,010,942	3,964,876	3,865,842
Net income / (expenditure)		613,022	101,428	714,450	(95,737)
Transfers	16	(71,538)	71,538	-	-
Exchange gains / (losses) arising on consolidation		(34,065)	-	(34,065)	27,455
Net movement in funds		507,419	172,966	680,385	(68,282)
Fund balances brought forward		979,261	1,304,962	2,284,223	2,352,505
Fund balances carried forward		1,486,680	1,477,928	2,964,608	2,284,223

All the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above. The notes set out on pages 13 to 24 form an integral part of these financial statements. A comparative Statement of Financial Activities is included at note 19.

GROUP AND CHARITY BALANCE SHEETS

FOR THE YEAR ENDED 30 NOVEMBER 2017

Company number: 4422413

	Note	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Fixed assets					
Tangible fixed assets Investments	12 13	9,533 56	13,927 56	9,533 57	13,927 57
		9,589	13,983	9,590	13,984
Current assets					
Debtors	14	13,712	13,827	126,093	85,985
Cash at bank		3,131,163	3,047,836	2,473,339	2,506,923
Creditores emounts falling due		3,144,875	3,061,663	2,599,432	2,592,908
Creditors: amounts falling due within one year	15	189,856	791,423	90,518	657,275
Net current assets		2,955,019	2,270,240	2,508,914	1,935,633
Total assets less current					
liabilities		2,964,608	2,284,223	2,518,504	1,949,617
Accumulated funds					
Restricted funds	16	1,477,928	1,304,962	1,336,267	1,234,839
Unrestricted funds		1,486,680	979,261	1,182,237	714,778
		2,964,608	2,284,223	2,518,504	1,949,617

A separate statement of financial activities (SOFA) and income and expenditure account are not presented for the charity itself following the exemption afforded by section 408 of the Companies Act 2006. The unconsolidated surplus / (deficit) of the parent charity was £568,887 (2016: deficit of £20,114). The change year on year principally relates to the timing of grant income recognised.

The financial statements are prepared in accordance with part 15 of the Companies Act 2006 in regards to small companies. These financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

These financial statements were approved by the board and signed on their behalf by:

D J Bouteher

Secretary and Trustee

Date: 28 June 2018

The notes set out on pages 13 to 24 form an integral part of these financial statements.

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 NOVEMBER 2017

	2017 £	2016 £
Cash flows from operating activities	117,866	699,394
Cash flows from investing activities		
Interest income Purchase of tangible fixed assets	(474)	4,424 (5,950)
Cash provided by (used in) investing activities	(474)	(1,526)
Change in cash and cash equivalents in the reporting period	117,392	697,868
Cash and cash equivalents at the beginning of the year Change in cash and cash equivalents due to exchange rate movements	3,047,836 (34,065)	2,322,513 27,455
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	3,131,163	3,047,836
RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES		
Net income for the year Add back depreciation charge Deduct interest income shown in investing activities Decrease (increase) in debtors Increase (decrease) in creditors	714,450 4,868 - 115 (601,567)	(95,737) 4,438 (4,423) 722,272 72,844
Net cash generated by operating activities	117,866	699,394

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2017

1. ACCOUNTING POLICIES

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

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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Theirworld meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of accounts on a going concern basis

The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives Trustees confidence the charity remains a going concern for the foreseeable future.

Critical accounting judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charities accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiaries, Theirworld Projects Limited and Global Business Coalition for Education, Inc, on a line by line basis.

Fund accounting

Funds held by the charity are either:

- Unrestricted general funds these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.
- Restricted funds these are funds that can only be used for particular restricted purposes within the
 objects of the charity. Restrictions arise when specified by the donor or when funds are raised for
 particular restricted purposes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2017

1 Accounting policies (continued)

Income

Income is recognised when there is entitlement to the income, receipt is probable and the amount concerned can be accurately measured.

