Annual report 2025/26

Celebrating the past year

Report and Financial Statements 2025/26
Year ended 31 March 2026

Contents

Front cover: Ami Djourte Ballo, a participant of Tearfund's Community Transformation training in Sikasso, Mali, working in her courtyard. Photo: Jonas Yameogo/Tearfund

Where we work

We're working in more than 50 countries to bring an end to extreme poverty, including:

Afghanistan
Bangladesh
Bolivia
Brazil
Burkina Faso
Burundi
Cambodia
Central African Republic (CAR)
Chad
Colombia
Côte D'Ivoire
Democratic Republic of Congo (DRC)
Ethiopia
Guatemala
Honduras
India
Iraq
Kenya
Lebanon
Liberia
Malawi
Mali
Mozambique
Myanmar
Nepal
Nicaragua
Niger
Nigeria
Occupied Palestinian Territories
Pakistan
Papua New Guinea
Philippines
Rwanda
Sierra Leone
South Sudan
Sudan
Syria
Tanzania
Thailand
Uganda
Ukraine
Yemen
Zambia
Zimbabwe

UK*
USA*

*Fundraising, raising awareness and mobilising the church to act and speak out on injustice and poverty.

Chair's introduction

This has been a year of transition, but also one marked by God's faithfulness. We've seen him provide all that we need, to do all that he asks us to do.

A key gift this year has been our new Chief Executive, following Nigel Harris's retirement after almost ten years of faithful service. Silas Balraj joined Tearfund in September. He brings a wealth of experience, having held a number of senior positions at Compassion International, over the past two decades. Silas combines deep spiritual leadership with extensive operational experience. His roles have included Country Director for India, Vice President for Asia, and Senior Principal in Compassion's global programme, where he oversaw a project bringing together philanthropy, marketing and programme teams to work more effectively and achieve greater impact. Before joining Compassion, Silas worked in India's IT sector, where he led organisations from start-up to profitability.

I am hugely grateful to Tim Pilkington, to the Executive Team and to many others across Tearfund for leading and serving steadily through the transition to a new Chief Executive. It has been a joy to welcome Silas into Tearfund. Silas is committed to building on Nigel's legacy in deepening and strengthening our focus on the local and the global church, and our absolute reliance on Jesus in all we do.

As 2025/26 was the second year of our three-year strategy, over the coming year Silas will be working with the Board and organisation to discern what we are being called to next. What we do know is that our foundational identity remains unchanged: our vision to see people freed from poverty, living transformed lives and reaching their God-given potential, and our determination to follow Jesus' example of radical love. And we'll continue to seek out those in greatest need and walk alongside communities in the hardest places, firm in the belief that, as we partner with them, through local churches and others, and as we rely on God, change will come.

God is so faithful and has allowed us to continue and deepen our work around the world, as Silas outlines on the following page. The closure of USAID last year hit our work in DRC and South Sudan particularly hard, with a deep and lasting impact on some of the most vulnerable people in this world. We continue to explore options to reach these communities in other ways. However, through the extraordinary giving of our supporters – individuals, trusts and foundations, as well as larger institutions – we have otherwise seen our income hold steady. This has been through a year where we might well have expected it to fall, as other governments have cut development spending and individuals have faced their own financial pressures. But God is good, and our supporters have been generous. We are so grateful.

We look ahead, not shaken by uncertainty, but anchored by the absolute certainty of God's guidance, provision and enduring grace. Although we do not know what the year will hold, we know that he does. We step into the future grateful and confident that he who has called us is faithful. And for as long as he calls us to it, his work through Tearfund will continue, bringing deep and lasting transformation.

Anna Laszlo, Chair of the Board

Chief Executive’s introduction

‘Not unto us, O LORD, not unto us, but to Your name give glory, because of Your mercy, because of Your truth.’ (Psalm 115:1, NKJV)

As I write my first Annual Report introduction as Chief Executive of Tearfund, these words from the psalmist feel deeply appropriate. This report is not a testimony to our strength, plans or efforts, but to the mercy and truth of God. Across seasons of opportunity and challenge, through change and uncertainty, God has remained faithful.

By God’s grace, I stepped into this new role with a deep sense of calling, humility and gratitude – grateful for the strong foundations laid by those who have gone before me, and deeply aware of the privilege of serving an organisation whose vision remains so clear, more than five decades on.

As I have listened and learnt, I have been struck again and again by the faithfulness and courage of our staff, partners, churches, volunteers and supporters. And I’m amazed by communities’ resilience. In a world marked by conflict, displacement, climate crisis, economic uncertainty and deepening poverty, Tearfund’s calling remains both urgent and hopeful: to go where the need is greatest and follow where Jesus’ love leads. This report tells a powerful story of grace at work.

During the year, Tearfund raised £69.2 million to support work around the world, worked with 257 partners and allies across 46 countries, directly reached 2.04 million people through projects, mobilised 19,384 churches as centres of transformation impacting 5.7 million individuals, contributed to 55 public policy and practice changes, and supported humanitarian responses reaching 1.16 million people. These are not simply numbers: they represent lives changed, families strengthened, communities transformed.

The Christ-centredness of Tearfund’s work and our continued call to work through and alongside the local church is hugely important to me. In some of the most difficult and fragile places in the world, we continue to see churches and communities responding to poverty, injustice and crisis with faith and dignity, compassion and courage – living and loving like Jesus.

