



RESTLESS DEVELOPMENT
(A Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 2017

Registered Company Number: 6741123
Registered Charity Number: 1127488

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH SEPTEMBER 2017**

TRUSTEES

Anand Aithal	Appointed: 10 April 2017
Hannah Bronwin	
Affan Cheema	
Jennifer Duvalier	Resigned: 29 November 2016
Charlotte Eaton, Chair	Appointed Chair: 24 April 2018
Jonathan Gorrie	
Martin Hayman, Chair	Resigned: 24 April 2018
Tom Kabuga	Resigned: 10 April 2017
Carol Monoyios	
Matthew Otubu	
Aamirah Patel	
James Sewell	
Myles Wickstead	

FINANCE & AUDIT COMMITTEE

Jonathan Gorrie, Chairman	
Anand Aithal	Appointed: 10 April 2017
Hannah Bronwin	
Tom Kabuga	Resigned: 10 April 2017

CHIEF EXECUTIVE

Nik Hartley OBE

CHIEF OPERATING OFFICER

Perry Maddox

FINANCE DIRECTOR

Ben Sheahan	Resigned: 25 July 2017
James Sole	Appointed: 1 July 2017

BUSINESS DIRECTOR

Gemma Graham

PEOPLE AND PERFORMANCE DIRECTOR (UNTIL 30 APRIL 2017)

Natasha Kate Muhwezi

PROGRAMMES DIRECTOR

Ed Francis

QUALITY ASSURANCE DIRECTOR (1 MAY 2017 ONWARDS)

Natasha Kate Muhwezi (maternity leave from mid-May 2017)

Graham Leigh (maternity cover since May 2017)

STRATEGY DIRECTOR

Alex Kent

REGISTERED ADDRESS

8 Wootton Street	Until 31 October 2017
London	
SE1 8TG	

35-41 Lower Marsh	Since 31 October 2017
London	
SE1 7RL	

BANKERS

Barclays Bank Plc
1 Churchill Place
London E14 5HP

AUDITORS

Haysmacintyre
10 Queen Street Place
London EC4R 1AG

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 30th September 2017.

ORGANISATIONAL STRUCTURE, GOVERNANCE AND MANAGEMENT

Restless Development is a youth-led development agency committed to mobilising young people as an effective human resource in social development efforts, and in empowering young people to take up a leadership role in addressing the most urgent issues facing them at community, national and global levels. Under its new global strategy, Restless Development has four primary goals all focused on young people: a voice, a living, sexual rights and leadership.

Restless Development continued to be active with a full-time presence and set of programmes during 2016/17 in India, Nepal, Sierra Leone, South Africa, Tanzania, Uganda, UK, Zambia and Zimbabwe. Restless Development operates in each of these Hubs through a locally registered organisation and treats these organisations as branches for the purpose of preparing consolidated accounts.

Restless Development is an Agency driven by its Hubs. Each Hub has a Hub Director who leads the Hub and the staff who implement the work of the Agency and support Volunteer Peer Educators (VPE) and alumni in the implementation of programmes. The Hub Director also functions as a member of the Global Leadership Team and liaises with a dedicated member of the Senior Leadership Team for support of issues related to strategy and alignment with global Restless Development objectives.

Restless Development International provides support, direction and oversight of all of the organisation's activities. It is led by a Chief Executive, based in London, who is supported by a Senior Leadership Team of seven Directors and a team of salaried employees. The policy of Restless Development is to work towards all Hubs being self-sufficient financially, sourcing funds from government, private sector, bi-lateral and multi-lateral institutions, with support as necessary for fundraising from Restless Development International.

Governing Documents

Restless Development, founded originally in 1985, is a Charitable Trust governed by its Memorandum and Articles of Association dated 9 February 2012. It is registered with the Charity Commission (No. 1127488). Restless Development is also a company limited by guarantee; the company's registered number is 6741123.

Restless Development has undertaken a review of the Board in light of the Charity Governance Code to assist the Trustees in assessing the degree to which the Code is already being applied and where further work is required. This has taken place in the first half of 2017/18.

Recruitment and Appointment of Trustees

Restless Development's Trustees conduct an annual review of the board's skills and networks. This information is then used to identify potential gaps during the recruitment of new Trustees. New potential Trustee candidates can be put forward by any Trustee, Patron, the Chief Executive or Senior Leadership Team. Once put forward, prospective Trustees are interviewed by a minimum of two current Trustees, including the Chairman, and also meet with the Charity's Chief Executive. The interview process is meant to inform both parties, providing the individual with a solid grounding in Restless Development's strategic aims, programmes and priorities, as well as familiarity with the Trustees' Terms of Reference, meetings schedule and expectations. If the prospective Trustee is assessed to be a good fit with the Charity's aims, values and the existing mix of Trustee skills and networks, the current Trustees vote on whether the individual should join the group.

Training of Trustees

Trustees are recruited for their specific skills and experience to meet organisational priorities and ensure a wide range of specialist areas. Training for Trustees is conducted in two ways:

1. Trustees Induction: Each Trustee, following appointment, has an induction meeting with the Chair, the Chief Executive and members of the Senior Leadership Team covering the organisation's background, current focus and strategy and key documents.
2. Trustees Away Days: Trustees hold an annual Away Day where a wide variety of topics are covered, depending on priority areas for Trustee training identified by the Chairman, the Trustees and the Chief Executive.

3. Safeguarding training: Two Trustees are nominated and trained as Safeguarding Officers. They have oversight of and ultimate responsibility for a comprehensive set of policies, reporting processes and agency training plans that are led through the People Unit. Reporting through our Lead Safeguarding Officer (Quality Assurance Director), a Safeguarding team of five (all trained) has been established to drive a Safeguarding culture throughout the agency. The (Trustee) Safeguarding Officers work with the agency's Lead Safeguarding Officer and Safeguarding team on both the ongoing Safeguarding processes and any incidents as they arise. As and when a Trustee with this responsibility stands down a new Board member is identified and trained.

Restless Development operates planning and budgeting systems with an annual budget reviewed by the Finance & Audit Committee and approved by the Trustees. Any significant changes to these plans are subject to Trustees' approval. Revised forecasts are undertaken quarterly during the course of the year, and reviewed by the Finance & Audit Committee and the Trustee Board. Restless Development's financial reporting system compares actual performance to approved budgets on a monthly basis.

OBJECTIVES AND ACTIVITIES

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

Mission

Restless Development's mission is that young people demand and deliver a just and sustainable world.

Goals

With over 30 years of experience, and having listened to young people (particularly during the development of the Global Goals and during a Big Conversation where we consulted 5,000 young people across 64 countries), four enabling goals for young people emerged;

1. A Voice: A world where young people are active citizens, where institutions are accessible and responsive to young people, and where young people can influence those with power.
2. A Living: A world where young people can drive sustainable economies, where businesses and governments invest in and learn from young people's enterprise, and where young people achieve a decent, sustainable living.
3. Sexual Rights: A world where young people realise sexual and reproductive rights for all, where policies, attitudes and services advance people's sexual and reproductive health and rights, helping to end AIDS and enabling young men and women to be free from discrimination.
4. Leadership: A world where young people build resilient and sustainable communities, where the agency of young people and communities is at the heart of both preventing and solving arising challenges and emergencies.

When young people have a voice as active citizens, a sustainable livelihood, can realise their sexual and reproductive rights, and are supported to realise their leadership potential amazing things happen. Success is the meeting point between these four priorities; a world with a generation ready to respond.

A New Model for Change

Restless Development believes that the development sector is facing an historic challenge; to hand over development to the communities that we all serve, whilst also translating impact into lasting change.

To meet this challenge – and to lead a new paradigm for development – Restless Development recognises that a new model for development is emerging, a global model for transformative change, led by young people.

The model's premise is that development works when it is embedded at the heart of people's lives from the outset - where development is set up to unleash the power of the community not just to **deliver** against their own needs (urgent or long term) but to **inform** and **influence** the long term societal and structural changes they identify. The model is based on the interdependence of these three pieces working together. It is a model

led by young people at all stages: young people are embedded at the heart of communities and trained to build long term trust and mobilise a new generation of changemakers.

