



Directors' Report and Financial Statements
For the year ended 31 December 2011

A.C.O.R.D

**(Agency for Cooperation and Research in Development/
Association de Coopération et de Recherches pour le
Développement)**

A UK registered charity and a company limited by guarantee

Charity Registration number 283302

Company Registration number 1573552

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DIRECTORS' REPORT

The directors are pleased to present their report and the audited financial statements for the year ended 31 December 2011.

REFERENCE AND ADMINISTRATIVE DETAILS:

1. MEMBERS (ACORD ASSEMBLY)

ORGANISATIONS

Comité Catholique Contre la Faim et pour le Développement (CCFD) (France)

Inter Pares (Canada)

Vredeseilanden (Belgium)

Manitese (Italy)

INDIVIDUALS

Betty Plewes

Eunice Sahle

Gertrude Kazoviyo

Ibrahim Ouedraogo

Kwame Kuffour

Maggie Pankhurst

Michael Herzka

Molly Kane

Mutizwa Mukute

Richard Bennett

Sylli Gandega

Teopista Kevin M Akoyi

Ngone Diop

Augusta Henriques

BOARD OF DIRECTORS AND TRUSTEES OF THE CHARITY

NAME	NATIONALITY
Betty Plewes	Canadian
Gertrude Kazoviyo	Burundian
Jacqueline Williams	British
Ibrahim Ouedraogo (Chair)	Burkinabe
Maggie Pankhurst (Hon. Treasurer)	British (<i>Resigned October 2011</i>)
Mutizwa Mukute	Zimbabwean
Richard Bennett	British
Sylli Gandega	Mauritanien
Augusta Henriques	Bissau-Guinean (<i>Joined October 2011</i>)

CORPORATE MANAGEMENT TEAM

Ousainou Ngum	Executive Director and Company Secretary
Kristin Seljeflot	Head of Funding and Partnership Development
Elijah Lutwama	Head of Finance
Emime Ndiokubwayo	Head of Policy and Advocacy (<i>Resigned October 2011</i>)
Monique van Es	Programmes Operations & Development Manager (<i>Resigned January 2011</i>)
Annette Msebeni	Programmes Operations & Development Manager (<i>Joined January 2011</i>)
Almonda Foday-Khabenje	Head of Human Resources and Organisational Development

STRUCTURE, GOVERNANCE AND MANAGEMENT

ACORD is a company limited by guarantee and a registered charity in the United Kingdom governed by a Memorandum and Articles of Association.

ACORD is a membership organisation with membership open to both organisations and individuals. These members make up the General Assembly, which is the sovereign body of the charity and meets once a year. The Assembly approves the annual accounts, the organisation's strategic plan and appoints the board of trustees and auditors. It also determines broad policy issues.

The Board exercises the functions of the trustees of the charity and the directors of the company, controlling the work of the Charity. The Board meets twice a year and organises teleconferences as needed. A third of the trustees are elected annually by a majority vote of the Assembly.

The Board is assisted by two sub-committees: The **Programme and Funding Committee** (PERFECT Committee) which supports the programming, funding and partnership building work of the organisation. The **Finance, Human Resources, Organisational Development and Governance committee (FOG Committee)** which oversees the financial management, governance and human resources management functions and also **act as the audit committee** of the Board. The Board Committees also meet twice a year, have teleconferences as necessary and report back to the Board which makes relevant decisions.

The names of the trustees who have acted during the year are listed on page 3. New trustees are nominated through a broad and participatory nomination process including staff and other stakeholders. The final shortlist is reviewed by the Board and proposed to the General Assembly for approval. New trustees go through an individual induction programme covering all aspects of their role and the objectives of the charity to enable them to perform an effective role within the Board. Trustees serve a two-year renewable term of office.

Overall Management, Staff and Volunteers

Under the overall leadership of the Executive Director, the Senior Management Team (SMT) is responsible for promoting ACORD's Vision, Mission, Values and Strategic Directions. The SMT is the decision-making forum, which guides the day-to-day running of the whole organisation, overseeing overall programming work, financial management, human resources management, fundraising and partnership development as well as internal and external communication.

The SMT is accountable to the ACORD Board through the Executive Director. There are two-way accountability lines between SMT and other staff members.

ACORD employed an average of 376 staff during the year of which 351 were employed on local contracts.

All managers hold regular meetings with their staff to provide an opportunity for communication of information and discussion of events as they develop. Equal

opportunities in employment within ACORD are promoted as an integral part of our overall aims and objectives. ACORD has well established arrangements for consulting and involving staff in its work.

The trustees wish to record their appreciation to all staff and volunteers for their devoted work, often beyond the duty required of them. Without this commitment, the work of ACORD could not continue.

THE OBJECTIVES AND ACTIVITIES OF THE CHARITY

ACORD (Agency for Cooperation and Research in Development) is a pan African organisation working for social justice and development in Africa. ACORD's vision is a society in which all citizens are equally able to achieve their rights and fulfil their responsibilities. ACORD works in common cause with people who are poor and those who have been denied their rights to obtain social justice and development and be part of locally rooted citizen movements.

ACORD is currently present on the ground in 18 countries in Africa, with programming activities that reflect four thematic areas: livelihoods and food sovereignty; gender and women's rights; HIV and AIDS; conflict prevention and peace building.

The specific objectives are to:

- Strengthen the livelihoods of marginalised communities and their capacity to successfully advocate for their rights and improve welfare through the achievement of food sovereignty
- Build knowledge on positive gender relations and effective ways of addressing gender inequalities with a view to improving women's status, development and influence
- Promote learning, strengthen capacity and develop effective partnerships to influence thinking, policy and practices on HIV and AIDS in Africa and to achieve 'Universal Access'¹ as a means of eliminating HIV and AIDS related rights abuses
- Facilitate an enabling environment where marginalised communities become effective agents of conflict prevention and peace building, to support inclusive stability and development in the continent

In order to achieve these objectives ACORD works in common cause with poor and marginalised groups whose rights have been denied to challenge and change these conditions by uniting practical work and research at community level, with advocacy at all levels from local to global.

ACORD also implements a Pan African Advocacy Programme through which ACORD seeks to further its vision of a society in which all citizens are equally able to achieve their rights and fulfil their responsibilities.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and activities.

¹ Universal access to prevention, treatment, care and support for HIV, as promised in MDG6 and by the G8 in 2005.

This report explains the charity's activities and demonstrates how they contribute to the charity's purpose and provide public benefit

ACHIEVEMENTS AND PERFORMANCE

2011 MAIN ACHIEVEMENTS IN LINE WITH ACORD STRATEGIC DIRECTIONS:

2011 marked the first year of implementation of ACORD's Strategic Plan for 2011 to 2015. The ACORD Strategic Plan 2011 to 2015 reaffirms ACORD's vision to promote social justice in Africa and its commitment to work in common cause with people whose rights are being denied. It does so through strengthening people's capacity to participate and exert influence over governance and decision-making processes to address the root causes of exclusion and injustice, while at the same time equipping them with the means to address the immediate impacts thereof.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and activities. This report explains the charity's activities and demonstrates how they contribute to the charity's purpose and provide public benefit.

The main activities and achievements carried out for the public benefit and in line with strategic governance, strategic programme development and institutional development are highlighted as follows:

Strategic Direction 1 – Coherent Programming

Enhance the voice of the poor and the marginalised to enable them to change conditions undermining social justice and development in Africa through participatory people-centred research, practical actions, civil society capacity building and advocacy.

Under the first strategic direction on **coherent programming**, ACORD's work seeks to: i) Strengthen the livelihoods of marginalised communities and their capacity to successfully advocate for their rights and improve welfare through the achievement of food sovereignty; ii) Build knowledge on positive gender relations and effective ways of addressing gender inequalities with a view to improving women's status, development and influence; iii) Promote learning, strengthen capacity and develop effective partnerships to influence thinking, policy and practices on HIV and AIDS in Africa and to achieve 'Universal Access'² as a means of eliminating HIV/AIDS related rights abuses; iv) Facilitate an enabling environment where marginalised communities become effective agents of conflict prevention and peace building, to support inclusive stability and development in the continent. To contribute to this, ACORD will internally (v) Maximise the impact of ACORD's work through more targeted and synergised programming at area programme and pan-African levels.

² Universal access to prevention, treatment, care and support for HIV, as promised in MDG6 and by the G8 in 2005.