I want to express my deep thanks to Nigel Harris for his faithful leadership, to Tim Pilkington for serving as Interim Chief Executive, to our Executive Team, our global leaders and our staff through this season of change. I am also grateful to our Board of Trustees for their prayerful governance and support, and to our partners who serve with such dedication, often in very challenging circumstances.

Above all, I want to thank our supporters, churches, donors and volunteers. Your generosity, prayers and faithful partnership make this work possible.

As we look ahead, my prayer is that Tearfund will remain deeply rooted in Christ, courageous in the face of injustice, steadfast in pursuing change, dogged in reaching those in greatest need, led by love. The need before us is great, but our hope is greater.

Silas Balraj, CEO

Celebrating a year of global impact and hope

Despite a challenging funding landscape, this year has seen some amazing impact as we look to see people freed from poverty, living transformed lives and reaching their God-given potential. We have now more than doubled the number of churches we are working with as active transformation centres compared to two years ago, and our humanitarian responses, which often involve life-saving assistance, have seen us serve over 1 million people.

£69.2 million received to transform lives around the world

257 partners and allies across 46 countries collaborating with us

2.04 million people reached directly through our projects

19,384 new churches mobilised as transformation centres impacted 5.7 million individuals

55 public policies and practices changed through our influence

1.16 million people reached in humanitarian responses funded by Tearfund

These achievements are not merely statistics; they are stories of lives transformed, communities restored, and the church rising as a beacon of light in the darkness.

Trustees' strategic report

The Board of Trustees present their strategic report, together with the audited, consolidated financial statements, for the year ended 31 March 2026.

Charitable purpose

Tearfund is a registered charity in England and Wales, established to support other charities/voluntary bodies and the general public/humankind.

The charitable purposes of the organisation are summarised as follows:

- the prevention or relief of poverty
- overseas aid/famine relief
- Christian education and religious activities

The Trustees confirm that due consideration has been given to the Charity Commission's guidance on public benefit, including 'public benefit: running a charity (PB2)' and 'public benefit: reporting (PB3)'. They are confident that all activities undertaken by Tearfund this year contribute to the Charity's aims and objectives and have been delivered in accordance with the charitable purposes. Therefore, they believe Tearfund meets the public benefit requirements of the Charity Commission in our reporting.

Principal activity

Tearfund is a Christian humanitarian relief and development agency committed to eradicating extreme poverty.

Tearfund's commitment remains steadfast: to follow Jesus' example of radical and transforming love, to help end extreme poverty, to work for justice and to restore broken systems and broken relationships. We pursue abundant life – for every person and the whole of creation.

Our vision is to see people freed from poverty, living transformed lives and reaching their God-given potential. Our mission is to walk alongside the most marginalised, oppressed and exploited people in the world and to work with them so they can move beyond day-to-day survival and reshape their future.

Our approach is to partner with local churches, to support, mobilise and invest in them, so they can bring lasting change to every area of life and eradicate extreme poverty for good.

We inspire and equip individuals, churches and partners to transform their communities, respond to disasters and influence people in power to lead justly.

All our work is led and informed by the needs, knowledge, skills and resources of the people whose lives they aim to transform.

Partnerships and principles

Our partners are local churches, denominations and Christian national and international non-government organisations who meet our partnership criteria, including our Statement of Faith.

We undertake our institutionally funded operational programmes, which are directly implemented and overseen by Tearfund staff, in countries affected by protracted and/or recurrent crises, where the availability and capacity of partners are limited.

Tearfund is a member of various alliances and networks. These include: the Disasters Emergency Committee, BOND (a network of organisations working in international development), Micah Global Network, Integral Alliance, Start Network, Joint Learning Initiative, and World Evangelical Alliance.

Tearfund upholds a set of corporate Quality Standards that reflect the organisational characteristics we aspire to, and the relevant external and internal accountabilities, standards, codes, guidelines and principles we're committed to. We are signed up to a range of internationally recognised operating codes and standards, including certification by the Humanitarian Quality Assurance Initiative against the Core Humanitarian Standard. Please visit **tearfund.org/qualitystandards**

With a shared Christian identity and common goal to reduce poverty and injustice, the immediate Tearfund family brings together autonomous agencies in the UK, Ireland, Belgium, France, Germany, the Netherlands, Canada, Australia and New Zealand. They collaborate with a wide range of other organisations and agencies globally, all committed to bringing lasting transformation. Tearfund and our partners work with people in the greatest need around the world, regardless of their race, religion, ethnicity, ability, age, sex and gender or nationality.

Our corporate priorities

Our corporate priorities serve as key outcomes demonstrating Tearfund's contribution to holistic transformation and to restoring broken systems and broken relationships. Taken together, these four priorities recognise the multidimensional nature of poverty and seek to restore not just material wellbeing but also social, environmental and spiritual flourishing, contributing to a world where all people can thrive.

Our corporate priorities are:

- Church and Community Transformation (CCT)
- Environmental and Economic Sustainability (EES)
- Reconciled Peace-filled Societies (RPS)
- Crisis to Resilience (C2R)

These are the priorities that we consider we are uniquely placed to deliver and that will enable us to contribute to transformational change in the countries in which we work. The corporate priorities are applied according to contextual needs, bringing together different thematic areas (such as disaster risk management, sexual and gender-based violence, and water, sanitation and hygiene). The local church is central to all four of our priorities.

In 2026/27, we will focus our impact through the delivery of integrated outcomes that work across our four corporate priorities.