Voluntary income arises as follows: -

- Donations and grants are included in unrestricted income when these are receivable, except as follows:
 - When donors specify that donations or grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
 - When donors specify that donations or grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when receivable.
 - Membership fees received by Global Business Coalition for Education, Inc. are recognised on an accruals basis.
- Trading income is recognised in the period in which the goods are delivered or the service provided.
- Donated services and facilities have been included in the accounts within voluntary income to the
 extent that they are material in the context of the accounts. Donated services and facilities are
 included within the accounts at an assessment of the value to the charity, which reflects the value that
 the charity ascribes to the service or an appropriate alternative which would be purchased in the
 absence of the donated service.

Expenditure

Expenditure is accounted for on an accruals basis.

Grants payable are recognised as expenditure in the year in which a binding commitment to make payments is entered into.

Support costs represent the cost of providing general management, human resources, financing and other services to the charity. They are set out in note 5 and they have been allocated on the basis of the level of grant and direct expenditure incurred.

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice. Governance costs are shown as a component of support costs.

Fixed asset investments

Listed investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 NOVEMBER 2017

1 Accounting policies (continued)

Foreign currency translation

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the statement of financial activities.

Results of overseas operations are translated at the average rates of exchange during the year and the balance sheet translated into sterling at the rate of exchange ruling at the balance sheet date. Exchange differences which arise from the translation of the opening net assets and results of foreign subsidiary undertakings are taken to the statement of financial activities.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2 Charitable company status

Theirworld is a charitable company limited by guarantee and registered in England and Wales. Its registered address is Third Floor, The Broadgate Tower, 20 Primrose Street, London, EC2A 2RS. The charitable company does not have a share capital and the liabilities of its members are limited to the guarantee of up to a maximum of £1 each.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 NOVEMBER 2017

3 Income

	Unrestricted funds £	Restricted funds £	2017 £	2016 £
Donations	1,500,154	2,597,526	4,097,680	3,702,783
Donated office space	50,000	-	50,000	50,000
Donated advertising space	-	514,844	514,844	-
Fundraising events	9,809	-	9,809	12,243
Other trading activities	6,993	-	6,993	538
	1,566,956	3,112,370	4,679,326	3,765,564

As shown above, a gift in kind has been recognised in respect of donated advertising space. This relates to pro-bono advertising for the #rewritingthecode campaign. The corresponding expenditure is shown as part of direct charitable activities. In line with the requirements of the SORP, the value ascribed to the donated advertising space reflects the value which the Trustees would have been willing to pay to procure equivalent services.

4 Cost of raising income

-	Unrestricted Funds £	Restricted funds £	2017 £	2016 £
Cost of raising donations Trading subsidiary expenditure	2,003 1,258	18,377	20,380 1,258	1,994 2,249
	3,261	18,377	21,638	4,243

5 Charitable activities

	Grant payments £	Direct Charitable Expenditure £	Support costs £	Total 2017 £	Total 2016 £
Children's health and welfare Global Education	- 277,435	37,282 3,448,348	- 180,173	37,282 3,905,956	99,585 3,762,013
	277,435	3,485,630	180,173	3,943,238	3,861,598

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 NOVEMBER 2017

6 Grants payable

7

	2017 Number	2017 £	2016 Number	2016 £
Payable to Institutions	9	277,435	5	264,895
The following grants to Institutions were m	nade:		2017 £	2016
Restricted funds: Jennifer Brown Research Fund: The University of Edinburgh Development	t Trust		£ 37,282	£ 4,324
Global Education: International Blue Crescent Maya Foundation			160,679 37,961	135,916 33,979
Total grants funded by restricted funds	;		235,922	174,219
Unrestricted funds: Chance UK East London Business Alliance Football Beyond Borders Mentoring Works Project Girl Reach Out Youth Clubs United Lebanon Youth Project The University of Edinburgh Development Amounts written back in relation to previou			10,000 10,000 6,456 11,200 13,356 6,501 (16,000) 41,513	10,000 - 10,000 - - - 80,676 (10,000) - - - - - - - - - - - - - - - - - -
Total grants payable Support costs			277,435	264,895
Support costs comprise:			2017 £	2016 £
Support costs comprise. Salaries and national insurance Professional fees Travel and subsistence			72,594 17,539 -	49,254 26,052 89
Office, administration and sundry expense Bank and card charges Governance costs	S		15,188 1,942 22,910	34,376 3,263 14,750
Facilities			50,000 180,173	50,000

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 NOVEMBER 2017

8 Governance costs

Governance costs include auditors' remuneration of £15,250 (2016 - £14,750). Of this, £10,350 related to the audit of the charity and £1,800 to audit of the UK subsidiary. In addition non-audit remuneration of £3,100 is included for the Group.