Throughout 2011 ACORD accelerated its work to increase the representation of small-scale farmer and pastoralist organisations and their members in the Comprehensive Africa Agriculture Development Programme (CAADP) implementation process and development of the African Union's Policy Framework for Pastoralism in Africa (PFPA) as well as increase utilisation of improved livestock and crop production methods, sustainable land and water management practices and markets. Momentum shifted to a campaign on quality investment in agriculture and the positioning of small-holder farming, building on the strength of a mobilised civil society at the local, national and regional levels. **Engagement in 2011 culminated in the First Pan-African Non-State Actors Policy Dialogue Meeting on CAADP in Abuja, Nigeria jointly organised by ACORD, ActionAid and Oxfam.** The meeting highlighted the gaps and room for improvement in the current status of non-state actor (NSA) participation confirming ACORD's commitment to support the engagement of 100,000 farmers and pastoralists in these critical processes.

In the area of conflict and peace-building, ACORD continued to capitalise on its Community Social Peace and Recovery methodology (CSPR) as a condition for sustainable food sovereignty and gradually began to promote its adoption by the International Conference on the Great Lakes Region (ICGLR), the United Nations (UN) and African Union (AU) peace and security departments. **This handbook was developed by ACORD, following a series of pilot initiatives in Burundi and Kenya and is a helpful tool for governments, agencies and institutions worldwide working to promote peace and sustainable recovery.** The official launch of the Community Peace Recovery and Reconciliation Handbook, a joint publication between ACORD, UNDP (United Nations Development Programme) and NSC (National Steering Committee on Peace building and Conflict Management) was held in Nairobi in March 2011 and since then ACORD has embarked on an intensive program to train district peace committees and other peace actors on the peace recovery and reconciliation model in Kenya as well as promoting its adoption in other conflict affected countries such as Chad, Guinea and Uganda.

ACORD continued the campaign contributing to the development of a culture of effective and efficient gender justice in the states of the Great Lakes Region (Africa) promoting its research findings and tools such as the judicial audit, SGBV Index, social exclusion analysis and social contract methodology strengthening the capacity of women, girls, men, boys and CSO partners to challenge impunity relating to the rights abuses.

ACORD accelerated its implementation of HIV/AIDS workplace policies, building the capacity of staff in ACORD's own offices and of partners to make themselves 'HIV competent'; mainstreaming HIV and AIDS into gender and livelihoods programmes and continuing to support associations of people living with HIV and AIDS (PLHIV). ACORD also took over the regional management of the Joint Oxfam HIV/AIDS mainstreaming programme during 2011, scaling up ACORD and partner interventions on HIV/AIDS particularly in hard to reach communities.

Specific Achievements on our core themes in 2011

Livelihoods and Food Sovereignty

ACORD's work on livelihoods and food sovereignty can be categorised into three complementary realms of influence. These comprise (a) trade relations, (b) agricultural policies, and (c) direct livelihoods support. Trade and agricultural policies are addressed at the national level, sub-regional, pan-African and global levels. Direct livelihoods support is nevertheless mainly realised at local level within ACORD's area programmes. From the direct support ACORD derives the legitimacy for policy advocacy work, while creating critical consciousness and ability for communities and groups to input into decision-making processes.

(A) Trade relations

In 2011 ACORD's Pan Africa Programme facilitated staff and key partners to participate actively in trade, agriculture and food sovereignty alliances and negotiation forums. ACORD believes trade must be managed to ensure that it supports the welfare of people and the planet. Unjust trade and international rules can lock poor countries into a situation of powerlessness, as such it is essential that civil society advocates for justice and a fair trading system. African governments must speak out for the needs



Opening session of the WTO Ministerial Conference in Geneva, December 2011

of small scale farmers and refuse to accept bad deals. Within this context ACORD has been participating in key processes such as the World Trade Organisation (WTO) ministerial conference in Geneva in December 2011 and the Africa Growth and Opportunity Act (AGO) forum in Lusaka, Zambia in June 2011.

In Mozambique, ACORD continued to engage with the food sovereignty networks such as ROSA (A National Network of Organisations working on Food Sovereignty in Mozambique who were a key partner during the Economic Partnership Agreement (EPA) campaign) and UNAC (União Nacional de Camponeses) but has shifted the focus of their joint work to ensuring civil society participation in the CAADP discussions and broader international debates on trade and food issues. For example, in August 2011 ACORD in cooperation with War on Want facilitated the participation of UNAC at Nyeleni Europe: The European Forum for Food Sovereignty in Austria (bringing a Southern perspective to the European

Food Sovereignty Movement) as well as facilitating exchange visits to Zimbabwe with support from the Eastern and Southern Africa Farmers' Forum (ESAFF) in Zimbabwe.

Through such joint work with national and regional partners ACORD aims to ensure that the right of all citizens to be food secure is upheld by the government through greater accountability to citizens. **(B) Agriculture Policies**

With the worldwide population reaching 7 billion in October 2011, the struggle to regain control over our food is more important than ever. The global food system is in crisis. 1 in 7 people worldwide go to bed hungry at night, and every day many more small farmers, pastoralists, fisherfolk and indigenous people are losing their livelihoods and the planet's resources are being depleted. It is vital that food producers, who make up a significant proportion of the hungry, have a voice in determining policies that affect their own livelihoods. The commitment to support African citizens to *influence the formulation and implementation of regional and continental agriculture and pastoralist policy frameworks that support food sovereignty* is central to ACORD's current work on agricultural policies.

In 2011, ACORD continued to work with farmers groups and others across Africa promoting meaningful engagement from the grassroots in the CAADP process, which could lead to a resurgence in African agriculture.

ACORD facilitated regional trainings in 2010 and 2011 that equipped farmers and pastoralist organisations with updated technical information and skills, and introduced participants to CAADP principles, CAADP compacts and the Africa Union's PFPA. The policy literacy part of the training program strengthened the capacity of pastoralist and agro-pastoralist organisations to engage in CAADP and PFPA processes. The training program has succeeded in increasing the capacity of pastoralist and agro-pastoralist organisations to disseminate agricultural information and practices to their members (women and men).

To date ACORD has facilitated the roll out of these trainings at national level and sub-national levels, reaching over 8,000 farmers directly through the trainings. The national and community level trainings involved training of trainers (TOT) graduates from both the regional and national trainings, conducting community level training through short courses, on-site coaching and peer to peer learning.



Participants at the Pan African Policy Dialogue Meeting in Abuja, Nigeria, October 2011

Civil society efforts to effectively engage in the CAADP process culminated in October 2011 in the First Pan-African Non-State Actors Policy Dialogue Meeting on CAADP in Abuja, Nigeria jointly organised by ACORD, ActionAid and Oxfam and involving smallholder farmers and pastoralists across the continent, land rights alliances, women's rights organisations, relevant government officials and representatives from economic blocs and the donor community. The meeting served as a platform for constructive dialogue among civil society, governments, regional economic communities (RECs) and the AU on important issues related to CAADP and African agriculture at large. Representatives from national governments, RECs and the AU confirmed their commitment to work with NSAs on an equal footing to advance the CAADP agenda at the national and the regional level.

Complementing ACORD's advocacy work in alliance with small-holder farmers, is our engagement with pastoralists and pastoralist organisations in Burkina Faso, Cameroon, Chad, Ethiopia, Kenya, Tanzania, Sudan, Mali, and Mauritania and efforts to amplify their concerns on the international stage, for example, feeding into the first draft of AU's Policy Framework for Pastoralism in Africa on the invitation of the AU.

In the Sahel regions pastoralist organisations have started questioning the impacts of national, sub regional and regional instruments on food sovereignty and small scale farmers and pastoralists have started sharing knowledge through peer to peer exchange visits. Pastoralists groups from the West and Horn of Africa have decided to jointly participate in events going forward such as the World Social Forum to raise awareness on issues affecting pastoralists.

CASE STUDY – WORLD SOCIAL FORUM



Opening march of the 2011 World Social Forum in Dakar

The World Social Forum returned to Africa in 2011 bringing 75,000 people from across the globe to Dakar, Senegal. Workshops and various events on agricultural policies, pastoralism, sexual and gender based violence, and HIV/AIDS served to enhance our partnerships and alliances with Pan-African and global civil society organisations.