In the pages that follow, this strategic report details progress made against our key objectives set last year and our aims for 2026/27.

Church and Community Transformation (CCT)

We want to see local churches and communities transformed. We inspire and support the church to be a catalyst for change: to be active, vibrant and living out a theology of integral mission so that entire communities experience whole-life transformation.

Core statistics

This year, we've supported:

19,384
local churches actively engaging in transforming their community

814
denominations and networks mobilised in CCT

185
theological training organisations integrating CCT into their curriculum

Strategic update

CCT brings together local churches and communities to address the causes and effects of poverty, helping people build resilient, hopeful and flourishing futures. Over the past year, we have made significant progress in deepening our engagement with churches, doubling the number reached since 2023.

We continue supporting local churches to drive sustainable change by inspiring, influencing and coming alongside denominations, networks, theological colleges and peer organisations to implement integral mission.

This year's main aims, reflected in the two-year objectives on the following pages, were to increase training capacity and quality. Networks particularly are thriving, with a new Holistic Transformation Asia Consultation (HTAC) and significant growth in the Africa Christian Transformation (ACT) Forum,[1] both of which have increased demand for CCT training.

To strengthen our approach, we trained more CCT trainers, provided more locally translated resources, embedded CCT principles in theological college curricula, and expanded reach through theological education by extension. We are also standardising training so it is consistent.

[1] The ACT Forum is a growing movement established in 2023 at a Tearfund conference to promote holistic development, peacebuilding and community transformation across Africa. It brings together Christian leaders to advance CCT, aiming to build Christ-centred communities addressing both spiritual and physical needs.

Into our CCT processes, we integrate thematic expertise and other corporate priorities, equipping churches with the tools they need to provide local solutions for lasting transformation. These include social accountability tools (to support local advocacy), disaster preparedness (C2R), savings groups (EES), and approaches such as Transforming Masculinities training and Journey to Healing (RPS).

Key objectives and achievements

These are the key objectives we set ourselves last year, with examples of how we met them and what we learnt.

1 **Build capacity with new CCT facilitators and trainers, supporting partnerships with local churches, denominations and networks, theological institutions and new peer organisations globally.**

We reached 19,384 local churches this year, exceeding our target and reaching 329,649 community members directly and benefiting 2,112,965 globally. In Latin America alone, 3,802 churches have been influenced, representing more than half (58 per cent) of our three-year regional goal. Through this, 303 churches have become active transformation centres, leading to 17,288 community members seeing their wellbeing improve through better relationships, greater participation in local decision-making and enhanced livelihoods, as well as through access to new, locally built facilities such as water points, schools and health clinics.

To support this, we have built the capacity of new CCT facilitators globally. 'Training of Trainers' events have been taking place across all our regions, with 1,060 new trainers now equipped and 6,880 new facilitators trained. The first 'Master Trainer' programme was completed in May 2026, with 17 'Global Master' trainers then ready to lead more 'Training of Trainers' events.

Part of this training has involved supporting theological training organisations to create curricula integrating CCT, including 185 new institutions this year. There are, for example, 15 new partnerships with such organisations in Latin America, including a landmark alliance with SETESUR (Bolivia), to integrate integral mission into undergraduate curricula.

We continued to engage new denominations, 814 in the last year. This is partly as a result of new chapters of the ACT Forum, which now spans 38 countries. Delegates to an HTAC event represented more than 50,000 churches across 14 countries in Asia. New partnerships are also being built, through peer organisations such as BMS World Mission and Compassion, and networks such as Reformed Family Africa, the UP Movement, The Forge Network and Lead Africa.

In Syria and Lebanon, 18 churches from seven denominations have continued with CCT, with an adapted Arabic version of the Church and Community Mobilisation Process (CCMP) manual being used for the first time. Crossing denominational divides to overcome deep-seated divisions in communities is a significant achievement in the region.

2 Support local churches to integrate advocacy, campaigning, social accountability and movement building into CCT.

We have supported 905 new churches to integrate advocacy approaches into CCT this year. New social accountability tools are helping communities draw down local government resources, hold authorities accountable and improve service delivery and governance. For example, after social-accountability training, members of a village development committee in Mchezi, Malawi, applied what they had learnt by engaging their MP and ward councillor, which led to assurances that the village would receive local government funds for development. In Zambia and Malawi, church advocacy through CCT movements led to a ban on cutting down trees and work to mitigate environmental degradation. Also, in Zambia's Southern Province, the government is now sharing 'early warning weather alerts' with churches through the Choma Pentecostal Church, enabling communities to plan for droughts or floods.

This year, we cascaded social-accountability training across south-east Africa and West Africa. Training in south-east Africa led to eight initiatives, which included tackling gender inequality, speaking out for marginalised groups, and participating in local governance structures. An animation explaining and promoting social accountability was created and resources are now being translated into Portuguese, Chichewa and Swahili.

We are also seeing churches identify trends in their country and come together as CCT movements to advocate at a national level. The ACT Forum chapter in Mozambique organised a national day of prayer for peace, attended by the President and opposition leaders. It has also worked with other faith groups and national NGOs on issues around democracy and governance. Training to support national initiatives like this has been completed in West Africa, Tanzania, South Sudan and Uganda.