9 Trustees

The Trustees neither received nor waived any emoluments during the year. During the course of the year no expenses were reimbursed to Trustees (2016: \pm 977 – 1 Trustee). Total donations received from Trustees amounted to \pm 792,118 (2016: \pm 254,111).

10 Staff costs

	2017 £	2016 £
Wages and salaries	1,067,782	1,157,514
Social security costs	109,974	98,689
Pension costs	7,004	11,003
Termination payments	1,101	22,119
	1,185,861	1,289,325

The average number of employees during the year was 23 (2016 - 28).

4 employees earned more than £60,000 during the year (2016 - 4). These employees emoluments fell into the bands:

	2017 Number	2016 Number
£60,000 - £69,999 £70,000 - £79,999	1 1	- 2
£80,000 - £89,999 £100,000 - £109,999	1	- 1
£110,000 – £119,999	1	1

The total remuneration of key management personnel of the group amounted to £317,611 (2016: £375,557).

11 Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Similar tax exemptions apply to the US subsidiary charity.

The UK subsidiary company makes qualifying donations of all taxable profits to Theirworld. No corporation tax liability on the subsidiary arises in the accounts.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 NOVEMBER 2017

12 Fixed assets

12	rixeu assets	Furniture Fixture and Fittings £	Office Equipment £	Total £
	Group and charity			
	Cost At 30 November 2016	135	18,951	19,086
	Additions Disposals	-	474	474
	Balance at 30 November 2017	135	19,425	19,560
			10,120	10,000
	Accumulated depreciation At 30 November 2016	14	E 4 4 E	E 4 E 0
	Charge for the year	121	5,145 4,747	5,159
	Disposals	-	4,747	4,868
	Balance at 30 November 2017	135	9,892	10,027
	Net Book Value			
	Carried forward at 30 November	-	9,533	9,533
	Brought forward at 1 December	121	13,806	13,927
13	Fixed asset investments	Shares in		
		Sharos in		
		subsidiary	Listed	
	Crown	subsidiary undertaking	Investments	Total
	Group	subsidiary		Total £
	Cost or valuation	subsidiary undertaking	Investments £	£
		subsidiary undertaking	Investments	
	Cost or valuation	subsidiary undertaking	Investments £	£
	<i>Cost or valuation</i> At 1 December 2016	subsidiary undertaking	Investments £ 56	£ 56
	Cost or valuation At 1 December 2016 Market value at 30 November 2017	subsidiary undertaking	Investments £ 56 56	£ 56 56
	Cost or valuation At 1 December 2016 Market value at 30 November 2017 Historical cost at 30 November 2017 Historical cost at 30 November 2016	subsidiary undertaking	Investments £ 56 56 1,073	£ 56 56 1,073
	Cost or valuation At 1 December 2016 Market value at 30 November 2017 Historical cost at 30 November 2017	subsidiary undertaking	Investments £ 56 56 1,073	£ 56 56 1,073
	Cost or valuation At 1 December 2016 Market value at 30 November 2017 Historical cost at 30 November 2017 Historical cost at 30 November 2016 Charity	subsidiary undertaking	Investments £ 56 56 1,073	£ 56 56 1,073
	Cost or valuation At 1 December 2016 Market value at 30 November 2017 Historical cost at 30 November 2017 Historical cost at 30 November 2016 Charity <i>Cost or valuation</i>	subsidiary undertaking £ 	Investments £ 56 56 1,073 1,073	£ 56 1,073 1,073
	Cost or valuation At 1 December 2016 Market value at 30 November 2017 Historical cost at 30 November 2017 Historical cost at 30 November 2016 Charity <i>Cost or valuation</i> At 1 December 2016	subsidiary undertaking 	Investments £ 56 56 1,073 1,073 56 56	£ 56 1,073 1,073 56 56
	Cost or valuation At 1 December 2016 Market value at 30 November 2017 Historical cost at 30 November 2017 Historical cost at 30 November 2016 Charity <i>Cost or valuation</i> At 1 December 2016 Market value at 30 November 2017	subsidiary undertaking 	Investments £ 56 56 1,073 1,073 56	£ 56 1,073 1,073 56