ACORD participated in order to contribute, learn and connect with activities on all four of the themes on which ACORD works. The Forum was founded in 2001 by social movements and other civil society groups as an open, democratic arena to share, discuss, inspire and start trying to build a different, better world. While global business and political leaders may be cutting backroom deals at the exclusive World Economic Forum, which takes place over the same period, the Forum brings the people themselves to speak directly to each other in a collective space about the burning issues of our world. This Forum coincided with the uprisings in Tunisia and Egypt which brought a sense of renewed possibility.

ACORD brought a team of 36 staff and partners to Dakar, coming from ten countries across Africa. ACORD's francophone programmes took the lead, with coordination through ACORD's office in Mali. Pastoralism is a strong focus of ACORD's work in West Africa, and the Dakar Forum was an opportunity to highlight this, celebrating pastoralism as a viable means of livelihood through a range of activities. A workshop was held with speakers from pastoralist groups in Burkina, Mali, Chad and Ethiopia. Arguably upstaging all the human participants, the team was joined for a day by a camel, a cow, a sheep and a goat, which drew much attention, with the camel as the star turn. ACORD held a march in support of

pastoralism, led by the animals, and as crowds stopped to look, staff were able to answer questions and start conversations on pastoralist issues.

ACORD's engagement with pastoralist communities is also having a practical impact on the ground in Ethiopia. A female community representative in Dire district, Borana zone, explains the benefits of rangeland management:



“First bush encroached land was cleared to allow the grass to grow better. An area was reserved for hay production and it was harvested by community members at an agreed day. Thanks to this hay they managed to feed their animals through the dry period without travelling far distances as they used to.”

ACORD is also championing the voice of African pastoralists through organisations such as Coalition for European Lobbies on Eastern African Pastoralism (CELEP) which aims to get pastoralism onto the agenda of European decision makers and to get its value recognised. From the 20th to the 22nd of June a representative of ACORD Ethiopia attended a CELEP meeting in the UK. Pastoralism is often overlooked in European international development agendas, simply being amalgamated within 'agriculture'. When it is recognised, it is usually seen as a backward, outdated means of livelihood which will inevitably die out, with pastoralists seen just as 'victims' to be assisted. Instead, CELEP is trying to promote an understanding of pastoralists as economic actors whose development should be supported, and pastoralism as the most effective means of using arid lands - one that brings the highest sustainable rewards when the system is properly understood.

(C) Direct livelihoods support

ACORD seeks to concretely address livelihoods concerns through linking practical work at the grassroots level with advocacy on agricultural policies at all levels from local to global.

To sustain farming and food production, ACORD is supporting small scale farmers, particularly women, to improve their growing techniques, conservation methods and access appropriate inputs as well as increase their resilience to the impacts of climate change. They are also supported to organise into groups and networks, building, facilitating and consolidating social movements for food sovereignty and advocacy in order to demand their rights (access to land and water and other productive resources, access to and control of markets).

For example, in Rwanda, ACORD has supported 11,700 women headed households to register their lands, providing legal assistance where necessary. Food security has been achieved through access to the technical know-how in land protection, use and management, and the provision of implements and improved seeds to these households. Today, the protected and well used land has increased from 20% of an estimated 10,530ha to 85% in the targeted households. High yielding varieties of cassava, Irish potatoes and maize enabled farmers to double their production levels.

In the East and Horn of Africa in particular ACORD is improving the drought preparedness capacity of communities through practical interventions to increase community resilience against drought, animal disease and conflict. This includes supporting the construction and maintenance of water harvesting facilities, reclamation of communal reserve pasture land, supporting community based animal health programmes and livestock marketing initiatives.

ACORD is also engaged in water and sanitation both in rural and urban areas. In Kenya, Uganda, Ethiopia, Tanzania, Mozambique, Sudan and elsewhere ACORD and its partners are providing water, particularly in arid and semi-arid areas, including through construction and rehabilitation of boreholes, shallow wells, underwater tanks and facilities for rainwater harvesting.

In Tanzania, the villages of Rutunguru, Katemwa and Muganza reported benefits from increased access to clean water, improved sanitation and hygiene. *“The benefits of having water within our villages are enormous. People are now discussing personal hygiene because water is available within reach of everybody, even the elderly and those with physical disability. Reported cases of water-borne diseases are on the decrease. We are a happier community!”* 1,200 community members engaged in vegetable gardening at Rutunguru and Muganza villages reported increased income by 40% with reliable water supply from the improved sources during the dry season.

In all ACORD’s work community empowerment is central and all implementation therefore has a community education component to ensure the sustainability of the activities. For instance linked to work on water, a community level water management committee will be established and trained.

Gender and Women’s Rights



ACORD continues to push for an integrated approach in dealing with women’s economic empowerment and equal access and control of land between men and women. The results have been good in that women are now engaged in many income generating activities (increasing their influence in the household and society and reducing their vulnerability to poverty and hunger). Women are increasingly claiming their land rights and are part of national and regional policy forums where they contribute to the formulation of agriculture and pastoralist policies which are gender sensitive.

(Left Women farmers engage in an evaluation exercise)

In Rwanda, ACORD has supported a group 11,700 women headed households to register and protect their land as well as engage on land rights issues with local and national administrations. The new group of women leaders are now involved in solving land issues and in leading others to play a role in land policy implementation. The effect of the training is also visible in the caucuses where most of the members are aware of their rights and are ready to defend them. Now they know how to handle issues related to land and who they need to engage with.

Women's land rights are critical for women's own advancement first and foremost, but also to Africa's development. The global financial crisis, the food and fuel crises, and privatisation of large portions of customary land through land grabs, all contribute to the pressure on land and increasing the threats to women's land rights. Where large pieces of land have been allocated for energy production, large-scale agriculture or irrigation, women's access to land is reduced, making women more vulnerable to conflict, SGBV and HIV/AIDS. Women at the grassroots are adopting various strategies to secure their land rights in several countries in Africa. Despite the initiatives women still face challenges in securing their land rights. Laws and policies at international, regional and local level foster discrimination against women on issues of ownership, access and control of land. It is imperative that the land policy and law be reviewed where there is clear manifestation of discrimination.

In light of this, another key event in 2011 was a Pan African conference on Women's Land Rights jointly organised by Oxfam, ActionAid, and ACORD held from 30th May to 2nd June 2011 in Nairobi, Kenya. The conference brought together women and land rights activists and organisations including farmer associations, pastoralist groups, women survivor groups, lawyers, parliamentarians and academics that are committed to strengthening women's rights in Africa. Amongst other specific issues the conference focused on access to justice and reparations related to conflicts, SGBV and land. The conference which brought together over 160 participants resulted in a joint Communiqué and identification of key actions points.

In 2011, ACORD continued the campaign to contribute to the development of a culture of effective and efficient gender justice in the states of the Great Lakes Region that have emerged from or are in conflict. The campaign aims to restore dignity for survivors of SGBV by challenging impunity and bringing perpetrators of sexual and gender based crimes against humanity to justice while restoring their health and livelihoods through actions at country and regional level.

"Establishing trust funds for survivors of rape is a key part of the mechanisms governments should put in place to genuinely provide them with full and fair compensation for their ordeals." This was one of the findings which were presented by ACORD staff at a workshop on reparations for sexual and gender-based violence in the Great Lakes region of Africa. The workshop was held in New York as a side event to the annual meeting of the UN Commission on the Status of Women.

Restitution can make a huge difference to the livelihood of survivors of rape and violence against women and girls in Africa, but it is also vital in restoring their dignity and changing public attitudes. All the issues around the taboo topic of sexual and gender-based violence are neglected in the region, but restitution has been especially minimised. ACORD's

workshop discussed the findings of country case studies on the national provisions that currently exist in DRC, Kenya, Uganda, Tanzania and Burundi both in theory and in practice, and advocacy options for improving them.

ACORD also participated in a regional CSO experts meeting in Arusha, Tanzania from the 30th October presenting its research findings and tools such as the judicial audit, SGBV Index, social exclusion analysis and social contract methodology. As a result ACORD was invited to participate in the ICGLR Heads of States Summit on SGBV in Kampala, Uganda, 15-16 December 2011. The 2-day summit was attended by Heads of State from Zambia, Kenya, Tanzania, Burundi and the Vice President of the Republic of South Sudan. ACORD together with 11 other civil society and women's rights organisations issued a strong statement urging the Heads of States of the ICGLR to be on the front-line of the fight against sexual and gender based violence in Africa. The civil society organisations urged heads of state to declare zero tolerance on sexual violence crimes, allocate funding for prevention programs, institutionalise community policing, establish an independent regional impunity monitoring unit, establish national reparations fund for survivors of sexual violence and adopt a comprehensive SGBV framework. On the second day, in a historical gesture of solidarity, the Heads of State signed a declaration specifically highlighting prevention of SGBV, ending impunity, providing support to victims and survivors of SGBV and general resolutions touching on strengthening existing mechanisms, protocols and instruments.