3 Pilot new e-learning/virtual CCT training in three countries.

The new online training course started in October 2025, with 24 participants representing 15 countries from Panama to the Philippines. The purpose of this course is to be an introduction to or 'taster' for CCT, and runs over six months, unlike the full, face-to-face training programme that takes two years. The online course aims to serve those who would not be able to attend in-person training, or to help people explore what is involved and build confidence so they can get started with activities in their church.

This first cohort graduated in June 2026, and included some higher-level church leaders such as bishops, as well as youth pastors. The learning was wide-ranging as peers heard from very different contexts and cultures. Overall, the feedback has been positive. A learning review will take place in the summer, with the plan to now pilot training in Arabic and French, as well as one for a more international cohort.

What we learnt

A deep dive into the data of our CCT impact study showed that we need to improve CCT participation and outcomes for certain groups. Although people with disabilities participate in CCT activities just as much as others do, they do not seem to benefit from participating as much as those without disabilities. Likewise, people aged 75 and above appear not to benefit from CCT as much as those aged 60 to 75. People with lower educational attainment are less likely to take part in CCT activities, although when they do, they benefit much more than more highly educated participants. Furthermore, following a recent Core Humanitarian Standard audit, we are looking at ways to further ensure that churches are providing a safe space for CCT participants, particularly by enhancing the safeguarding resources and training we provide to denominations and churches.

Going forward in 2026/27

We aim to:

- Continue to build capacity with 20,000 new CCT facilitators and 350 new trainers, to support CCT partnerships with 30,000 new local churches, 500 new denominations and networks, 300 new theological institutions and five new peer organisations globally.
- Continue supporting 1,000 new local churches to integrate advocacy, campaigning, social accountability and movement building into CCT.
- Pilot new e-learning/virtual CCT training in three countries.

Environmental and Economic Sustainability (EES)

We work with local churches, partners and communities to tackle environmental and climate challenges while creating jobs that help protect the environment, improving livelihoods and ensuring sustainable economic development. We advocate to governments and companies too, to ensure economic development and environmental protection go hand in hand.

Core statistics

This year, we've supported:

277
households supported with green livelihood resources

2,364
new savings groups established, engaged in movement building and influencing policy

25
policies and practices changed, benefiting tens of millions of people

Strategic update

Building on foundations laid in previous years, we have continued to integrate EES principles into the heart of our country's strategies.

This year, we have focused on further integrating activities such as income generation into CCT approaches, leading to better outcomes for those taking part. We have also been mobilising resources for climate-smart initiatives and economic sustainability, as well as mainstreaming environmental practices further into our programming globally.

Innovation remains at the very heart of our strategy, and we are increasingly leveraging digital technology to improve our programmes and the quality of our evidence. This year, we successfully piloted an app called DreamSave in Ethiopia, Nigeria and Rwanda. This digital savings tool has proved instrumental in helping to establish more self-help groups, as well as helping to monitor and support these groups as they develop.

Key objectives and achievements

These are the key objectives we set ourselves last year, with examples of how we met them and what we learnt.

1 Mobilise the church and integrate EES theology.

This year, our theology work focused on helping churches understand EES as being integral to Christian discipleship. We combined theological teaching and community mobilisation in our work with the church and theological institutions across different regions, in order to achieve long-term impact.

In Latin America and the Caribbean, in the lead-up to COP30 in Brazil, we supported theological workshops, church gatherings and advocacy training in Belém and beyond. This mobilisation reached 321 people from 60 churches and more than 22 denominations. To continue supporting this work, we produced a five-episode podcast series, *And God saw that it was good*, and a musical piece, with an estimated 400–600 people engaging with the content so far. We also created a children's book based on Tearfund's **Abundant Community** report, encouraging young people (and parents) to explore creation care.

In Francophone Africa, we facilitated a research retreat in Kinshasa, DRC, with the Association of Theological and Pastoral Training Institutions in Central Africa (ASTHEOL).[2] This enabled eight theologians to produce the first draft of a contextual eco-theology handbook for use across a network of more than 50 theological schools.

In Kenya, we launched the Ongata Rongai Creation Care Initiative, a church-led programme integrating EES theology with CCT principles. This investment will enable the training of about 30 'creation-care champions', equipped with biblical understanding and practical skills in environmental stewardship to lead community-based theological reflection and action.

In South-East Asia, we partnered with Lausanne Creation Care and Micah Philippines to convene a Creation Care Forum in Palawan, the Philippines. The gathering brought together theologians, indigenous leaders, scientists and practitioners to explore culturally grounded and theologically rooted approaches to creation care.

Across all activities this year, 389 people attended EES theology events, 13 events were convened or co-hosted, one major theological resource was produced, three theological training organisations were influenced and about 830 people engaged with EES theological resources.

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[2] ASTHEOL is a regional network of theological colleges, seminaries and academic institutions, which holds consultations with and represents member schools within the DRC.

2 Advocate for policies and practices changed in line with our EES vision and priorities.

Our EES-focused advocacy work has driven tangible policy and practice changes this year. In Mozambique, the Safeguard the Planet movement successfully lobbied the government to temporarily suspend mining licences in Manica province due to river pollution. In the UK, 100 Tearfund supporters signed up for the Act Now, Change Forever mass lobby of Parliament where individuals could talk to their MP about climate change and how their faith motivates them to action. We joined more than 5,000 people uniting across multiple organisations to share our concern for the planet. In Masaka, Uganda, local advocacy by the ACT Forum led to the city's first eco-exercise park, to be constructed from recycled plastic, being given the go-ahead.