UK listed investments are represented by equity shares.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 NOVEMBER 2017

13 Fixed asset investments (continued)

Subsidiary undertakings

Theirworld Projects Limited

The wholly-owned trading subsidiary, Theirworld Projects Limited (company number: 04326134), which is incorporated in the United Kingdom. Theirworld Projects Limited's principal activities are all the commercial trading operations carried on by Theirworld. The charity owns the entire issued share capital of 1 ordinary share of £1 each. A summary of the trading results to 30 November 2017 is shown below.

Summary profit and loss account	2017 £	2016 £
Turnover	2,616	117
Cost of sales Administrative expenses Other operating income Interest receivable	(1,258) (11,854) -	(2,249) (94,663) 97,557 125
Net (loss) / profit	(10,496)	887
Donation to Theirworld	-	(887)
Retained in the subsidiary	(10,496)	-
The assets and liabilities of the subsidiary were: Current assets	111,521	109,711
Creditors: amounts falling due within one year	(119,541)	(107,235)
Total net (liabilities)/assets	(8,020)	2,476
Aggregate share capital and reserves	(8,020)	2,476

Global Business Coalition for Education, Inc

The wholly-owned charitable subsidiary, the Global Business Coalition for Education, Inc. is a corporation which has exemption under section 501(C)(3) of the Internal Revenue Code from Federal income tax in the US, and is incorporated under the laws of Delaware, USA. GBC-Education was created to act as a business voice for making education a global priority.

A summary of the operating results to 30 November 2017 is shown below.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 NOVEMBER 2017

Fixed asset investments (continued)				
Tixed asset investments (continued)			2017	2016
Summary profit and loss account			£	£
Income			660,792	335,074
Expenditure			(502,870)	(649,897)
Net income retained by the subsidiary			157,922	(314,823)
The assets and liabilities of the subsidial Current assets	ry were:		589,836	485,797
Creditors: amounts falling due within one	e year		(133,910)	(153,665)
Aggregate reserves			455,926	332,132
Debtors				
	2017	2016	2017	2016
	Group £	Group £	Charity £	Charity £
Amount due from subsidiary				
undertakings	-	-	119,541	82,696
Other debtors	11,183	10,538	4,023	-
Prepayments and accrued income	2,529	3,289	2,529	3,289
	13,712	13,827	126,093	85,985
	Income Expenditure Net income retained by the subsidiary The assets and liabilities of the subsidia Current assets Creditors: amounts falling due within one Aggregate reserves Debtors Amount due from subsidiary undertakings	Summary profit and loss account Income Expenditure Net income retained by the subsidiary The assets and liabilities of the subsidiary were: Current assets Creditors: amounts falling due within one year Aggregate reserves Debtors 2017 Group 2 Amount due from subsidiary undertakings Other debtors 11,183 Prepayments and accrued income	Summary profit and loss account Income Expenditure Net income retained by the subsidiary The assets and liabilities of the subsidiary were: Current assets Creditors: amounts falling due within one year Aggregate reserves Debtors 2017 2016 Group 2017 Croup 2016 Group 2016 Group 2016 Amount due from subsidiary 11,183 Undertakings 11,183 Other debtors 11,183 Prepayments and accrued income 2,529	Summary profit and loss account2017 £Income660,792Expenditure(502,870)Net income retained by the subsidiary157,922The assets and liabilities of the subsidiary were: Current assets589,836Creditors: amounts falling due within one year(133,910)Aggregate reserves455,926Debtors2017 group £2016 £2017 Charity £Amount due from subsidiary undertakings Other debtors119,541 4,023 2,529119,548 4,023 2,529