1. **Deliver:** Where young people directly improve lives through community engagement and mobilisation, with youth leadership at the heart of all interventions.
2. **Inform:** Where young people create and share evidence and understanding of the real life experiences of communities where young people live and work. They act as a knowledge bridge between communities and the institutions that serve global development.
3. **Influence:** Where young people change the cultural norms, policies and systems that affect people's lives, driving accountability from the centre to governments and aid agencies.

Restless Development

This Model for Change is what Restless Development's new global strategy intends to pioneer. But Restless Development is not just building this theory of change into its new strategy but plans to do so by testing the theory at scale - by transforming its own structures and ways of working beyond itself in two radical ways:

1. **A New Agency:** Restless Development is building a new type of Agency which no longer acts as a centrally driven development organisation, directing the delivery of pre-identified impact, but as an Agency that responds through an array of mechanisms to help young people drive the change they and their communities identify. It will become a decentralised agency – one where ten focal Hubs around the globe are set up to offer to young people and partners the opportunity to interact on locally driven initiatives and at the same time connect across the network of Hubs and partners globally; linking youth to power and vice versa.
2. **A Youth Collective:** Secondly by building, scaling and delivering a Youth Collective: this will be a Collective which allows thousands of local groups & organisations, and millions of young people, to access global and national development and humanitarian structures and processes.

Contribution by Volunteers

One of the distinguishing features of Restless Development, and essential to the unique youth-led approach, is that the model is led by talented and motivated young people, aged 18-28, who volunteer their time to work with Restless Development living full-time in underserved communities. The model is built along the following principles:

- Young people have a primary role in designing, delivering, evaluating and holding to account our work across all elements of the Restless Model – from grassroots programming to high-level influencing work.
- Interventions supporting young people go beyond our traditional concept as 'Volunteers' or 'VPEs' or 'campaign members' to work more as 'social influencers' and 'change makers' and 'leaders'. Rather than simply delivering our work, these young leaders are using their high social capital and peer influence to spark horizontal, viral changes in norms, behaviour and agency. Ultimately, they are creating out of their fellow young people and formerly-called "beneficiaries" even more active citizens and agents for change.
- Young people are embedded and rooted long-term (3-12 months) in the communities in which they are driving change; similarly, young people are engaged in leading campaigns, movements and influence work over time (rather than through one-off activities). Interventions are designed so young people build trust with their peers, communities and decision-makers over a long period of time.
- Young people use the integrated, holistic Restless Model to drive both short-term outcomes and longer-term, transformative change whether in a rural village or a UN boardroom.
- The change being sought achieves localised impact and is connected to the bigger (usually national and global) picture and back again. Young leaders are broadening their horizons and seeing themselves and their struggle for change as part of a bigger global collective.

Restless Development Volunteers receive no monetary compensation for their work, beyond a simple food and transport allowance, and host communities provide accommodation and access to water. While the particular structure of each programme varies depending on the programmatic objectives and local needs, in general Volunteers receive 2-6 weeks comprehensive training and then are placed in target communities for 3-11 months conducting and organising a range of activities to empower their peers and community members to unleash change themselves. Activities range from programme to programme but most have commonalities:

- Teaching weekly in schools using interactive non-formal education methods – music, dance, drama, and interactive games and lessons.
- Creating after-school youth leadership clubs to build local youth capacity to lead rights, education, leadership, voice and livelihoods promotion activities.
- Reaching out to out-of-school young people.
- Developing and managing school or community-based youth resource centres, providing access to youth friendly information and resources on health, rights, life skills, leadership and living and topics.
- Organising community workshops and festivals to increase awareness amongst teachers and parents of the needs and challenges experienced by young people.
- Training teachers in the use of non-formal education and participatory learning methods.
- Strengthening links between communities and local health and support services, including visits to local health clinics and training for local health service providers in how to make their services youth-friendly.
- Working with a range of partners to deliver programmes and in doing so build community and partner capacity to ensure sustainability.
- Collecting, analysing and presenting information on the needs of communities, as well as monitoring and evaluating their impact.
- Working with local structures to promote youth participation in decision-making.

STRATEGIC REPORT

1) ACTIVITIES AND ACHIEVEMENTS DURING THE YEAR

The first year into the delivery of Restless Development's strategy can be summarised as;

Phase 1 (September 2016 – December 2016): Built eight "Strategy Products" (Agency Plan, Theory of Change, Programme Principles, Agency Driven by Hubs Paper, Youth Collective Paper, Quality Assurance Framework, Financial Model and Business Development Principles) that form the foundation for implementing the strategy.

Phase 2 (January – April 2017): Consulted and finalised the strategy products with Hub Management Conference in April 2017 to roll out the Strategy Products and re-launch the role of Hub Management mandating that group to embed the Strategy.

Phase 3 (May – September 2017): Trained global staff on the Strategy Products and re-built programmes and business approaches to fit the Strategy.

Key Achievements Phase 1:

- Restructure of International – Programme Unit restructured to include Programme Funding Team – ensures proposals are linked to the Strategy.
- The Quality Assurance Unit was set up building towards a set of standards and tools to begin measurement of progress to Strategy. 93% of staff in a recent staff survey¹ felt that Restless Development's approach to assuring quality increases agency learning, knowledge and sharing.
- 97% of staff in the staff survey feel that Restless Development's leadership (both globally and in Hubs) ensures the success of our Agency and Strategy.
- Eight Strategy products built and rolled out.
- Buy in and understanding of the Strategy throughout the organisation – building staff member's confidence to articulate the Strategy.

Key Achievements in Phase 2:

- Heads Conference delivered to empower Heads to roll-out Strategy.
- Revised annual planning and budgeting cycle in place.
- Awareness in Hubs around the need for staffing and structures to change to effectively deliver the strategy.
- Some funding successes for the new Strategy and a better quality of funding proposals being developed.
- Development of the Results Framework.
- Hubs mapped Youth Collective components into 'Asset Maps'.

¹ 67% of staff globally completed the survey, a high rate for staff surveys in general

Key Achievements Phase 3:

- A Global Agency Survey has been conducted and is being analysed to provide Hub specific results as a baseline for the Agency Plan.
- Programme transition alignment – process established and work towards this is underway in all Hubs, particularly in moving towards four goal areas and Restless Model.
- New programmes as a result of new funding built on the new strategy – Youth Power (UK Hub), Youth Voices (South Africa Hub).
- An emerging trajectory in some Hubs, increasingly designing programmes informed by young people and communities themselves.
- The Youth Collective was a central focus of Values Day 2017 (providing opportunity for learning) and was launched on International Youth Day.

Overall Challenges:

The overall challenges that arose during the year in the delivery of the strategy were as follows:

- Pre-existing programmes, programme design and funding agreements which link to the old strategy, meaning that delivering programmes around the new model will take time to fully enact.
- Deciding on where ownership sits for the newer areas of the Strategy and Agency Plan, such as the Youth Collective and Environment Principles.
- In some cases there is a lack of understanding (both internal and external) of different parts of the Strategy, especially Youth Collective.
- More work is needed in order to understand what it means to be 'An agency driven by Hubs'.
- The context Hubs work in effect their ability to adjust programmes and adopt the Strategy.

Programme Outputs and Impact:

Beyond the Strategy phases, Restless Development has a rigorous Global MEL (Monitoring, Evaluation and Learning) Framework, developed and driven from the ground up, to ensure that local level programme change can be captured and communicated at the Global level. The framework allows the measurement of programme activities and outputs, as well as both short-term and long-term outcomes which lead to transformative change for young people. As described previously, Restless Development's Theory of Change revolves around young volunteers leading change in their communities, through delivering the Model for Change and across Young People's four priority areas. In 2016/17 a total of 4,384 volunteers led work in their communities and 77 evaluations were conducted to measure the impact of that work. A selection of Restless Development's key projects and programmes are outlined below:

Key Voice Programmes delivered in 2016/17

Zambia: The **ISHIWI – the Voice** Comic Relief funded programme reached 15,355 young people (exceeding the target of 12,000) with civic education and advocacy programmes, and from that number **18 youth advocates (nine male and nine female) were voted in as community representatives**. These young leaders participated in the decision making and development process of their local communities. They are active members of the ward development committee and have participated in meetings with 17 local government organisations as representatives of their communities.