Our work on green livelihoods through the Trash to Cash project in its final year has continued to drive systemic change within the plastic value chain and decision-making processes. Globally, we progressed our work with companies through our involvement in the Fair Circularity Initiative, which this year welcomed its seventh global brand member. Both global and national brands made progress on implementing the Fair Circularity Principles, which ensure the human rights of waste pickers are respected and their critical role in circular value chains is recognised. Meanwhile, we have maintained our influence in the UN Plastics Treaty negotiations, working with governments around the world to secure widespread support for a commitment to a 'just transition' for waste pickers to be included in the text.

Nationally, this year we have supported grassroots waste-picker organisations in Kenya, South Africa and South Sudan and we are actively engaged in efforts to expand this work into new contexts. In one country, a project to facilitate dialogue between waste pickers and companies has achieved an agreement on paying a service fee to waste pickers. We entered a strategic partnership with the Responsible Sourcing Initiative to advise on their work in Africa and specifically their pilot project in Kenya, increasing the scope and influence of our work.

3 Build climate resilience and sustainable alternative livelihoods.

We are prioritising large-scale integrated programmes that combine economic empowerment with climate resilience. The DreamSave app pilot in Ethiopia, Rwanda and Nigeria has shown in real time that savings groups are forming: this year, 434 savings groups were set up and more than £93,000 in total was saved. This app has also allowed us to monitor the groups' progress and provide relevant support. We are now developing opportunities for this app to be used in more countries.

In the Eurasia and North Africa region, we initiated a regional agroforestry project in Afghanistan, Iraq and Pakistan, establishing regenerative plots to model syntropic farming. A major institutional win was achieved in Iraq, where we signed a Memorandum of Cooperation with the Ministry of Agriculture to model and scale the use of climate-resistant crops and regenerative farming.

In Yemen, a Group Cash Transfer project is now supporting women's groups to initiate 50 micro and small businesses. In Bangladesh, we supported 144 households with income-generating resources and advanced research on solar-based cooking solutions, Garol sheep and salt-tolerant crops such as wheat. Additionally, we are better at documenting the economic impact of our water interventions; for instance, in the Karamoja region of Uganda, we have observed that integrating water, sanitation and hygiene (WASH) work with agricultural livelihoods has improved sustainable water abstraction for farming.

What we learnt

- **Integrating environmental sustainability with economic development increases impact.** The shift towards systems thinking and integrating EES across all programmes has shown that combining income generation, climate resilience and environmental practices leads to stronger and more sustainable outcomes for communities.
- **Faith-based and community mobilisation is a powerful driver of change.** Engaging churches through theology, training and advocacy has proved effective in influencing both behaviour and policy. This approach has strengthened local ownership, increased awareness of climate justice, and positioned faith communities as key agents of environmental and social transformation.
- **Innovation and partnerships accelerate scale and systemic change.** Tools such as the DreamSave app, alongside strategic partnerships with governments, NGOs and the private sector, have enhanced programme delivery and influence. These collaborations have contributed to policy changes, improved livelihoods (eg for waste pickers) and expanded the reach of sustainable solutions globally.

Going forward in 2026/27

We aim to:

- Reach 300 additional people through events and speaking engagements to mainstream Abundant Community theology, while influencing three major theological training organisations and producing six new research papers to ground environmental action in restorative justice.
- Secure 20 policy and practice changes through global advocacy – specifically targeting plastic waste, climate finance and waste-picker rights – while establishing 2,500 savings groups and creating 1,000 green jobs to support those at the 'bottom end' of the economic scale.
- Ensure 75 per cent of priority countries adopt climate-smart agricultural and adaptation practices, while simultaneously 'walking the talk' by implementing a net-zero strategy to progress towards a 30 per cent reduction in our own carbon emissions from flights and UK operations.

Reconciled Peace-filled Societies (RPS)

We equip communities to work together across divides to resolve conflict peacefully. We support churches, faith groups and local communities to play a pivotal role in addressing the effects and systemic causes of violent conflict and bring lasting peace for their society and everyone in it.

Core statistics

This year, we've supported:

3,487
churches and faith leaders mobilised to pursue peace, justice and gender equality

1,506
gender champions equipped and supported

2,244
peacebuilders equipped and supported

Strategic update

Our strategic approach remains anchored in the conviction that the church is uniquely positioned to address systemic injustice, change harmful norms and foster sustainable peace. This year, we mobilised and supported churches and faith leaders at local, regional and global levels to act as mediators, bridge-builders and convenors. This includes amplifying the church's role as a prophetic voice for just peace and a trusted partner in national reconciliation and civic engagement.

As a faith-based organisation, we have continued to root our work in a solid theology. We collaborated with theologians and pastors on gender-justice theology and explored the intersection of faith, security and conflict transformation. By connecting our core models to scriptural study, we ensure that shifts towards peace and justice are driven by deep-seated faith convictions rather than external pressures.

We are also innovating in the digital space (such as through social media influencers) to bridge the gap between beliefs and behaviour, while scaling our models through multi-faith and government-engaged networks. Finally, our integrated approach links social change with practical community needs. By combining peacebuilding and gender justice with livelihoods, infrastructure and environmental care, we ensure that social cohesion is backed by physical and economic security.

Key objectives and achievements

These are the key objectives we set ourselves last year, with examples of how we met them and what we learnt.