HIV/AIDS

In 2011 great progress was made with regards to the work under the HIV/AIDS programme. In particular, ACORD accelerated its implementation of workplace policies, building the capacity of staff in ACORD's own offices and of partners to make themselves 'HIV competent'; mainstreaming HIV and AIDS into gender and livelihoods programmes.

ACORD promotes initiatives aimed at building HIV and AIDS competence within the organisation, as well as in programs. The HIV and AIDS mainstreaming initiatives in ACORD are grounded on the epidemic's negative effects on the livelihoods of target communities. In this regard, a workshop for addressing HIV and AIDS mainstreaming was conducted for ACORD and Oxfam staff and partners, aiming at strengthening participants' skills in analysing and addressing the effects and impacts of the HIV and AIDS epidemic in livelihoods initiatives. The workshop brought together 27 participants from ACORD and Oxfam partners including Gender, livelihoods, HIV and AIDS and monitoring and evaluation officers. The outcomes of the workshop were a harmonised understanding and use of tools for HIV and AIDS



The ACORD team and Kwame at the Village Community stand. Stigma is HIV silent weapon...say no to exclusion!

mainstreaming, monitoring and evaluation for HIV and AIDS mainstreaming initiatives, conducting risks and vulnerability analysis, documentation and capitalisation of good practices from HIV and AIDS mainstreaming initiatives. In addition participants reviewed their work place interventions and shared lessons on innovations for sustained workplace interventions in situations of resource limitations.

ACORD's work on HIV/AIDS culminated in its engagement at the ICASA 2011 conference in Ethiopia in December which was an advocacy platform to mobilise African leaders, partners and the communities to increase ownership, commitment and support to the HIV/AIDS response. ACORD, in partnership with Kenyan artist Kwame, launched its first song Stop the Stigma, during the Conference. The song denounces stigma and discrimination against Hard to Reach communities and vulnerable minority groups including people living with HIV, sexual and ethnic minorities, sexually abused women, people with disability, refugees among others. Kwame attended the conference as a goodwill ambassador along with a team of ACORD staff and partners, including five representatives from hard to reach communities.

CONFLICT and PEACEBUILDING

The official launch of the *Community Peace Recovery and Reconciliation Handbook*, a joint publication between ACORD, UNDP (The United National Development Programme) and NSC (National Steering Committee on Peacebuilding and Conflict Management) was held in Nairobi in March 2011.

The community peace handbook using the social peace and recovery model supports the divided and affected communities to take leadership to dialogue and negotiate social peace and come up with agreed social contracts for sustainable peace and recovery. A short film of the experience of implementing the model in Sotik and Borabu in Western Kenya in 2008-2009 was screened, movingly illustrating what is at stake.

Since the official launch ACORD, the National Security Council (NSC) and UNDP Kenya have been organising training of trainers (TOT) workshops throughout Kenya to equip local NGOs, CBOs and peace monitors with the skills to facilitate community peace and enable communities be more resilient to manipulation at the time of elections, using the handbook as a resource. This has generated a critical mass of citizens in the "political violence hotspots" and these are playing a key role in sensitising communities on the need for peaceful coexistence especially ahead of the upcoming elections in 2012. Given its significant contribution, ACORD has also been nominated to sit in the Kenya National Cohesion and Integration Commission standby mediation group.

As a result of these trainings and inter-community consultations a peace agreement was signed in October 2011 between the communities of Bukusu, Sabaoth and Teso in Mabanga, in the Mabanga area of Kenya's Western Province. The council of elders and other key opinion leaders from the 3 above mentioned communities were brought together by FPFK (Free Pentecostal Fellowship church of Kenya) to discuss issues contributing to conflicts among the three communities. This process took several forums and culminated in Mabanga for four days of intensive negotiations and signing of the peace agreement on the 5th day in the presence of the Vice President Kalonzo Musyoka and Commissioner Ahmed Yassin of the National Cohesion and Integration Commission.

ACORD's role in the process was to facilitate negotiations among the various committees and was the "Chief Facilitator" in charge of overseeing the whole process, as well as facilitating the key committee on land issues. The MP from Mount Elgon declined the invitation to participate in the Mabanga conference and dismissed the whole process as useless. This confirmed allegations linking politicians to recurrent conflicts in Bungoma and Transzoia counties.



The Kenya Vice President (who also attended the signing ceremony) commended the peace initiative, saying it sets a good example in peace, healing and reconciliation efforts in the country after the post election violence. He also added that it was time Kenyans regard as history the ugly situation the country underwent and forge for a united and peaceful country where everyone respects the rule of Law.

Successful peace agreements were also concluded in Chad during the reporting period. In April 2011 elders from communities in Chari Baguirmi Region of Chad put aside their initial resistance and agreed to give peaceful coexistence a chance. Through dialogue, the two communities of Elfass and Kadada have come back to the negotiating table to voice their concerns and seek viable solutions that can bring about non-violent management of natural resources.

Conflicts over control of land and water resources between farmers and pastoralists are common along the areas where farming and pastoralism inter-sect such as Chari Baguirmi, Guera, Hadjer Lamis and Ouaddaï prefectures. The conflicts usually arise from destruction of crop fields by livestock. In response, the resident farmers and agro-pastoralists erect barricades around farm areas and across passages leading to productive land. "Sometimes, the farmers and pastoralists were required to pay hefty fines to the authorities even when they were the aggrieved side, thereby heightening the tension", explains a member of a grassroots network.

ACORD has been addressing this delicate situation by providing mediation between the warring communities as well as others who are affected within the localities of Kadada and Elfass in Chari-Baguirmi Region. A consultation framework has been put in place which has facilitated dialogue enabling each side to express themselves freely on the causes of the conflicts. This programme has also incorporated a training component for the local authorities on effective conflict resolution techniques.



Photos-clockwise: a young pastoralist filling his water gourd; smiling faces following the peace agreement; children from a pastoralist community; happy woman; women who took part in the peace process; pastoralists and farmers during a peace gathering

ACORD creates space for dialogue between vulnerable groups, local authorities and different stakeholders to improve local strategies of management of natural resources and promote the emergence of an environment that is friendly to citizen participation in discussions, reflection and knowledge-sharing on issues affecting them.

This approach is proving effective as more farmers and pastoralists are knocking at the peace mediators' doors to be involved in the peace process. More than 150,000 people from the 4 regions have so far benefitted from the peace-building initiative. *"Thanks to the local peace-building framework we are ready to live as brothers and sisters. When a member of the network organises a celebration or a funeral, we provide moral, financial and material support. We are no longer enemies, we are now friends"*, says Moussa Hassaballa, a pastoralists' representative from Chari-Baguirma.

ACORD is engaged in similar processes in Guinea, Uganda and Burundi.

Strategic Direction 2 – Organisational Learning and Accountability

Facilitate organisational systems, inter-personal and inter-group relations which thrive on achievements, learning and innovation while administering appropriate levels of internal and external accountability and cohesion of organisational identity.

Under the second strategic pillar on **organisational learning and accountability** ACORD's work includes staff development, knowledge management, monitoring & evaluation and external accountability.

In 2011 staff development needs have been analysed. According to an agreed plan trainings have been facilitated by Area Programmes and others organised by the Secretariat's Senior Management Team. Of critical importance for financial, treasury and

grant management is the organisational upgrade and training in Sun systems – a key priority in Year 1 of the new strategic plan. In the final quarter of the year, replacement of hardware platforms in ACORD area programmes main data processing centres progressed as well as the Sun System refresher and end user trainings. By the end of 2011, Sun Systems training had been completed for 22 users at Head Office and from the Uganda, Rwanda and Burundi programmes.