UK: The **Campaigns** team in the UK Hub launched an action called Youth Agenda Action to highlight the importance of youth-led development to Members of Parliament, and to lobby them to influence the Department for International Development to implement the Youth Agenda². So far, UK Network members have written to 85 MPs. In another action, they also marked International Youth Day by mobilising 34 Youth Power partners and young change-makers from 21 countries, supporting them to take online and offline action. Actions ranged from large scale trainings on the Global Goals reaching 1,000 young people in Madagascar, to panel events on Peacebuilding in Kenya, to lobbying politicians on the importance of education, peace and good governance in Nigeria. **Online we reached 112,549 people via Facebook, with 19,544 website page views and 12,987 views on Twitter.**

Tanzania: The **Kijana Wajibika** programme team and young leaders conducted a study with changemakers to ascertain levels of youth **involvement in decision making processes resulting from engagement with the programme. Baseline data revealed that just 31% of young people had used data and evidence to hold their government to account, whereas at endline 57% of young people interviewed had used data**

² https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/550229/DFIDyouthagendaapproach4.pdf

and evidence in these spaces. Furthermore, a considerable majority of young people noted active participation in community decision making processes.

Key Living Programmes delivered in 2016/17:

Zimbabwe: In **ZW Youth Employability** funded by International Youth Foundation we reached out to 1,150 young people (70% women, 30% men) through work-readiness training during the year. Following this, **a total of 174 (61 male, 113 female) young people were placed as interns.** While a great achievement, this did fall short of our target of 276 young people being placed. This was due to external factors – political and economic – in Zimbabwe; including the private sector shrinking as a result of the national recession which has led to many companies downsizing and closing, meaning that placing young people in internships became increasingly difficult. However, it is a testament to the hard work of our team that 63% of targeted young people were placed in internships. Indeed, at the end of the programme **43 young people who completed internships transitioned to full time employment, and 83% of employers reported that the internship programme is giving young people the skills that they need to enhance their employability status.**

Tanzania: In the **Barclays** programme, 504 young people were trained under business development and employment schemes (exceeding the target of 480 young people). The programme successfully ended in March 2017.

Sierra Leone: In the UNDP funded **Business Development Services** programme, 60 young people have completed training. **Furthermore 32 young people have formed 16 partnership groups and were supported with seed funding from UNDP and NAYCOM to support their businesses.**

Zambia: In the programme **Financial Sector Deepening Zambia** we reached 8,985 young people (more than double the annual target of 4,152) via video and graphics sessions showcasing financial literacy methodologies. This is a particular achievement because it is the first time Restless Development has used technical tools for this type of training development.

Uganda: In the **Driven Youth Led New Agribusiness and Micro-enterprise-DYNAMIC** programme funded by Master Card Foundation, a total of **139 peer educators graduated to become private service and education providers.** Most of these individuals are now resource persons in their communities. Furthermore, **100 young people enrolled to become agents for Agribusiness companies.**

Key Sexual Rights Programmes delivered in 2016/17:

Zimbabwe: Through the **Strengthening HIV prevention and mitigation efforts among young people** programme, we have raised knowledge on services available at local and district health centres for young women and sexual abuse survivors. The SRH sessions have strengthened the capacities of young women and sexual abuse survivors to make informed decisions about their health. **We are seeing some key results under this programme: a 6% increase (from 81% to 87%) in the number of young people accessing SRH services, an 11% increase (from 63% to 74%) in the number of young people using condoms and a 12% increase (from 79% to 91%) of young people undergoing voluntary counselling and testing on HIV.**

Tanzania: Through the **Girls Leadership** programme, **40% of out of school girls aged 14-19 are accessing improved and girl friendly community services** and programmes delivered by local health or education providers in RUVUMA district.

Uganda: In the **Get-up-Speak-Out** programme, integrated health dialogues in Jinja and Mayuge support young people to engage with entertainment and sports while accessing Sexual and Reproductive Health and Rights (SRHR) information and services provided by Restless Development and our partners (local government and Family Life Education Programme (FLEP)). In response to dialogues and feedback from young people, SRHR services were made more comprehensive and access increased for communities where young people lived, meaning young people were able to access more youth friendly services.

UK: In September, the **Campaigns** team launched the second phase of the **It ain't over** campaign – this time calling on the Department for International Development to implement the recommendations of a recent STOPAIDS report, including increasing funding for the Robert Carr Network Fund, ensuring young people are at the heart of HIV programming, and sending a youth representative to the International AIDS Conference in July 2018.

Nepal: In the **Save the Date** programme, a newly elected local government body in Bardiya District (in one ward) has allocated budget to end child marriage. This body is very much aware of the working approach of

Save the Date and is now taking ownership to lead in delivering services against child marriage and gender based violence.

Key Leadership Programmes in 16/17:

Although Youth Leadership is at the heart of all Restless Development’s programmes, Leadership is the newest Goal area in Restless Development’s Global Strategy. While we have learned much in the past few years about young people’s leadership in humanitarian action, as evidenced by our response to the Ebola outbreak in Sierra Leone and to the 2015 earthquake in Nepal, the Leadership Goal looks at impact that is much broader and more ambitious than humanitarian response alone. It draws on our community engagement and social mobilisation models to support long term resilience and sustainable communities.

This first year of the strategy has been focussed on understanding this new and emergent goal area; how it relates to everyday development challenges at the heart of communities as well as larger scale emergencies. We are now in the process of designing, developing and aligning robust programmes against the leadership goal and look forward to sharing the successes and challenges of these programmes in the next year.

2) FINANCIAL REVIEW

Financial objectives

Restless Development’s financial objectives are to maintain a strong and effective control framework to ensure that programmes have the resources they need to be completed effectively. In line with the organisation’s values, Restless Development strives to ensure that resources are deployed efficiently and transparently.

Principles and financial management policies adopted in the year

Restless Development’s policy is to maintain effective financial management systems and processes, to continually improve financial operations and systems and to work with the most efficient methods of operation regarding budgeting, accounting and financial reporting. Restless Development seeks to be responsive to the financial reporting and other requirements of its donors, as well as to the restrictions imposed by governments under whose laws Restless Development operates.

Restless Development manages the use of available resources through an annual planning and budgeting process. The annual, global budget is reviewed by the Finance and Audit Committee and approved by Trustees. To monitor the use of resources it uses an accounting system and chart of accounts maintained in accordance with the principles of fund accounting to ensure appropriate allocation of funds in keeping with the charity’s objectives and the commitments made to donors. Additionally Restless Development ensures that the company accounts give a true and fair view of the organisation’s operations as well as complying with statutory reporting requirements. The Financial Statements comply with applicable law and the requirements of the Charities Statement of Recommended Practice 2015.

Financial performance in 2016/17

Restless Development has maintained a consistent income compared to 2015/16 but with an increased portion of income from the overseas Hubs (£10,753,000 in 2016/17 compared to £9,545,000 in 2015/16). Expenditure has increased significantly due increased expenditure in its Nepal and Zambia Hubs in particular as well as due to a planned winding down of £600,000 of a designated fund from 2015/16.

	Incoming Resources £000’s	Expended Resources £000’s
2016/17	£14,836	£16,189
2015/16	£14,730	£13,977
2014/15	£15,655	£14,713
2013/14	£10,173	£9,515
2012/13	£8,896	£8,707
2011/12	£8,244	£7,849
2010/11	£6,691	£5,985

During 2016/17 Restless Development Sierra Leone was part of a consortium awarded a large grant to focus on Saving Lives by reducing Maternal, Neonatal and Under-5 mortality in Sierra Leone. The Hub incurred costs of £300,000 against this grant however the project was cancelled leading to a large deficit in that office.

It is encouraging to note that there is diversity in organisational income coming from an expansion in Restless Development's donor base and an increase in the proportion of income raised directly by Hubs.