1 Mobilise churches and faith leaders for RPS.

We are working with peer organisations to mobilise the global church and faith leaders to pray and advocate for sustainable peace – with a focus on Eurasia and North Africa. We supported a theological summit gathering of 80 global leaders to collaborate in support of Palestinian churches and issued an urgent call for intercession and a dedicated prayer guide for Gaza and the wider region following the major escalation of conflict in February. We also gathered more than 60 Christian leaders in the UK to reflect on a kingdom approach to peace and security.

In Southern and East Africa, we partnered with the church to amplify its role as a trusted bridge-builder. The Evangelical Association of Malawi trained more than 230 leaders nationwide in civic engagement, peacebuilding and electoral integrity ahead of the 2025 general elections, while the Zimbabwe Heads of Christian Denominations convened two national gatherings to advance peace and reconciliation.

More than 400 churches in South Asia are scaling up work to reduce sexual and gender-based violence (SGBV) and promote gender justice using our Transforming Masculinities and Journey to Healing approaches. We convened theologians from across the Asian region to deepen Asia-rooted theology on gender justice, culminating in a book, while 20 pastors in Central Asia engaged in dialogue on theology and conflict transformation. Furthermore, 14 denominations across South-East Asia joined the second roll-out of the Jesus Fourth Way approach to address conflict and injustice through non-violence. We have completed formative research on churches' response to SGBV in Cambodia and are currently replicating this in Indonesia.

Across Latin America, 412 churches were trained to be safe spaces, mediators and prophetic voices for peace, including more than 45 churches in violent areas of Ecuador. Additionally, Tearfund remains a key partner in the Alliance for Integrity: Churches and Faith Communities Against Corruption, which reached about 20,000 people through digital and church-based activities. Meanwhile, 56 churches and 2,450 people were mobilised through the 16 Days of Activism Against Gender-Based Violence campaign.

2 Equip and support gender champions.

We continued expanding the influence of gender champions to challenge harmful social norms and promote healing through Transforming Masculinities and Journey to Healing approaches.

In the East and Central Africa region, 100 gender champions were trained in the CAR and led dialogues reaching 31,824 community members. Moreover, linking social shifts with the rehabilitation of critical infrastructure (eg water points) and with income-generating activities reduced safety risks for women in remote areas.

Across West Africa, we supported and equipped 248 gender champions. These regional efforts were further amplified by the 16 Days of Activism campaign, which reached more than 2,360 community members across Burkina Faso, Chad, Mali and Nigeria. In Nigeria, the Bridging Beliefs and Behaviour pilot is testing a digital adaptation of Transforming Masculinities. This innovation supports faith-affirming digital influencers to drive norm shifts within their online communities, aiming to bridge the gap between beliefs and behaviour around gender equality, family planning and gender-based violence (GBV).

Our Transforming Masculinities initiative continued to expand across our Asia programme as part of a vision to extend into seven countries in Central Asia with support from the Imago Dei Fund. To sustain this growth, 21 communities of practice collaborated at district and national levels to empower local changemakers, and equipped 25 new trainers in Asia. Key manuals were contextualised and translated into five languages to engage Christian, Muslim and mixed-faith groups. This includes a children's book on gender equality followed by training over 500 teachers, reaching 5,000 children and young adults.

3 Equip and support peacebuilders.

We have scaled up proven peacebuilding approaches, such as the Community Conflict Transformation Dialogues, by integrating them into national systems, digital platforms and interfaith networks.

In Eurasia and North Africa, we and our partners have supported interfaith dialogues, youth-led community projects and training on interfaith cooperation. This year, 3,288 people were reached in Iraq, while in Yemen 102 individuals participated in three dialogue sessions and 80 individuals were trained in civic engagement. In Syria, 1,558 people participated in awareness sessions on protection, GBV prevention and peacebuilding, while in Lebanon 25 young people from diverse backgrounds promoted interfaith collaboration through environmental peacebuilding.

In West Africa, 365 peacebuilders were equipped and supported. Meanwhile, the Sahel Humanitarian Assistance and Resilience Project (SHARP) demonstrated the impact of integrating peacebuilding, gender equality, livelihoods and WASH to reduce conflict and transform gender relations, involving about 1,500 people in community dialogues. In Mali and Nigeria, for instance, improved livelihoods through savings groups, farm inputs and income-generating activities reduced resource-based tensions, while trauma healing and peace clubs created the relational foundation for these economic and social gains to take hold.

Our 'Shifting Security Narratives' approach was advanced in Southern and East Africa, where six denominations from the Zimbabwe Council of Churches and the Evangelical Fellowship of Zimbabwe promoted dialogue and collective understanding. In West Africa, this approach expanded into a youth-led initiative spanning Nigeria, Burkina Faso, Côte d'Ivoire, Niger, Togo, Benin and Ghana.

Across several countries in Central Asia, a network of peacebuilders has been established, alongside government and interfaith engagement. Meanwhile, in Latin America, Tearfund provided training and accompaniment to church leaders working in contexts of extreme violence, and supported regional platforms and international advocacy to ensure their protection.

What we learnt

The time for our global RPS work and interfaith engagement has never been more critical, as our Transforming Masculinities, Journey to Healing and peacebuilding initiatives continue to deliver profound transformation across communities and church leadership alike. This impact is further evidenced by the church's role as a bridge-builder and powerful catalyst for public integrity. By integrating civic engagement into these peacebuilding efforts, we support faith leaders in exercising a prophetic voice that holds power to account and promotes ethical governance.