Finance learning sessions were also held at this year's Annual Retreat held from the 28th of November to the 2nd December in Mombasa, Kenya. The focus of the finance team was on the capacity building and support especially in the areas of grant negotiation, management and reporting and audit process management. In addition to presentations by the Head of Finance and in-depth budgeting group work, two sessions were facilitated by Carr Stanyer Sims and Co, certified public accountants on 1) Risk Assessment and Internal Controls; focusing on High level controls and 2) preparing an audit.

As part of the new governance model, a Learning Forum on 'Aid and Development Effectiveness' was held in October 2011 to coincide with the ACORD Annual Board Meeting and General Assembly and provided an opportunity for ACORD and partners to think about the role of civil society in ensuring democratic ownership for sustainable development and social justice. With an increasingly complicated development agenda, it is unclear what the agenda post 2015 will be. In this area there is need for broad discussion within ACORD to ensure country contexts feed well into the final position we formulate and the Learning Forum was the place to kick-start this process. The forum's main objective was to establish concrete connections between ACORD and its partners' work and the Aid Effectiveness discourse. More than 60 participants with expertise in relation to international aid and development matters added value to the debates putting into context the meaning of aid effectiveness within the rapidly changing external environment.

In addition with various Area Programme strategies coming to an end, we have been providing technical support in the development of new strategies, emphasising alignment with the organisational strategic directions and thematic choices. Several strategic plan evaluation and development processes were initiated in 2011 specifically in Burundi, Chad, Ethiopia, Uganda, Tanzania, North Sudan and Mozambique and for the former 'Sahel' countries through contextual analysis and consultative processes with stakeholders. Two strategies (Ethiopia and Chad) were signed off before the end of 2011 allowing for programme resource mobilisation and implementation from 2012; a further three strategies are expected to be finalised in early 2012.

During 2011 another priority has been refining the organisational M&E system and tools including; review and development of the organisational strategy operational plan and performance measurement framework and the data collection and reporting formats. Efforts have been initiated to enhance programming staff capacity to better understand the organisational M&E tools in place, better capture and utilise relevant data, and increase emphasis on monitoring progress, results and the impact of our work. Programmes have also been supported in incorporating sound monitoring plans in their funding proposals and in their strategies.

Secretariat support and monitoring visits in the reporting period included Burundi, Burkina Faso, Chad, Ethiopia, Guinea, Mali, Mauritania, Mozambique, Rwanda, Uganda, Kenya, Tanzania, North and South Sudan. This allowed for greater understanding of how individual projects and activities sit within the larger programme and how to enhance linkages with Pan Africa Programming colleagues. It was also useful to interact with community beneficiaries and understand the various methodologies being used at field level. Following the arrival of the M&E coordinator and gender thematic manager in July 2011 enhanced gender integration in programme activities has been facilitated. Country programmes are now disaggregating data by gender and considering gender issues throughout programme planning, implementation and M&E activities.

The methodology of peer review and learning also informed the structure of the programme for the 2011 Annual Staff Strategic Retreat. The week long programme included a combination of plenary sessions and smaller break out groups on all topics: 1) budget review and finance; 2) programming; 3) visibility, partnership development and funding; and 4) organisational learning and accountability) with report back in plenary. Learning and peer exchange sessions on select topics were also facilitated by both external resource persons and internal staff members to allow for knowledge sharing as well as sharing of experiences and practice by different programmes.

Strategic Direction 3 – External Communication

Foster a robust communication strategy for ACORD’s impact and added value underpinning its advocacy work and supporting fundraising.

As part of the third strategic pillar, improving **external communication**, priority is given to: i) Enhance the efficiency of ACORD’s people-centred advocacy campaigns; ii) Increase traffic on the website, one of our most important and cost effective communication tools; iii) Get our messages across on mass media such as newspapers, magazines, radio or television and new social media; iv) Enhance the visibility and image of ACORD, and help increase public awareness on the issues we are working on; and v) Build consistent and powerful branding at local, national, regional, Pan African and international levels and increase ACORD brand awareness.

During 2011 the major priority and achievement was the launch of the French version of the website leading to increased traffic on the website as well as a marked increase in interaction, engagement and contributions from Francophone country programmes.

ACORD’s quarterly newsletters were completed on schedule in 2011 and disseminated in early April, July, October and December. The newsletters have been published in ACORD’s three working languages, English, French and Portuguese and the last two issues in 2011 were also released as an E-newsletter.

Building strong relations with media houses is a key objective of ACORD to enhance the visibility and impact of ACORD’s work. A partnership with a major radio in Kenya (Capital FM) through its CSR website (Capital FM Cares) will give ACORD access to a massive web-based constituency to drive more traffic on our website and increase our visibility as well as effectiveness of web-based campaigns. A partnership with A24 Media (the 1st Pan-African online media agency for video, pictures and text) to increase ACORD’s visibility,

flexible revenues and campaign efficiency is to be launched and gradually expanded (according to ACORD's capacity to regularly provide quality video, pictures and text).

ACORD also launched a number of films with the aim of documenting and sharing experience and lessons learnt from ACORD's programmes while also increasing the visibility of ACORD's work in the external environment. Films include:

- **Ethiopia:** An Impact Assessment of ACORD's work with Iddirs (traditional funeral associations in Ethiopia) which was launched during a workshop in Addis Ababa in August 2011 to disseminate the findings of the study to participants from universities, NGOs, Government, community associations and the media
- **West Africa:** A promotional film which showcases, people and groups empowered by ACORD and its local partners illustrating how a community-owned response is a key success factor for lifting the most marginalised out of poverty and for ensuring their sustainable development
- **Rwanda:** a 30 minute film documenting ACORD's work with Child-Headed Households as well as the reasons behind the recurrence of Child-Headed Household Phenomenon in post-conflict Rwanda

Strategic Direction 4 – Quality Funding

Enhance the level of quality funding by mobilising unrestricted funding and funds for institutional development, attracting additional funding from non-traditional sources.

In relation to **quality funding**, the fourth strategic pillar, the priorities are to: i) Secure Funding for ACORD's Strategic Objectives; ii) Nurture existing institutional partnerships; iii) Mobilise unrestricted funding, including through an online shop and donation facility and fundraising events; iv) Be proactive in resource mobilisation and go beyond traditional donors, e.g. to corporations, African Diaspora groups and university students, and explore ways for ACORD to generate its own income; iv) Mobilise core funding and funds for institutional development by implementing a full cost recovery approach and fundraising for the institutional development programme; and v) Secure Long-Term Strategic Funding Agreements.

As part of reinforcing continued thematic alignment and securing funds for ACORD's strategic objectives, we have been reviewing project proposals to support programmes to develop funding proposals that respond to the organisational choices. Thematic alignment requires continuous capacity enhancement, communication and information-flow. Thus efforts have been increased to facilitate regular discussions with programmes using cost effective platforms such as Skype and e-discussion groups for information exchange and learning on various thematic areas. Continued emphasis on diversifying programming partnerships and resource mobilisation is critical in adapting to environmental dynamics. Programmes are thus being encouraged to intensify partnerships.

In addition to support visits continuous technical backstopping is being provided remotely to Area Programme Staff on funding opportunities, proposal writing and development and donor engagement.

As relates to longer-term funding, in the reporting period, work progressed on the renewal of ACORD's Pan Africa programme for the period from 2012 onwards. Engagement with existing donors was made, who all expressed a commitment to continue funding the programme next year. In addition a 4-year Pan-African proposal on women's rights: including land rights, economic assets, and increased women's participation in gender responsive programmes, policies and services as relate to land, agricultural development, women's protection and reparations at national and REC's level, was approved by the Dutch government for funding from 2012. To date these efforts have resulted in over 1 million GBP per year secured for ACORD's Pan Africa programme in 2012.

In the reporting period, we continued to give increased emphasis to donor courtesy visits. We have also continued work on improving the online donation facility on the ACORD website and to explore ethically screened corporations. Kenya will be a pilot project for testing fundraising from individuals.

ACORD is in the process of registering for an M-PESA corporate account (mobile-based money transfer service which will allow ACORD to easily receive donations from individuals in Kenya in addition to our online donation system – Kenya has approx. 10 million M-PESA subscribers).

Still, submission of fundraising proposals remains our main fundraising activity. This is coordinated by the Secretariat based funding officers, who also review funding proposals submitted to donors at country level.

PLANS FOR THE FUTURE- PRIORITY GOALS FOR THE YEAR 2012

2012 will be the second year of implementation of ACORD's Strategic Plan for 2011 to 2015.