Reserves Policy

Restless Development works in potentially high-risk areas in sub-Saharan Africa and South Asia, and relies on funding from donors which can sometimes be delayed or denied with little available recourse for the organisation. In considering the reserves policy, the Trustees have identified the need to hold free reserves (unrestricted reserves excluding designated reserves and fixed asset reserves) which may sometimes be needed to cover necessary expenses associated with:

- Emergencies that could not have been anticipated by realistic budgets, and are not covered immediately by insurance.
- Financial commitments anticipated in realistic budgets prudently expected to be covered by contracted donor funds.

Restless Development has a reserves policy which is regularly reviewed by Trustees against the current risks faced by the organisation. Restless Development adopts an approach that provides a benchmark against which Trustees assess the adequacy of unrestricted reserves. This approach aligns the unrestricted reserves benchmark closely with the risks the organisation faces by basing the calculation on risks identified in the organisation's Risk Register.

Based on the Risk Register as at January 2018 the benchmark for Free Reserves is £1,106,038 (2015/16: £1,011,110). For comparison, based on 3 months of core expenditure, the figure would have been £1,018,740 (2015/16: £1,166,637). The actual Free Reserve balance as at 30th September 2017 was £1,036,000 (2015/16: £1,122,662). The Finance & Audit Committee has reviewed the current level of reserves against the benchmark and taking account of the anticipated risk profile of the organisation has concluded that the level of reserves held is acceptable and will continue to be monitored on a quarterly basis.

In addition to Free Reserves there is one other unrestricted reserve account held on 30th September 2017, which is a Fixed Asset Reserve which represents funds held as fixed assets, the balance on which was £374,808 (2015/16: £464,840) on 30th September 2017. As at 30th September 2016, Restless Development also held a Designated Reserve representing funds received in 2015/16 were planned to be spent on core expenditure in 2016/17 in line with detailed, approved budgets. The balance on this reserve was £601,457 at 30th September 2016 and it was fully utilised during 2016/17 as intended.

Fundraising Objectives

While Restless Development's core programmes are focused on mobilising people – a human resource as opposed to a financial resource – this work requires appropriate and consistent funding in order to operate effectively. A Fundraising and Partnerships Strategy is developed by each Hub, as well as by Restless Development International. Restless Development aims to secure the funding it needs to deliver its programmes effectively, from sources and partners who fully support the mission and values of the organisation, without becoming over-reliant on any single donor. Restless Development strives to engage each of its supporters in work in the field, and so maintains a full and transparent reporting and communications system to ensure that donors are well informed of the successes and challenges being faced in the programmes which they are supporting.

Fundraising approach and performance

The charity undertakes fundraising activities through sponsored triathlons, fundraising events and sponsored events, gala dinners in line with the Fundraising Code of Practice set by Fundraising Regulator. We do not employ professional fundraisers to generate income for the charity, nor do we engage in cold-calling, door to door or street fundraising. During 2016/17, we did not have a relationship with any commercial participators. We are registered with the Fundraising Regulator and adhere to the Fundraising Code of Practice. No complaints have been received by the charity regarding any fundraising activities.

3) PLANS FOR FUTURE PERIODS

Over the course of the coming year, Restless Development will continue to re-design programmes around the four goals for young people. Coupled with the changes to Restless Development's programming through the continual roll-out of the model, these changes will require an overhaul of manuals, toolkits, training curricula and resources. The shift from reaching beneficiaries to creating the next generation of changemakers will also require Restless Development's programming and design to change. The Youth Collective will continue to be built, bringing in more partners, associates, Civil Society Organisations, NGOs and development partners, all committed to youth-led change. A new Monitoring, Evaluation and Learning system will be developed and a set of evaluations will be delivered to ensure continual learning about what works and what does not.

Restless Development will continue to evolve as an agency to support the delivery of the strategy, through the delivery of the milestones set out in the Agency Plan. As part of this, Restless Development will review its leadership structure, aligning Global Governance, National and International Leadership structures and job descriptions and terms of reference for staff to the new strategy.

Restless Development will continue to work against the set of financial standards as part of the Financial Model. With the vision of a financially sustainable agency driven by Hubs the Financial Model will work effectively to enable good decision-making, free up management time and to invest in innovation and growth. As part of this the Business Development Principles will continue to be implemented, ensuring that Programme Funding reflects the new strategy, that unrestricted funds are being used to drive innovation and strategic funding is prioritised in order to build the Youth Collective further and deliver at scale.

4) PRINCIPAL RISKS AND UNCERTAINTIES

Restless Development works in areas that can carry a high risk, often as a result of difficult communications, logistics, financial and security challenges. Restless Development has developed robust procedures to assess risk and to design and implement effective measures to reduce both the likelihood and the potential impact of identified risks occurring.

Risk Control

Regular risk assessments are carried out to manage the activities of Restless Development and focus its resources. The Trustees have assessed the major risks that the charity faces, in particular in relation to its operations and finances, and are satisfied that the charity is taking the action necessary to mitigate its exposure to the key risks identified.

A formal Risk Register is reviewed on a quarterly basis by the Senior Leadership Team and the relevant Trustee Committees, with any significant changes in circumstances brought to the full Board of Trustees as necessary. The Trustees are satisfied that systems are in place to monitor and manage exposure to major risk. Due to the financial and political instability of some countries where Restless Development works, the organisation requires active acceptance and management of some risks when undertaking activities in order to achieve the objectives of the charity.

Restless Development uses its Risk Register to monitor the principal risks identified. Trustees are satisfied that this is an appropriate means of managing risks and uncertainties that might have the potential to affect the performance, future prospects or reputation of the charity, including its viability. The organisation has a sound financial base which is supported by strong controls and an established fundraising strategy.

Major Risks

The following major risks were identified at an organisational level during 2016/17. For each risk, systems have been developed to mitigate the risk. These risks and associated systems are monitored each quarter through the Risk Register by Senior Leadership Team and by Trustees:

<u>Risk</u>	<u>Management approach to mitigate risk</u>
<p>Safety & Security <i>Political instability, terrorism or natural disasters resulting in national level or local level conflict or breakdown of infrastructure and deteriorating security in areas of our operation</i></p>	<ul style="list-style-type: none"> • National level risk assessments conducted annually • Placement level risk assessments conducted annually • Systems in place for assessing risk more regularly in areas of potential instability • Policies and procedures in place to manage risk • Incident management plans in place • Evacuation plans in place in areas of high risk • Insurance cover maintained
<p>Donor Reliance <i>Lack of new investors leads to over dependence on a single donor</i></p>	<ul style="list-style-type: none"> • Fundraising strategy and revenue model of diversification in place • Increased presence in the USA to diversify our funding base • Focus on increasing newer revenue streams • Increased capacity in international fundraising team • Increased focus on opportunity scanning and global prospect cultivation • Clear accountability systems in place for targets and sign-off process for submissions
<p>Fraud & Bribery <i>A major fraud or bribery incident results in significant financial or reputational damage</i></p>	<ul style="list-style-type: none"> • Internal audit programme with follow-up on control improvements • Fraud and anti-bribery policy • Mandatory annual training in fraud prevention and associated policies for all staff • Cash management controls between and within Hubs
<p>Consortium Partner Performance <i>Reputational and financial risk arising from increased number and type of partnerships (working in consortia) and potential for underperformance of Consortia members</i></p>	<ul style="list-style-type: none"> • Due diligence undertaken for partners, Risk Register in place at partner Steering Committees • Relationship management carried out at Senior Leadership level • Regular financial and performance forecasts
<p>Failure of Leadership <i>Hub Director or International Director fails to perform over the course of probation/full contract length, resulting in a protracted gap in leadership, drain on international resources, and instability at a country or global level, or a successful Director leaves and exposes weak leadership beneath them</i></p>	<ul style="list-style-type: none"> • Support Visits and Transition Planning with Hub Directors • Recruitment tools, induction guidance, end of probation reviews • Performance dashboard tracking, performance management, coaching/mentoring for Directors • Annual review visits against standards • Flexible contract options for successful directors • Investment in supporting Heads of Hubs to step up in their strategic leadership
<p>Reporting & Compliance <i>Weak or late reporting or not complying with contract leads to damaged reputation and loss of donor</i></p>	<ul style="list-style-type: none"> • Global reporting timeline in place to track deadlines • Quarterly support and performance calls • Monthly monitoring of minimum standards across the organisation
<p>Performance & Results <i>Substantial under-delivery against output or outcome targets</i></p>	<ul style="list-style-type: none"> • Monthly reporting against targets to Management Committees with a feedback mechanism

contractually agreed with donors leading to impact on Restless Development's reputation & ability to fundraise