Going forward in 2026/27

We aim to:

- Continue to support local changemakers to lead gender protection and peacebuilding efforts, promoting the social and cultural norm change needed for sustainable transformation.
- Further influence and mobilise churches for peace, justice and gender equality, addressing the root causes of poverty and injustice.
- Scale up our peacebuilding and gender-protection approaches across regions to broaden their impact.

Crisis to Resilience (C2R)

We equip churches and local communities in disaster preparedness, help them respond to emergencies, and invest in building resilience and hope for people in the long term.

Core statistics

This year, we've supported:

2,036

local churches equipped to understand the risks their communities face, prepared and mobilised to respond

45

local partners, building their capacity in disaster preparedness, response and resilience building

1.16 million

people in humanitarian responses funded through Tearfund

Strategic update

The vision at the heart of our Crisis to Resilience corporate priority is to see resilient, hope-filled communities equipped with the skills and motivation to prepare for and respond to the crises they face. We know that poverty and disasters are inextricably linked and mutually reinforcing, so responding to emergency needs alone is not enough. We firmly believe that strengthening communities' resilience must be embedded in our responses. Working with our partners, we have been able to reach areas of high need promptly through truly local actors this year.

Tearfund strives to make a critical difference in the humanitarian sector by not separating out relief from development. Our approach to disasters is faith-based, integrated and holistic, and how we work is fundamentally determined by the local context.

A recent independent review of Tearfund's work over the last decade provides a powerful affirmation of our commitment to serving communities most affected by crisis. The review found that Tearfund's work is uniquely characterised by three core, interconnected strengths: a faith-based model, partnership-driven approaches, and integrated programming. The needs of communities affected by crises are complex and changing. Flexible, quality, holistic work that is delivered through partnerships based on trust and mutual respect ensures our interventions save lives and meet immediate needs while also laying the groundwork for sustainable recovery and long-term resilience.

Key objectives and achievements

These are the key objectives we set ourselves last year, with examples of how we met them and what we learnt.

1 Train and equip churches in inclusive disaster preparedness, response and resilience building, including those responding to emergencies.

This year, Tearfund has worked with an estimated 2,036 churches, supporting them to manage and respond to disasters. In Ethiopia, church leaders from four denominations were trained on preparing for local disasters. One participant told us, 'I have been attending our church for as long as I remember, but this was the only time I was made aware that the church building sits in between two rivers and we are in a danger zone.' This small example shows how, by raising awareness, churches are taking steps to better understand the risks their communities face, and become better prepared to be the primary responders within their communities when a crisis occurs.

In Nepal, during a training on preparing local churches to manage disasters, CCT facilitators from across Asia shared their own experience of crises within their communities, and how the church had responded. Their examples ranged from distributing food to vulnerable families affected by flooding to converting church buildings into shelters, to providing psychological first aid in communities experiencing conflict. Church leaders are demonstrating how, by working alongside community leaders and government systems, churches can play a vital role in supporting people affected by disasters.

2 Increase capacity of local partners in disaster preparedness, response and resilience building.

Strengthening our local partners to lead in humanitarian action remains a core priority for Tearfund, and part of our localisation commitment. Through our Disaster Management Capacity Assessment (DMCA) programme, we worked alongside 23 local organisations to identify where they needed more support and provided the tools to bridge those gaps.

In Malawi, this partnership saw local organisations such as Eagles and SOLDEV transform their operations: updating emergency manuals, training staff to manage cash assistance for families in need, and creating better plans to secure their own funding.

The results of this investment have been life-changing. Eagles has since attracted new support from major international donors, an important step for a nationally based NGO. Additionally, our partners are now leading the way in anticipatory action, working with local governments to ensure communities are prepared before a crisis hits. By investing in the skills of local leaders, we ensure that the people closest to the challenge are the ones best equipped to provide a lasting and effective response.

3 Reach people through high-quality and timely humanitarian responses that go beyond immediate needs, to strengthen resilience and preserve hope.

This year, Tearfund and our partners have continued to deliver high-quality responses around the world that combine immediate relief with sustainable recovery. We have provided support in 30 countries, including the Mekong region where Tearfund provided immediate support to 73,156 people including food, hygiene supplies, temporary shelter, water-source repair, protection measures and cash. Tearfund's emergency health support in Gaza has provided 107,126 people with medicines and other critical supplies this year. In total, Tearfund and our partners have supported more than 1.16 million people with humanitarian assistance.

In eastern Burundi, local churches trained by Tearfund acted as first responders when refugees from neighbouring DRC flooded across the border: they distributed food and other items using their own funds. We were able to mobilise funding swiftly, enabling us to quickly assess people's needs and provide support, through our church partner Help Channel Burundi. They provided shelter, cash and hygiene materials to more than 15,000 people.

In DRC's Maniema province, we supported 2,500 households displaced by armed conflict: 15,000 people who had lost their livelihoods, homes and access to clean water, and who were at high risk of malnutrition and disease. Beyond delivering essential medical care and cash to families, we focused on emotional recovery by creating safe spaces in local health centres and churches for survivors of trauma and violence.

Crucially, we ensured that support and protection remained available within the heart of the community. A key part of this success was our ability to listen and adapt. Based on local feedback and safety checks, we switched from mobile payments to hand-delivered cash when it was more practical for residents, and we invited community members to help identify those most in need.