ACORD will continue to build on the progress made in all areas and will focus on delivering activities designed to help ACORD achieve its organisational objectives.

Under the first strategic direction on **coherent programming**, ACORD's will continue to:

- i) Strengthen the livelihoods of marginalised communities and their capacity to successfully advocate for their rights and improve welfare through the achievement of food sovereignty;
- ii) Build knowledge on positive gender relations and effective ways of addressing gender inequalities with a view to improving women's status, development and influence;
- iii) Promote learning, strengthen capacity and develop effective partnerships to influence thinking, policy and practices on HIV and AIDS in Africa and to achieve 'Universal Access'³ as a means of eliminating HIV/AIDS related rights abuses;

³ Universal access to prevention, treatment, care and support for HIV, as promised in MDG6 and by the G8 in 2005.

iv) Facilitate an enabling environment where marginalised communities become effective agents of conflict prevention and peace building, to support inclusive stability and development in the continent.

To contribute to this, ACORD will internally (v) Maximise the impact of ACORD's work through more targeted and synergised programming at area programme and pan-African levels.

The second strategic pillar on **organisational learning and accountability** includes staff development, knowledge management, monitoring & evaluation and external accountability. More specifically we will: i) Continuously ensure clarity of purpose and common vision through improved communication of ACORD's organisational objectives, key stand-points and evolving methodologies; ii) Create an enabling environment for individual staff members to engage in professional growth, informal learning and development to allow them to contribute to the delivery of the organisation's responsibilities and institutional learning; iii) Improve M&E and accountability for internal and external purposes, while supporting the climate for learning and innovation; and iv) Expand the opportunities for organisational learning and knowledge management through complementing sound infrastructure, tools and procedures with specific face-to-face and technologically-facilitated exchanges.

As part of the third strategic pillar, improving **external communication**, priority is given to: i) Enhance the efficiency of ACORD's people-centred advocacy campaigns; ii) Increase traffic on the website, one of our most important and cost effective communication tools; iii) Get our messages across on mass media such as newspapers, magazines, radio or television and new social media; iv) Enhance the visibility and image of ACORD, and help increase public awareness on the issues we are working on; and v) Build consistent and powerful branding at local, national, regional, Pan African and international levels and increase ACORD brand awareness.

In relation to **quality funding**, the fourth strategic pillar, the priorities will be to: i) Secure Funding for ACORD's Strategic Objectives; ii) Nurture existing institutional partnerships; iii) Mobilise unrestricted funding, including through an online shop and donation facility and fundraising events; iv) Be proactive in resource mobilisation and go beyond traditional donors, e.g. to corporations, African Diaspora groups and university students, and explore ways for ACORD to generate its own income; iv) Mobilise core funding and funds for institutional development by implementing a full cost recovery approach and fundraising for the institutional development programme; and v) Secure Long-Term Strategic Funding Agreements.

FINANCIAL REVIEW

INCOMING RESOURCES: Incoming resources during the year under review has gone up by 12% to £9.602 million (2010 £8.426m). Income from member organisations has increased slightly to about 6% (5% in 2010) despite continued structure changes in the membership that resulted in former members being classified under "other private institutions". Income from "other private institutions" has continued to grow and in the year under review it accounted for

53% of incoming resources. Both bilateral and multilateral funding institutions have continued to be main supporters in 2011 bringing in 24% and 17% respectively.

During the year, there was continued support from our main institutional donors. Contributions from 8 of the largest funders (Oxfam Novib, CCFD, The Governments of Netherlands, Comic Relief, UNHCR, CIDA, Oxfam Intermon and Cordaid) accounted for 62% of the total funding received during the financial year 2011.

RESOURCES EXPENDED: Total expenditure went up by 9% to £9.481 million from £8.674 million in the 2010 financial year. This increase in expenditure is mainly due to an increased investment in our advocacy work at Pan-African level in particular related to agriculture policies. This has been supported by a general increase in resources available during 2011 at the country programme level. During the year expenditure related to programmes and related support costs represented over 95% of expenditure up from 92% in previous year highlighting increased efficiency in our operations.

The continued thematic alignment of our work at country level with our Pan-Africa programming focused on food sovereignty has continued to make our work increasingly attractive to development partners. It is our expectation that this will lead to more flexible funding opportunities targeting regional and thematic programmes in the coming year.

Restricted funds carried forward at the end of the year stood at £273k (£230k for 2010). Unrestricted reserves have increased by £78k from £814k in 2010 to £892k in 2011. This level of reserves is in line with our policy of retaining a minimum amount of £800k in unrestricted funds.

RESERVES POLICY: The trustees have examined the requirement for free reserves which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The policy objective is "to maximise the programme impact to beneficiaries and maximise the value of net income". The trustees review the reserves policy on an annual basis in light of the new strategic policies and future commitments. The trustees consider that given the nature of ACORD's work, ideally the general reserve should be in the region of £800k. At the current level of operation, this amount is sufficient to cover six months worth of operating costs which gives the organisation flexibility to cover temporary timing differences for grant claims, adequate working capital for our core costs, and will allow ACORD to respond quickly in unexpected situations. General reserves currently stand at £892k and the trustees consider this amount as adequate.

INVESTMENT POLICY: ACORD's investment objective is to maximise the return of its investment funds while maintaining maximum security, managing organisational risk and a high degree of liquidity to allow a response to operational needs. To meet this objective ACORD invests in fixed term or call deposits with a high security rating and either fixed interest rates or with a fixed relationship to base rates. During the year, there was no equity investment held by ACORD. The board of trustees reviews ACORD's investment policy annually.

RISK MANAGEMENT: ACORD's risk policy identifies the process of overseeing the risk management function as key responsibilities of the board of trustees. To perform this

function, the board of trustees reviews ACORD's key risks regularly as part of the strategic plan monitoring process.

In this role, the trustees determine the appropriate level of risk exposure for the organisation; approve major decisions affecting ACORD's risk profile, set standards and expectations of management with respect to conduct and probity. They also lead the risk identification, monitoring and management process with the aim of reducing the likelihood and impact of the identified risks.

Through this process, combined with the review of controls over key financial systems carried out through a structured audit programme of each country of operation, the trustees have provided ACORD with adequate risk assurance. A similar comprehensive mechanism to manage the operational and business risks that ACORD faces on a regular basis is incorporated in the country level strategic plans. Through this mechanism, risk mapping, analysis, and mitigation processes are carried out by the trustees and management in a more structured way.

Overall, the organisation recognises two main risk areas arising from the work we do.

One is related to the nature of some of ACORD's work in marginalised areas of Africa often affected by extreme poverty and conflict. This requires active acceptance and management of some risks in undertaking activities in order to achieve the objectives of the charity.

The other relates to the uncertainty linked to ongoing grant negotiations with donors and the local conditions in the diverse operating areas in Africa. On an ongoing basis, we monitor this risk linked to grant uncertainty as it may affect availability of resources for ACORD to carry out its mandate. In addition, we monitor the changing operating conditions for any material changes on the ground that may make it impossible to implement planned activities. We are however confident that there are adequate mitigating measures in place to guard against the impact of these risks

STATEMENT OF TRUSTEES' RESPONSIBILITIES:

The trustees (who are also directors of ACORD for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the 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 company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

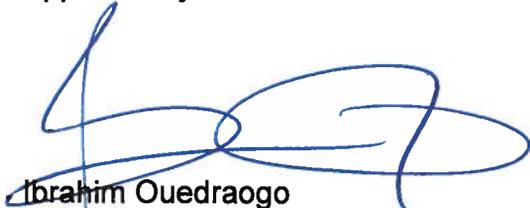
In so far as the trustees are aware:

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

AUDITORS

Crowe Clark Whitehill has indicated its willingness to be reappointed as statutory auditor

Approved by the Board of Directors and signed on their behalf by:



Ibrahim Ouedraogo
Chair of the Board

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACORD

We have audited the financial statements of ACORD for the year ended 31 December 2011 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

We read all the information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Pesh Framjee

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

London

Date 26 September 2012

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Statement)
 Year ended 31 December 2011

	Notes	Unrestricted Funds £ 000	Restricted Funds £ 000	Totals 2011 £ 000	Totals 2010 £ 000
INCOMING RESOURCES FROM GENERATED FUNDS					
Interest income		-	-	-	-
Donations and similar incoming resources	2	6	-	6	9
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES					
Resources from government and other public authorities	3	2,309	7,287	9,596	8,417
TOTAL INCOMING RESOURCES		2,315	7,287	9,602	8,426
RESOURCES EXPENDED					
Charitable activities	4	1,950	7,390	9,340	8,500
Governance costs	4	107	34	141	174
		2,057	7,424	9,481	8,674
Net Income (expenditure) for the year		258	(137)	121	(248)
Net movement in funds		(180)	180	-	-
Fund balance at 1st January 2011		814	230	1,044	1,292
Fund Balance at 31 December 2011	5	892	273	1,165	1,044

All income and expenses arise from continuing activities.