- Quarterly data reporting against agreed targets to SMT & Trustees with a feedback mechanism
- Annual evaluation calendar with quarterly updates
- Programme quality guidelines setting out expected standards in delivery of programmes
- Annual programme quality audit and follow up

*Lack of Unrestricted Income
Lack of unrestricted income leads to potential going concern risk*

- Insurance cover maintained
- Positioning with partners for new funding mechanisms
- Unrestricted income fundraising strategy
- Products in place and developing for major donors
- Focus on cultivating strategic funding from bi-lateral agencies
- Full Cost Recovery mechanism in place and integrated into budgets
- Whole agency liquidity model in place ("waterworks") and integrated into support tools
- Financial Model developed which supports the new global strategy

*Managing Growth
Risk to current delivery, reputation and ability to access future opportunities results from significant, rapid growth that requires greater programme or partnership deliverables without corresponding internal structures and systems to support new activity*

- Annual two-week conference for Hub and International Directors to embed shared ownership and direction, agree global policies and plan the year ahead
- Annual performance and review for Hub Directors with integrated annual planning
- Proposal sign-off protocol
- Annual Reviews in all functional departments, Annual Review Toolkit and International SMT sign-off of all 2-year plans
- Performance Tracking through 1) management for all Directors 2) dashboard to identify emerging risks
- Support to Directors: coaching, leadership development, support visits
- Annual performance review for each unit
- Proposal sign-off protocol in use
- Quarterly update of operational plans & budgets

*Extraordinary Risk – Delivering Contracts in Sierra Leone Post-Ebola
The Ebola crisis required the full attention and extraordinary efforts of our Management, Staff and Volunteers. The end of the crisis also brought challenges in quickly winding up related programmes. We therefore recognised a risk that our people and our systems could be under strain, which could lead to a failure organise and mobilise in order to meet the demands of new contracts*

- Investment in in-country International Director to oversee transitions in staff
- Weekly support calls and action tracking
- Centralised reporting mechanisms
- Quarterly oversight by International Senior Leadership Team

Restless Development also faces some inherent risk resulting from the locations that it works in and the way that services are delivered. Restless Development mitigates this risk by completing annual safety and security reviews within each of its Hubs, by maintaining insurance cover and by ensuring that staff members and volunteers receive training in safety and security relevant to the programmes that they will be working on.

5) KEY MANAGEMENT PERSONNEL AND PAY POLICY

The Trustees of Restless Development define Key Management Personnel as being the Senior Leadership Team, a team of seven Directors led by the Chief Executive, who are in charge of directing and controlling, running and operating the Charity on a day to day basis. All trustees give their time freely. Details of directors' remuneration are disclosed in note 5 to the accounts.

Restless Development operates a published Global Salary Scale, the purpose of which is to ensure that all staff across the organisation are paid equitably, irrespective of nationality or location: the Global Salary Scale comprises a set of economically equivalent salaries for a set of defined staff grades across each country where Restless Development operates. Staff grades are defined internationally based on standard Job Descriptions which set out roles and responsibilities.

The Global Salary Scale is benchmarked periodically against external market data to ensure that salaries are competitive in all the countries where Restless Development operates. In 2015/16 Restless Development carried out a review of its Global Salary Scale and has launched a new five year salary scale aligned to the new five year strategic timeframe. The approach taken to the review was, for each country, to source external market data and, using principles of economic equity between countries, to align salaries to the fiftieth percentile of the market data over the next five years, ensuring that planned increases are affordable. The Global Salary Scale for 2017/18 is available on the Restless Development website: www.restlessdevelopment.org/file/2017-18-global-salary-scale-pdf.

Approved by the Trustees and signed on their behalf by:

Charlotte Eaton, Chair of Trustees, Restless Development

26 April 2018

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Financial Reporting Standard 102.

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution proposing the appointment of auditors to the Charity will be put to the annual general meeting.

Approved by the Trustees and signed on their behalf by:

Jonathan Gorrie, Chair of Finance & Audit Committee

26 April 2018

Opinion

We have audited the financial statements of Restless Development for the year ended 30 September 2017 which comprise the Statement of Financial Activities, the Balance Sheet, 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 charitable company's affairs as at 30 September 2017 and of the 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.

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.

Basis for opinion

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 15, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 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.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees Report (which incorporates the Directors' Report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Report (which incorporates the Strategic Report and the Directors' Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report (which incorporates the Directors' Report and Strategic 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 charitable company; or
- the 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
- we have not received all the information and explanations we require for our audit

Murtaza Jessa (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors
26 April 2018

10 Queen Street Place
London
EC4R 1AG

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30TH SEPTEMBER 2017**



		Unrestricted Funds	Restricted Funds	2017 Total	2016 Total
	Notes	£000's	£000's	£000's	£000's
INCOME FROM:					
<i>Donations and legacies</i>					
Grants and donations	2	3,004	11,477	14,481	14,276
Donations in kind		-	-	-	6
<i>Charitable activities</i>					
Project recoveries		355	-	355	448
Total income		3,359	11,477	14,836	14,730
EXPENDITURE:					
<i>Raising funds</i>					
Fundraising costs of grants and donations		(159)	-	(159)	(156)
<i>Charitable activities</i>					
		(3,926)	(12,104)	(16,030)	(13,821)
Total expenditure	3	(4,085)	(12,104)	(16,189)	(13,977)
Net income/(expenditure)	4	(726)	(627)	(1,353)	753
Foreign exchange gains/(losses)		(51)	(67)	(118)	176
Net movement in funds		(777)	(694)	(1,471)	929
Reconciliation of funds					
Total funds brought forward		2,189	2,293	4,482	3,553
Total funds carried forward	10	1,412	1,599	3,011	4,482

The Statement of Financial Activities includes all gains and losses recognised in the year, and all information required for a statement of total comprehensive income.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 21 to 32 form part of these financial statements.

		2017		2016	
	Notes	£000's	£000's	£000's	£000's
FIXED ASSETS	6		375		465
CURRENT ASSETS					
Stock		-		-	
Debtors	7	1,966		1,700	
Bank and cash		3,295		4,423	
		-----		-----	
			5,261		6,123
			-----		-----
			5,636		6,588
CREDITORS: amounts falling due within one year	8		(2,625)		(2,106)
			-----		-----
NET ASSETS			3,011		4,482
			=====		=====
REPRESENTED BY:					
Funds					
Restricted	9		1,599		2,293
Unrestricted	10				
Fixed Asset Reserve			375		465
Designated Reserve			-		601
Free Reserves			1,037		1,123
			-----		-----
			3,011		4,482
			=====		=====

The financial statements were approved by the Trustees and authorised for issue and signed on their behalf, by:

Jonathan Gorrie, Chair of Finance & Audit Committee

26 April 2018

The notes on pages 21 to 32 form part of these financial statements.