All amounts shown under debtors fall due for payment within one year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 NOVEMBER 2017

15 Creditors: amounts falling due within one year

	2017 Group £	2016 Group £	2017 Charity £	2016 Charity £
Trade creditors	23,483	68,730	8,439	53,304
Grant commitments	-	273,930	-	273,930
Other taxation and social security				
costs	25,632	295,727	25,632	268,534
Other creditors	1,372	-	1,372	-
Accruals and deferred income	139,369	153,036	18,703	61,507
Due to subsidiary undertakings	-	-	36,372	-
				······
	189,856	791,423	90,518	657,275

16 Restricted funds

•

	1 December 2016 £	Income £	Expenditure £	Transfers £	30 November 2017 £
Jennifer Brown Research Fund Global Education Global Business Coalition for Education	- 1,234,839 70,123	68,363 3,044,007 -	(37,282) (2,973,660) -	- - 71,538	31,081 1,305,186 141,661
	1,304,962	3,112,370	(3,010,942)	71,538	1,477,928
	1 December 2015 £	Income £	Expenditure £	Transfers £	30 November 2016 £
Jennifer Brown Research Fund Global Education Global Business Coalition for Education	- 1,471,796 115,872	4,324 2,696,620 -	(4,324) (2,933,577) -	- - (45,749)	- 1,234,839 70,123
	1,587,668	2,700,944	(2,937,901)	(45,749)	1,304,962

The Jennifer Brown Research Fund was launched in February 2003 to fund a new perinatal research laboratory at the New Royal Infirmary Edinburgh. The Laboratory is carrying out research into the complications of pregnancy which affect foetal and neonatal development and premature birth. The Theirworld Edinburgh Birth Cohort, a world first in investigating the long terms effects of preterm birth, was launched in November 2016.

The Global Education fund was launched in April 2012 to fund the activities to develop and promote the campaign to enrol as many children in school as possible.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 NOVEMBER 2017

16 Restricted funds (continued)

The Global Business Coalition for Education fund reflects restricted grants received within the subsidiary undertaking, Global Business Coalition for Education, Inc. less amounts released during the year to unrestricted funds.

Transfers from restricted to unrestricted funds reflects the balance of restricted funds as recorded in the locally audited accounts at 30 November 2017.

17 Analysis of net assets between funds

Analysis of het assets between funus	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 30 November 2017 are represented			
by:			
Fixed assets	9,589	-	9,589
Current assets	1,287,235	1,477,928	2,765,163
Liabilities	189,856	-	189,856
Total net assets	1,486,680	1,477,928	2,964,608

18 Analysis of net assets between funds - 2016

,	Analysis of het assets between funds - 2010	Unrestricted Funds £	Restricted funds £	Total funds £
	Fund balances at 30 November 2016 are represented			~
	by: Fixed assets	13,983	-	13,983
	Current assets	1,756,700	1,304,962	3,061,662
	Liabilities	(791,422)	-	(791,422)
	Total net assets	979,261	1,304,962	2,284,223

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 NOVEMBER 2017

19 Comparative Statement of Financial Activities

	Note	Unrestricted funds £	Restricted funds £	2016 £
Income from:				
Donations Other trading activities Investments	3 3	1,051,839 12,898 4,424	2,700,944 - -	3,752,783 12,898 4,424
Total income		1,069,161	2,700,944	3,770,105
Expenditure on: Cost of raising funds:				
Cost of raising donations	4 4	1,994	-	1,994
Fundraising trading: cost of goods sold and other costs	4	2,249	-	2,249
Charitable activities	5	923,696	2,937,901	3,861,598
Total expenditure		927,941	2,937,901	3,865,842
Net income		141,220	(236,957)	(95,737)
Transfers Exchange gains arising on	16	45,749	(45,749)	-
consolidation		27,455		27,455
Net movement in funds		214,414	(282,706)	(68,282)