There are no other gains or losses other than shown in statement of financial activity

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

BALANCE SHEET

COMPANY NUMBER 1573552

AS AT 31 December 2011

	Notes	2011 £000	2010 £000
TANGIBLE FIXED ASSETS	8	<u>15</u>	<u>19</u>
CURRENT ASSETS			
Debtors	9	1,733	1,551
Cash at bank and in hand	10	828	919
		2,561	2,470
CREDITORS			
Amounts falling due within one year	11	(1,411)	(1,445)
NET CURRENT ASSETS		<u>1,150</u>	<u>1,025</u>
NET ASSETS		<u>1,165</u>	<u>1,044</u>
FUNDS			
Net restricted funds		273	230
Unrestricted funds		<u>892</u>	<u>814</u>
		1,165	1,044

The accompanying notes on pages 32 to 45 are an integral part of the financial statements

Approved by the Board of Directors:

Ibrahim Ouedraogo, Chair

Date:



Jacqueline Williams, Hon. Treasurer

Date:

26/09/2012.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

CASHFLOW STATEMENT

Year ended 31 December 2011

	Notes	2011 £000	2010 £000
Net cash inflow from operating activities		206	278
Capital expenditure and financial investments			
Purchase of tangible fixed assets	8	(297)	(209)
Decrease in cash for the year		(91)	69
		2011 £000	2010 £000
ANALYSIS OF NET FUNDS			
Cash at bank and in hand	10	828	919
		828	919

		2011 £000	2010 £000
Net incoming/(outgoing) reserves		121	(248)
Depreciation	8	301	211
(Increase)/decrease in debtors	9	(182)	411
Increase/(decrease) in creditors	11	(34)	(96)
Net cash inflow from operating activities		206	278

ANALYSIS OF CHANGES IN NET FUNDS

		2011 £000	2010 £000
Increase in cash	10	(91)	69
Net funds at 1 January		919	850
Net funds at 31 December		828	919

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and they comply with the requirements of the charity's governing document. Specifically, they have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and companies Act 2006.

Since the Statement of Financial Activities provides the information required by the Companies Act 2006, no separate statement of income and expenditure has been provided.

The charity, in common with other international non-governmental organisations is dependent on the support of key funders, some of whom have not yet committed to future funding. The directors having considered cash flow, income streams and operations believe that the charity has adequate resources to continue operational existence for the foreseeable future and the accounts have been prepared on a going concern basis.

Fund accounting

General unrestricted funds comprise accumulated surpluses and deficits on general funds and are available for use at the discretion of the trustees in furtherance of the objects of the charity.

Restricted funds are funds subject to specific restrictions imposed by the donors. The purpose of the restricted funds is set out in the notes to the financial statements.

Incoming resources

All income is accounted for when the charity is legally entitled to such income, there is reasonable certainty of receipt and the amounts can be quantified. Incoming resources are all reported gross and the Statement of Financial Activities recognises all incoming resources becoming available to the charity during the year.

Where a grant for expenditure in a future accounting period is received in advance its recognition has been deferred. Deferred income is shown separately in creditors. Where only part of the grant is restricted to future accounting periods, the grant is apportioned over time on a pro rata basis.

Resources expended

The reported amount of resources expended represents total amount spent in the year on an accrual basis after adjustment has been made for all known liabilities at the year-end .

Expenditure on overseas programmes comprises all direct programme expenditure, and all the staff and related costs of country and regional offices.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (Continued)

Programme support costs comprise expenditure incurred in respect of the secretariat based staff responsible for management and supervision of, and support to, overseas programmes and an appropriate allocation of central overheads.

Central overheads are allocated to programme support and programme research only on the basis of their use of central support services.

Governance costs comprise central management and administration costs not allocated to other activities, that is the costs of management of the charity's assets, organisational (as opposed to programme) management and administration, financing and compliance with constitutional and statutory requirements. All expenditure in negotiating grants and contracts is charged to charitable expenditure.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost. Depreciation is calculated to write off the cost of tangible fixed assets on a straight line basis over their expected useful lives as follows:

Office equipment	25%
Computer equipment	33%
Leasehold premises	over the period of the lease
Assets held in Area programmes	100%

The directors depreciate fully equipment and motor vehicles purchased or donated for use overseas in the year of their acquisition, since their anticipated lives cannot be readily determined due to the uncertainty and diversity of conditions overseas. However, those assets continue to be monitored through a memorandum account for a period of three years after which, it is the charity's policy to write these assets out of the accounting records. Those assets continue to be monitored after this period by means of fixed asset inventories.

Foreign currencies

Transactions in foreign currencies during the year are translated into sterling at the rates prevailing in the country at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the year-end exchange rate. All transaction differences arising are dealt with in the statement of financial activities.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (Continued)

Pension costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity.

Credit funds

All investments in microcredit funds are treated as expenditure in the year of the input. When such microcredit schemes are managed directly by ACORD, the net assets held in credit funds are recognised in the balance sheet as part of assets. Those credit schemes where grant funds are transferred to intermediary organisations that manage the loans outside of ACORD's books of accounts are not consolidated in the balance sheet. However ACORD continues to monitor the operation of such schemes until phase out of the programme and related grant reporting. During the year under review, there were no microcredit schedules with funds directly managed by ACORD.

Operating leases

Rental income and expenditure applicable to the operating leases are charged to the statement of financial activity in the period to which the cost relate.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
NOTES TO THE ACCOUNTS

INCOMING RESOURCES:

2. DONATION AND OTHER SIMILAR INCOMING RESOURCES

	Notes	Unrestricted Funds £ 000	Restricted Funds £ 000	Total 2011 £ 000	Total 2010 £ 000
Donations		6	0	6	9
	17	6	0	6	9

3. ACTIVITIES IN FURTHERANCE OF CHARITABLE ACTIVITIES

RESOURCES FROM GOVERNMENT AND OTHER PUBLIC INSTITUTIONS

		Unrestricted Funds £ 000	Restricted Funds £ 000	Total 2011 £ 000	Total 2010 £ 000
Members		204	405	609	414
Other private institutions		825	4,237	5,062	4,400
Multilateral funding institutions		0	2,193	2,193	1,733
Bilateral funding institutions		1,280	452	1,732	1,870
	17	2,309	7,287	9,596	8,417

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
NOTES TO THE ACCOUNTS

4. ANALYSIS OF RESOURCES EXPENDED

Resources expended

	Unrestricted Funds £ 000	Restricted Funds £ 000	Support cost allocation £000	2011 £000	2010 £000
Charitable activities					
Livelihood	679	5,060	251	5,990	5,874
HIV/AIDS	150	951	47	1,148	799
Conflict	81	716	35	832	699
GENDER	661	675	34	1,370	1,128
	1,571	7,402	367	9340	8,500
Governance costs					
Board and Assembly	38	-	-	38	45
Statutory reporting	32	-	-	32	45
Auditing	37	-	-	37	38
Management	-	-	34	34	46
Total	107	-	34	141	174
Total Resources Expended	1,678	7,402	401	9,481	8,674

Support costs and the basis of their allocation

	2011 £000	2010 £000
Directorate	110	85
Financial and HR Management	82	144
Information technology and communication	32	18
Programme & Partnership development	109	150
Programme support	2	63
Governance costs	32	46
TOTAL	367	506

Support costs are allocated across the expenditure categories on the basis of an estimate of time spent.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
NOTES TO THE ACCOUNTS
5. FUNDS MOVEMENT