Registered Company Number: 6741123
Registered Charity Number: 1127488

**CASHFLOW STATEMENT
FOR THE YEAR ENDED 30TH SEPTEMBER 2017**

		2017		2016	
	Notes	£000's	£000's	£000's	£000's
Cash flows from operating activities	A		(937)		1,610
Cash flows from investing activities:					
Additions to property, plant and equipment		(191)		(305)	
Proceeds from the disposal of fixed assets		-		5	
Net cash used in investing activities			(191)		(300)
Cash flow from financing activities			-		-
Net increase in cash and cash equivalents			(1,128)		1,310
Cash and cash equivalents on 1 October			4,423		3,113
Cash and cash equivalents on 30 September	B		<u>3,295</u>		<u>4,423</u>

NOTES TO THE CASHFLOW STATEMENT
**A RECONCILIATION OF SURPLUS TO
CASH (SPENT ON)/ GENERATED FROM
OPERATIONS**

Net incoming resources	(1,471)	929
Adjusted for:		
Depreciation	251	247
Revaluations	28	41
(Profit)/loss on disposal of fixed assets	2	(1)
Operating surplus before working capital changes	(1,190)	1,216
Decrease/(increase) in inventories		1
(Increase)/decrease in amounts receivable	(266)	(150)
Increase/(decrease) in amounts payable	519	543
Cash (spent on)/generated from operations	<u>(937)</u>	<u>1,610</u>

B CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of cash on hand and balances with banks. Cash and cash equivalents included in the cashflow statement comprise the following balance sheet amounts:

Cash and cash equivalents	<u>3,295</u>	<u>4,423</u>
----------------------------------	--------------	--------------

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:

- a) **Basis of preparation**
The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments at market value, and in accordance the Statement of Recommended Practice for Charities (SORP 2016) and applicable accounting standards (FRS 102).
- b) **Going concern**
The trustees consider that there are no material uncertainties regarding the charities ability to continue as a going concern.
- c) **Critical accounting judgements**
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.
- d) **Cash and bank 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.
- e) **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.
- f) **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.
- g) **Foreign currency translation**
The charity's functional and presentation currency is pound sterling. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are recognised in the Statement of Financial Activities.
- h) **Voluntary income, including donation, grants, legacies and volunteer contributions is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is carried forward as a restricted fund to be spent in future periods when:**
 - The donor specifies that the grant or donation must only be used in future accounting period; or
 - The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Recognition of legacy income is dependent on the type of legacy, with pecuniary legacies recognised when notification is received and residuary legacies when the final accounts under the will are received. Reversionary legacies are not recognised during the lifetime of the original beneficiary under the will.

Donated services and facilities are included as 'Voluntary income' at their estimated value to the charity when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

- i) Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising salary and other central costs, is apportioned on the basis of agreed donor budgets and where applicable, staff time attributable to each activity. All expenditure is accounted for on the accruals basis.
- **Fundraising costs** represent all expenditure incurred to raise income from various sources.
 - **Volunteer-led activity costs** and expenses represent all expenditure incurred in order to implement charitable activities. It also represents a proportion of support costs based on the input to the charitable activities from central costs.
 - **Support and administration costs** represent that proportion of central costs incurred in the management of the organisation.

- j) Individual fixed assets costing £250 or more are capitalised at cost. Tangible assets are depreciated on a straight line basis over their estimated useful lives using the following rates:

Asset category	International
IT assets	33%
Office furniture	20%
Vehicles	20%
Used vehicles	50%

Grants received in respect of the acquisition of fixed assets are treated as Deferred Capital Grants and are released to income in line with depreciation over the life of the asset.

- k) The Trust is a registered charity and therefore is not liable to corporation tax in accordance with charity law.
- l) Stock, which consists of pre-purchased consumables, is accounted for at the lower of cost and net realisable value on a first in first out basis.

2. GRANTS AND DONATIONS

	2017 £000's	2016 £000's
UK grants and donations	6,642	5,923
Overseas grants and donations	7,839	8,353
	-----	-----
	14,481	14,276
	=====	=====

Included in Unrestricted Income is £585,461 (2015/16: £2,903,402) from a UK Government Department for International Development Partnership Programme Arrangement. Restless Development acts as lead partner in a consortium including Warchild and Youth Business International. Restless Development subsequently donated £272,913 (2015/16: £1,091,712) to these partners in the form of an unrestricted grant. This grant ended on 31st December 2016.

3. TOTAL RESOURCES EXPENDED	Direct costs £000's	Indirect costs £000's	2017 Total £000's	2016 Total £000's
Volunteers' costs and other expenses	8,981	-	8,981	7,465
Grants made to consortium partners	559	-	559	1,092
Overseas & Programme staff costs	4,665	-	4,665	3,683
Head office staff costs	-	1,332	1,332	1,255
Support costs – Finance, HR, IT	-	466	466	302
Statutory audit	-	13	13	13
Internal and grant audit costs	-	13	13	10
Trustee indemnity insurance	-	1	1	1
Fundraising	-	159	159	156
	-----	-----	-----	-----
	14,205	1,984	16,189	13,977
	=====	=====	=====	=====

No expenses were reimbursed to trustees during the year.

4. NET INCOME FOR THE YEAR	2017 £000's	2016 £000's
This is stated after charging:		
Auditors remuneration (including VAT): Audit	13	13
	=====	=====

5. STAFF COSTS	2017 £000's	2016 £000's
Wages and salaries	5,308	4,364
Social security costs	517	452
Pension costs	172	122
	-----	-----
	5,997	4,938
	=====	=====

The average number of employees in the year was:

	Volunteer-led Activity No.	Fundraising No.	Governance No.	2017 Total No.	2016 Total No.
UK	25	7	41	73	65
Overseas	347	12	19	378	341
	-----	-----	-----	-----	-----
	372	19	60	451	406
	=====	=====	=====	=====	=====

Under the Global Salary Scale the total amount of salary and other benefits paid to its eight Key Management Personnel for their services to the charity was £571,448 (2015/16: seven personnel, £429,621).

Four employee's emoluments were in the band £60,000- £70,000 (2015/16: No employees' emoluments were in this band). No employees were in the band £70,000- £80,000 (2015/16: Two employees' emoluments were in this band). Two employees' emoluments were in the band from £80,000 - £90,000 in 2016/17 (2015/16: No employees were in this band).

The Trustees received no remuneration in either this year or the previous year. There were no redundancy payments made in the year.

The charity operates a defined contribution workplace pension scheme in the UK. Pension contributions are charged to the Statement of Financial Activities as they are incurred. The charity has no obligations other than the contributions payable in the year.

6. TANGIBLE FIXED ASSETS

	Office Furniture £000's	IT Assets £000's	Motor Vehicles £000's	Total £000's
Cost				
At 1 October 2016	102	549	758	1,409
Additions	30	66	95	191
Revaluations & foreign exchange	(6)	(51)	(74)	(131)
Disposals	(4)	(22)	(9)	(35)
	-----	-----	-----	-----
At 30 September 2017	122	542	770	1,434
	-----	-----	-----	-----
Depreciation				
At 1 October 2016	69	409	466	944
Charge for the period	17	97	137	251
Revaluations & foreign exchange	(4)	(43)	(56)	(103)
Disposals	(4)	(20)	(9)	(33)
	-----	-----	-----	-----
At 30 September 2017	78	443	538	1,059
	-----	-----	-----	-----
Net Book Value				
At 30 September 2016	33	140	292	465
	=====	=====	=====	=====
At 30 September 2017	44	99	232	375
	=====	=====	=====	=====

7. DEBTORS

	2017 £000's	2016 £000's
Other debtors	1,896	1,578
Prepayments	70	122
	-----	-----
	1,966	1,700
	=====	=====

8. CREDITORS: amounts falling due within one year

	2017 £000's	2016 £000's
Sundry creditors and accrued expenses	2,612	1,797
Other taxation and social security	13	309
	-----	-----
	2,625	2,106
	=====	=====

Total commitments under operating leases are:

	Property £000's	Office Equipment £000's	2017 Total £000's	2016 Total £000's
Within one year	105	8	113	87
Two to five years	514	34	548	4
	-----	-----	-----	-----
	619	42	661	91
	=====	=====	=====	=====

Property lease and office equipment commitments are in respect of a new lease for Restless Development's UK office.

9. RESTRICTED FUNDS	Balance 1 October 2016 £000's	Incoming Resources 2017 £000's	Outgoing Resources 2017 £000's	Balance 30 September 2017 £000's
Accountability	-	8	(1)	7
Amplify Change	(31)	378	(343)	4
Australian Volunteers International	12	29	(22)	19
Barclays Bank plc	53	-	(52)	1
Big Lottery Fund	160	237	(328)	69
British Council	15	184	(127)	72
Christian Aid	-	40	(44)	(4)
Comic Relief	(2)	116	(82)	32
DANIDA	-	69	(69)	-
Dance4Life	(51)	332	(275)	6
DFID	(29)	656	(686)	(59)
Dutch Government	(3)	-	3	-
Dulverton Foundation	-	6	(6)	-
Egmont Trust	5	61	(43)	23
European Union	114	831	(425)	520
FHI360	-	142	(148)	(6)
Ford Foundation	-	120	(23)	97
FSDZ	-	101	(128)	(27)
Bill & Melinda Gates Foundation	4	(4)	-	-
Girl Effect	-	-	(4)	(4)
Goal	-	(1)	1	-
Handicap International	-	1	(1)	-
Heifer International	-	115	(81)	34
Help Age International	46	184	(230)	-
ICRW	-	118	(89)	29
International Youth Foundation	13	60	(67)	6
IPPF Zambia	(10)	49	(22)	17
Irish Aid	162	119	(247)	34
Making All Voice Count (MAVC)	-	36	(41)	(5)
Mastercard Foundation	12	533	(523)	22
MERCURY	-	33	(15)	18
Nasscom Foundation	-	13	(6)	7
Novo Foundation	-	236	(104)	132
One Girl Australia	-	162	(162)	-
Open Society Foundation	17	(17)	-	-
Other donors	117	324	(402)	39
Other Trusts & Foundations	238	354	(421)	171
Oxfam	-	17	(1)	16
PACT	-	108	(153)	(45)
Permanent Mission of Denmark to the United Nations	-	62	(58)	4
Plan International	-	-	(6)	(6)
Plan Uganda	25	92	(114)	3
Porticus Foundation	(11)	156	(47)	98
Private Donor TZ	-	62	(13)	49
PSI	-	77	(100)	(23)
Red Cross	-	13	(13)	-
Samworth Foundation	14	29	(35)	8
Sida	591	184	(705)	70
Staying Alive Foundation	8	1	(9)	-
Stop Aids	-	16	(16)	-
The City funding network	-	1	-	1
UN Trust	26	82	(112)	(4)
UNDP	24	58	(100)	(18)
UNFPA	164	438	(604)	(2)

9. RESTRICTED FUNDS (continued)

UNICEF	195	1,775	(1,853)	117
USAID	(8)	78	(73)	(3)
Vitol Foundation	13	109	(241)	(119)
VSO International	368	2,460	(2,645)	183
Women Deliver	-	3	(3)	-
WYSYD	-	-	(1)	(1)
Zambia Governance Foundation	30	31	(57)	4
Zing Foundation	12	-	1	13
	-----	-----	-----	-----
	2,293	11,477	(12,171)	1,599
	-----	-----	-----	-----

Name of Fund

Description of Fund

Accountability

Funding the youth council works in Bihar and Tamil Nadu

Amplify Change

Provided funding in Zambia & Uganda for programmatic work.

Australian Volunteers International

Funded volunteer-led health education work in India.

Barclays Bank plc

Provided programme funding in Tanzania.

Big Lottery Fund

Funded programmatic work in the Karamoja region of Uganda. The programme supports young people to access sustainable livelihoods and play an active leadership role in peace-building initiatives.

Bill & Melinda Gates Foundation

Funded a pilot joint programme with VSO promoting pro-poor action in the UK through volunteers amplifying southern voices and leveraging their experiences of development. In addition the Foundation funded Ebola virus disease prevention in Sierra Leone.

British Council

Provided core programmatic funding in Zambia.

British High Commission

Funded research into youth engagement in council decision making in Sierra Leone.

Christian Aid

Funding Youth accountability volunteers in Sierra Leone

CIDA

Funded programmatic activities in Tanzania.

Comic Relief

Funded a number of mainly urban livelihoods programmes in Sierra Leone, Zambia and Zimbabwe

Dance4Life

Provided funding to support the roll-out of a youth and music initiative engaging young people in a global campaign to address HIV and AIDS.

Danida

Funding for the 'She Decides' programme

DFID Tanzania

Provided consortium funding to our Tanzania programme, supporting youth participation in developing a new national constitution, as well as programmes in Sierra Leone and Youth Summit events.

Dulverton Foundation

Provided funding for Sustainable Livelihood Project for Karamojong Youth in Uganda

9. RESTRICTED FUNDS (continued)

<u>Name of Fund</u>	<u>Description of Fund</u>
Dutch Embassy	Funds programmatic work in Uganda.
Egmont Trust	Funds work in Zimbabwe with children affected by HIV and AIDS.
Erasmus	Provided funding for our Global Policy and Practice work.
European Union	Provided funds for our youth programmatic work in Uganda and Zimbabwe.
Ford Foundation	Funding for the Kajana Wajbika project in Tanzania to place young people at the centre of development and government processes.
Financial Sector Deepening Zambia	Working to provide financial education to young people from an early age within the school system to ensure that they are equipped with the knowledge and skills that they need to make prudent financial decisions throughout their lives.
Girl Effect	Funding the Technology Enabled Girls Ambassadors (TEGA) programme in the regions of Bihar, Maharashtra and Rajasthan
GIZ Germany	Funded work on youth participation in advocacy and local governance in South Africa.
HelpAge International	Provided funding for programmes in Sierra Leone.
Heifer International	Funding for East Africa Youth Inclusion Project
ICRW	Funding to provide a platform for empowerment, employment and entrepreneurship for young girls in the regions of Delhi and Jharkhand
ICS	Funded UK youth on development placements across our country programmes, through which they gain valuable experience and build local youth capacity through peer education.
IPPF Zambia	Provided programme funding in Zambia.
International Youth Foundation	Funds programmatic work in Zimbabwe.
Irish Aid	Funds work on sexual reproductive health education in schools in Zambia.
KPMG	Partners with us on the Bright Programme, a partnership providing technical placements and support.
Making All Voices Count	Funding for the Kajana Wajbika project in Tanzania to place young people at the centre of development and government processes.
Mastercard Foundation	Provided funding for a Youth Think Tank project in Uganda.

9. RESTRICTED FUNDS (continued)

<u>Name of Fund</u>	<u>Description of Fund</u>
Mercury Phoenix Trust	Supported our Girls Leadership Programme in Ruvuma, Tanzania. The programme supports girls in rural communities with income-generation projects and SRH education. In addition the Trust provided funding for projects in Sierra Leone and Uganda.
Nasscom Foundation	Funding for training youth on digital literacy in the Tamil Nadu region
Norwegian Agency for Development Cooperation	Funded the Have you Seen my Rights campaign as part of our Policy & Practice work.
Novo Foundation	Funding for the Mabinti Tushike Hatamu Project in Tanzania to test and evaluate theories for reducing vulnerability of out of school girls to HIV, AIDS, pregnancy and gender based violence.
One Girl Australia	Funding business skill development to support girls to remain in or return to education
Open Society Foundation	Funded programmes in Tanzania.
Oxfam	Funding for the Ongea Sikilizwa Election Project in Tanzania
PACT	Funding for Kizazi Kipya Project in Tanzania working with orphans and vulnerable children on livelihoods and sexual rights.
Plan Uganda	Funded programmes in Uganda
Plan International	Funding the consultation for 'Solutions for Youth Network' in India
Porticus Foundation	Fund our programmes in Uganda and Zimbabwe.
PSI	Provides funding for a family planning programme in Tanzania.
Red Cross	Working to provide business development and enterprise training within Sierra Leone
Samworth Foundation	Funds livelihoods work targeting orphans and vulnerable children in Zimbabwe.
Save the Children	Funds programmatic activity in Uganda.
SIDA	Funds programmatic activity in rural communities in the Southern Highland region of Tanzania through a strategic grant.
Social Mobilisation Action Consortium	A consortium led by Goal under which we received funding for implementing community-led mobilisation to stop the spread of Ebola.
Stars Foundation	Recipient of the 2011 STARS Impact Award for health in Nepal.
Staying Alive Foundation	Funds capacity-building for youth-led and youth-focussed organisations across over thirty developing countries.
Students Stop Aids Campaign	Funding contribution to run the Youth Stop AIDS Campaign

9. RESTRICTED FUNDS (continued)

<u>Name of Fund</u>	<u>Description of Fund</u>
UNDP	Funds Restless Development to run and manage a Youth friendly Business Development Centre in Newton, a peri-urban community in Western Rural about one hour from Central Freetown, Sierra Leone, as well as our graduate internship programme.
UNFPA	Funds a number of our programmes, mainly direct delivery in Sierra Leone but also programmes in Nepal, South Africa and Zambia.
UNICEF	Funds a number of our sexual and reproductive health programmes in India, Nepal, Tanzania, Sierra Leone, Zambia and Zimbabwe.
UN Trust Fund	Funded projects in Sierra Leone and Nepal.
USAID	Funds programmatic activity in Uganda.
Other Donors	Funding youth livelihoods work in the Karamoja region of Uganda and other projects.
Vitol Foundation	Funded projects in Uganda and Sierra Leone.
VSO	Funds an education programme in a consortium in Tanzania.
Women Deliver	Supporting sexual and reproductive health rights work in India through documentary films
Zambia Governance Foundation	Funding to train young Zambian volunteers to assess their communities' access to services and start-up grants, to enable them to hold their governments to account for service delivery.
Zing Foundation	Provides funds for programmatic work and supports our infrastructure.