Programme	Balance	Movement	Movement	Balance
	1st Jan 2011	Incoming	Outgoing	31 Dec 2011
	£000s	£000s	£000s	£000s
Angola	1	0	(0)	1
Burundi	197	874	(626)	445
Congo (D.R.C)	(138)	98	(133)	(173)
Ethiopia	261	650	(726)	185
Kenya	(18)	92	(167)	(93)
Lake Victoria	7	279	(342)	(56)
Mozambique	(73)	240	(245)	(78)
Uganda	(25)	1,305	(979)	301
Rwanda	307	1,019	(795)	531
Sahel 1	(98)	860	(1064)	(302)
Sahel 2 (Lake Chad)	73	187	(368)	(108)
Southern Sudan	(136)	253	(431)	(314)
North Sudan	(128)	1,610	(1,548)	(66)
Total Restricted funds	230	7,467	(7,424)	273
General fund	814	2,314	(2,236)	892
Total fund balance	1,044	9,781	(9,660)	1,165

Deficit balances are created by expenditure which has been incurred in anticipation of income. The trustees anticipate that any deficit balance above will be covered by future income in excess of expenditure. Hence the trustees have decided to carry forward those deficits into the future years

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
NOTES TO THE ACCOUNTS

6. STAFF NUMBERS AND EMOLUMENTS

	2011	2010
Functional categories	N°	N°
Management	39	36
Administration and Finance	160	185
funding and communication	16	16
Programming	161	176
The average number of employees throughout the year was:	376	413

	2011	2010
Aggregate emoluments	£000s	£000s
Salaries	2,207	2,162
Social security costs	96	105
Pension costs	64	43
Total	2,367	2,310

There were no employees whose emoluments exceeded £60,000 (2010-Nil)

7. NET OUTGOING RESOURCES ARE AFTER CHARGING:

	2011	2010
	£000s	£000s
Audit fees head office	26	26
Audit fees area programmes (paid to firms other than Crowe Clark Whitehill)	57	72
Other non-audit services	11	12
Depreciation	301	211
	395	321

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
NOTES TO THE ACCOUNTS

8. TANGIBLE FIXED ASSETS

	Leasehold Property £000	Office and Computer Equipment £000	Assets held in Area Programmes £000	Total £000
At 1 January 2011	49	193	600	842
Additions	0	9	288	297
Disposals	<u>0</u>	<u>0</u>	<u>(179)</u>	<u>(179)</u>
At 31st December 2011	49	202	709	960
Accumulated Depreciation				
At 1 January 2011	42	181	600	823
Charge for the year	2	11	288	301
Disposals	0	0	(179)	(179)
	<u>44</u>	<u>192</u>	<u>709</u>	<u>945</u>
NET BOOK VALUE	<u>5</u>	<u>10</u>	<u>0</u>	<u>15</u>
At 31st December 2011	5	10	0	15
At 31st December 2010	7	12	0	19

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
NOTES TO THE ACCOUNTS**

9. DEBTORS

	2011 £000s	2010 £000s
Programme debtors	1,517	1,451
Other debtors	180	61
Prepayments	36	39
	1,733	1,551

10. CASH AT BANK AND IN HAND

	2011 £000s	2010 £000s
Cash held in UK	172	319
Cash held overseas	656	600
	828	919

11. CREDITORS: amounts falling due within one year

	2011 £000s	2010 £000s
Accruals	216	89
Other creditors	348	355
Deferred income (see note 18)	847	1,001
	1,411	1,445

Deferred income relates to grants received in the year but relating to future periods.

All balances brought forward have been utilised during the year

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
NOTES TO THE ACCOUNTS**

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2011 are represented by:

	Unrestricted funds £000s	Restricted funds £000s	Total funds £000s
Tangible fixed assets	14	0	14
Current assets	828	1,734	2,562
Current liabilities	50	(1,461)	(1,411)
Total net assets	892	273	1,165

13. TRUSTEES' REMUNERATION

	2011	2010
	£000s	£000s
Travel and related expenses reimbursed to 11 trustees	32	52

Indemnity insurance is provided for all trustees of ACORD.

	2011	2010
	£000s	£000s
Premiums paid were	6	6

No trustees received any remuneration in the year (2010: nil)

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
NOTES TO THE ACCOUNTS**

14. TAXATION

ACORD is a registered charity and is potentially not liable for corporation tax on its income and gains under sections 466 – 517 of The Corporation Tax Act 2010 to the extent that is applied to the charitable activities. The charity has borne VAT on its expenditure where appropriate.

15. STATUS

The charity is a company limited by guarantee and has no share capital. The maximum liability of its members is £ 1.

16 OPERATING LEASE COMMITMENTS

	Land and Buildings	others	Total	Total
	£000s	£000s	2011 £000s	2010 £000s
On leases which expires in				
In year two to five	5	0	5	7
Total	5	0	5	7

17. RESOURCES FROM GOVERNMENT AND OTHER PUBLIC INSTITUTIONS

	2011 £000s	2010 £000s
MEMBER ORGANISATIONS		
CCFD	479	278
Inter Pares	62	28
Mani Tese	68	108
Sub total	609	414

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
NOTES TO THE ACCOUNTS

17. RESOURCES FROM GOVERNMENT AND OTHER PUBLIC INSTITUTIONS

OTHER PRIVATE INSTITUTIONS	2011	2010
	£000s	£000s
Action-Aid	32	15
American Jewish World Service	129	62
Amnesty International	152	0
American Refuge Council	71	0
⁴ Big Lottery Fund	199	157
Brot Fur Die Welt	45	39
Care International	14	(34)
Civil Society Fund	0	99
Caritas Suisse	29	0
Community Land Alliance	38	0
Comic Relief	447	333
CORDAID	408	131
Counterpart International	0	51
Cuts International	1	22
EASUN	75	0
Foundation Leger Canada	(15)	77
Foundation Open Society Inst	137	74
Foundation Roi Baudouin	71	0
GEZA Gemeinnuetzige Gmbh	30	27
Isle Of Man	0	55
HEKS (Swiss Inter-church Aid)	46	71
HIVOS People Unlimited	76	114
International HIV//AIDS Alliance	206	0
Snap Sudan	26	0
Misereor - Burkina	91	68
Others	119	80
Oxfam G.B	110	49
Oxfam Hong Kong	138	89
Oxfam Intermon	457	409
Oxfam Ireland	236	112
Oxfam Novib	1,749	1,907
Plan International	9	23
RWECO Uganda	28	29

⁴ all funds from Big Lottery Fund were treated as restricted

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
NOTES TO ACCOUNTS

17. RESOURCES FROM GOVERNMENT AND OTHER PUBLIC INSTITUTIONS

OTHER PRIVATE INSTITUTIONS (Cont.)	2011	2010
	£000s	£000s
Independent Development Fund	0	33
Trans-cultural Psychosocial Organisation(TPO)	9	12
Samaritan Austria	53	0
TROCAIRE	(153)	251
Water AID	5	21
Reseau Burundais Personnes Vih	0	33
Sub total	5068	4409

Multilateral funding institutions

European Community	207	410
IFAD	75	80
UN FAO	67	88
UNDP	243	43
UNICEF	23	(22)
UNIFEM	12	43
UNHCR	1,173	1022
UNESCO	0	35
UNFPA	392	34
Sub total	2,192	1,733

Bilateral Funding institutions

Belgian Government	(5)	29
DFID (UK) **	255	110
Mauritania Government	0	11
States of Jersey	98	38
Canadian government (CIDA)	624	521
Uganda Government	38	71
Netherlands Government	656	667
USAID		(53)
Government of South Sudan	109	247
Guernsey Overseas aid commission	37	0
Agence Francaise de Developpement	(79)	229
Sub total	1,733	1,870

GRAND TOTAL	9,602	8,426
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** In 2011 there were two running grants CSCF 514 (Mozambique) & CSCF 549 (DRC)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
NOTES TO ACCOUNTS

18. ANALYSIS OF DEFERRED INCOME AS AT DECEMBER 31, 2011

Donor	2011 £000s	2010 £000s
OXFAM NOVIB	564	743
Oxfam UK	24	0
CCFD	159	0
Comic Relief	0	77
Directorate Of Water Resources (Uganda)	0	19
European Commission	36	0
FNUD	37	0
Big Lottery Fund	0	26
Foundation For Open Society Inst.(FOSI)	0	136
Samaritan Austria	27	0
	<hr/> 847	<hr/> 1,001

Deferred income relates to grants received in the year but relating to future periods.
 All balances brought forward have been utilised during the year

19. RELATED PARTY TRANSACTIONS

During the financial year, there were no related party transactions