9. RESTRICTED FUNDS – Prior year comparatives	Balance	Incoming	Outgoing	Balance
	1 October 2015 £000's	Resources 2016 £000's	Resources 2016 £000's	30 September 2016 £000's
Amplify Change	-	173	204	(31)
Australian Volunteers International	5	24	17	12
Barclays Bank plc	-	82	29	53
Big Lottery Fund	85	344	269	160
Bill & Melinda Gates Foundation	25	-	21	4
British Council	64	71	119	16
British High Commission	(20)	33	13	-
Cida Canada	(2)	-	(2)	-
Comic Relief	236	147	385	(2)
Dance4Life	48	80	179	(51)
DFID Tanzania	(22)	148	155	(29)
Dutch Embassy	12	7	22	(3)
Egmont Trust	11	20	27	4
Erasmus	67	-	67	-

**9. RESTRICTED FUNDS – Prior year
comparatives (continued)**

European Union	170	283	336	117
GIZ Germany	(3)	3	-	-
Help Age International	(8)	313	259	46
ICS	210	2,667	2,509	368
IPPF Zambia	-	72	82	(10)
International Youth Foundation	4	61	52	13
Irish Aid	29	454	321	162
KPMG	13	7	20	-
Mastercard Foundation	20	257	265	12
Mercury Phoenix Trust	9	-	9	-
Norwegian Agency for Development Cooperation	31	1	32	-
Open Society Foundation	-	103	86	17
Other donors	52	254	189	117
Plan Uganda	-	37	12	25
Porticus Foundation	31	74	116	(11)
PSI	(2)	-	(2)	-
Samworth Foundation	8	30	24	14
Save the Children	3	19	22	-
Sida	11	1,145	565	591
Social Mobilisation Action Consortium	(155)	832	677	-
Stars Foundation	4	-	4	-
Staying Alive Foundation	12	17	21	8
Students Stop Aids Campaign	-	22	22	-
Other Trusts & Foundations	183	284	229	238
UNDP	3	58	37	24
UNFPA	(85)	654	403	166
UNICEF	429	1,588	1,824	193
UN Trust	84	91	151	24
USAID	-	37	45	(8)
Vitol Foundation	15	283	285	13
VSO	27	-	27	-
Zambia Governance Foundation	9	32	12	29
Zing Foundation	6	11	5	12
TOTAL RESTRICTED FUNDS	£1,619	£10,818	£10,144	£2,293

10. ANALYSIS OF FUNDS

	Restricted Reserves	Unrestricted Fixed Assets Reserve	Unrestricted Designated Reserve	Unrestricted Free Reserves	2017 Total	2016 Total
	£000's	£000's	£000's	£000's	£000's	£000's
Tangible fixed assets	-	375	-	-	375	465
Current assets	1,599	-	-	3,662	5,261	6,123
Current liabilities	-	-	-	(2,625)	(2,625)	(2,106)
	1,599	375	-	1,037	3,011	4,482

The Designated Reserve Fund represents unrestricted income which was received in the 2015/16 budget year which was marked for use in 2016/17, remained unspent at 30th September 2016 and in line with the budget was spent in early 2016/17.

11. RELATED PARTY TRANSACTIONS

During the year, Restless Development worked closely with an affiliate organisation, Restless Development USA. Whilst there is no common direct or indirect control, at 30 September 2017, Restless Development USA owed Restless Development £306,434 (2016: £234,176). The Chief Executive of Restless Development, Nik Hartley, also served as a member of the board of Restless Development USA during the financial year to September 2017.

12. OVERSEAS ORGANISATIONS

In order to operate in some countries, Restless Development is required to register as an NGO in local regions. These organisations are treated as branches of Restless Development and their accounts are included within the accounts of Restless Development.

A list of all overseas organisations controlled by Restless Development is as follows:

Organisation name	Country of Registration	Incoming Resources 2017 £000's	Expended Resources 2017 £000's	Surplus/ (deficit) 2017 £000's	Net Assets 2017 £000's
Restless Development Nepal	Nepal	2,074	(2,075)	(1)	2
Restless Development Tanzania	Tanzania	1,403	(1,403)	-	39
Restless Development Uganda	Uganda	1,675	(1,674)	1	5
Restless Development Sierra Leone	Sierra Leone	2,122	(2,625)	(503)	(464)
Restless Development SPW India Project Trust	India	500	(494)	6	46
Restless Development South Africa	South Africa	584	(562)	22	36
Restless Development Zambia	Zambia	1,714	(1,679)	35	62
Restless Development Zimbabwe	Zimbabwe	681	(688)	(7)	89
		----- 10,753 =====	----- (11,200) =====	----- (447) =====	----- (185) =====

Organisation name	Country of Registration	Incoming Resources 2016 £000's	Expended Resources 2016 £000's	Surplus/ (deficit) 2016 £000's	Net Assets 2016 £000's
Restless Development (Nepal)	Nepal	1,301	(1,644)	(343)	189
Restless Development Tanzania	Tanzania	1,687	(1,220)	467	563
Restless Development Uganda	Uganda	1,129	(1,258)	(129)	133
Restless Development Sierra Leone	Sierra Leone	3,015	(3,085)	(70)	348
Restless Development SPW India Project Trust	India	405	(383)	22	159
Restless Development South Africa	South Africa	546	(373)	173	182
Restless Development Zambia	Zambia	840	(723)	117	432
Restless Development Zimbabwe	Zimbabwe	622	(581)	41	520
		----- 9,545 =====	----- (9,267) =====	----- 278 =====	----- 2,526 =====

13. FINANCIAL INSTRUMENTS	2017 £000's	2016 £000's
Financial Assets		
Financial assets measured at fair value	3,295	4,423
Financial assets that are debt instruments measured at amortised cost	1,966	1,700
	-----	-----
	5,261	6,123
	=====	=====
Financial Liabilities		
Financial liabilities measured at amortised cost	2,625	2,106
	=====	=====

Financial assets measured at fair value through profit or loss comprise debtors and cash at the balance sheet date. Financial Liabilities measured at amortised cost comprise creditors at the balance sheet date.

14. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES: 2016

	Unrestricted Funds £000's	Restricted Funds £000's	2016 Total £000's
INCOME FROM:			
<i>Donations and legacies</i>			
Grants and donations	3,458	10,818	14,276
Donations in kind	6	-	6
<i>Charitable activities</i>			
Project recoveries	448	-	448
Volunteers' contributions, including Schools	-	-	-
	-----	-----	-----
Total income	3,912	10,818	14,730
	-----	-----	-----
EXPENDITURE:			
<i>Raising funds</i>			
Fundraising costs of grants and donations	(156)	-	(156)
<i>Charitable activities</i>	(3,478)	(10,343)	(13,821)
	-----	-----	-----
Total expenditure	(3,634)	(10,343)	(13,977)
	-----	-----	-----
Net income/(expenditure)	278	475	753
Foreign exchange gains/(losses)	(23)	199	176
	-----	-----	-----
Net movement in funds	255	674	929
Reconciliation of funds			
Total funds brought forward	1,934	1,619	3,553
	-----	-----	-----
Total funds carried forward	£2,189	£2,293	£4,482
	=====	=====	=====