What we learnt

- Seismic shifts in humanitarian funding this year mean we need to work in new ways with different partners to meet growing needs. We have also had to review how we add value alongside peers within this ever-changing sector. One early example of how we have innovated has been the success of the disaster risk insurance programming, insuring crops against losses from drought. This has proven to be an effective way to get funding to affected families quickly, before the worst effects of drought and livelihood losses are felt.
- We recognise we have more to do to demonstrate how working with local churches to manage disasters can deliver the best sustainable outcomes for affected communities. Further research and learnings are expected in the next year.
- We also know that, with changes in the sector, humanitarian decision-makers are looking to cut costs. We have to go further in our advocacy to prove that the humanitarian sector is less effective when it excludes the perspectives of faith communities.

Going forward in 2026/27

We aim to:

- Increase the number of churches trained and equipped in inclusive disaster preparedness, response and resilience building, including those responding to emergencies.
- Build the capacity of our local partners in disaster preparedness, response and resilience building.
- Provide high-quality and timely humanitarian responses that go beyond immediate needs, to strengthen resilience and preserve hope.
- Advocate for the role of faith actors in the humanitarian sector.

Our supporters

Our supporters are the very heart of who we are and what we do. We work hard to nurture strong relationships and connect them with all that God makes possible through their generosity, actions and prayers.

Core statistics

This year, we're celebrating:

£67.8 million
raised through generous giving

13,631
new supporters engaged to give, pray and campaign with Tearfund

238 million +
people reached potentially through several media stories about local church

Strategic update

We see our supporters as vital mission partners, so we want them to feel central to who Tearfund is and all that we're doing. So connecting our supporters with our global neighbours, the people whose lives they are helping to change, is a key priority. This year, we have a renewed focus on bringing supporters close to the communities where we are working, so they can better understand and see the transformative impact of their gifts.

We have also been working hard to attract new supporters to Tearfund and ensure our work resonates with the vibrant and diverse UK church. Part of this response has been an increasing focus on 'thought leadership', sharing our expertise and experience with churches to help them navigate global challenges through a biblical lens. We have also increased the number of Christian festivals and events that we attend, so that we can share our work more widely.

The shifting economic landscape this year has meant we have needed to think creatively about fundraising. One example is our work to raise awareness of legacies, as we invite supporters to translate a lifetime of faith into a lasting gift of hope.

Key objectives and achievements

Tearfund's generous supporters gave £36.6 million in unrestricted income this year, significantly ahead of our target. We are hugely thankful for the gifts given in response to several appeals including our Harvest Appeal, matched-giving Christmas Appeal and Lent

Appeal. Supporters also generously gave to emergency appeals launched in response to the Afghanistan earthquake and Middle East conflict.

We also raised £31.2 million in restricted income from institutional donors, key investors, churches and trusts. We were heavily impacted by the loss of £7.1 million in USAID funding and had to scale back work in some USAID-funded projects. This is reflective of a sector-wide reduction of global aid from major donors.

To end extreme poverty through the local church, we need a robust and active base of supporters. This year, we were blessed to engage more new supporters than we had hoped for, many of whom have already stepped up to pray, give and take action. We celebrate this momentum, alongside growth in Tearfund brand awareness.

Refusing to be overwhelmed by the challenges of our world, our amazing supporters continue to engage positively with justice issues through writing to their MP, attending lobbies, making lifestyle changes, and praying for our work around climate, peacebuilding, plastics, gender inequality and aid cuts. We are also grateful to have collaborated with multiple organisations throughout the year, most notably partnering with The Climate Coalition for the 'Act Now, Change Forever' mass lobby of MPs in July 2025.

Our incredible supporters continue to pray faithfully for all aspects of our work. Around 24,000 people have prayed regularly for our work this year, as well as an estimated 3,000 joining a week of prayer for refugees and displaced people, 7,000 praying throughout Advent and 12,500 throughout Lent. We know that what we do wouldn't be possible without this vital support and are thankful for each and every prayer throughout the year.

What we learnt

We want to invite more supporters into the journey of regular giving. Securing these consistent gifts will allow us to scale our work with local churches even more effectively in the coming years. We've seen incredible generosity during emergencies, and our next challenge is to encourage those supporters who respond to our emergency appeals to stay with us for the long term.

Going forward in 2026/27

We aim to:

- Grow the number of new supporters joining Tearfund, inviting more Christians to partner with us long term in our mission to end extreme poverty through the local church.
- Grow our income and engagement in the USA, inviting more Christians and churches across the Atlantic to join our mission and strengthen our collective impact for those in greatest need.
- Help our community engage with our work in more ways – praying, giving, acting and volunteering – so they feel truly connected to the life-changing work they make possible.

Risk management including principal risks and uncertainties

At Tearfund, we recognise that good risk management is a key part of effective governance. The management of risk is woven into many of our formal policies, procedures and responses, and risk awareness forms part of our everyday decision-making. Our formal risk-management activity enables us to avoid or mitigate difficulties, and to make the most of opportunities in order to achieve our mission and vision.

The Trustees are responsible for the overall governance of risk at Tearfund. They have given consideration to the major risks to which the Charity is exposed and have satisfied themselves that the formal risk management and controls systems or procedures are in place in order to manage those risks. The Trustees have delegated responsibility to the Board's Audit, Risk and Finance (ARF) Committee for ensuring that the key risks faced by Tearfund are adequately managed.

The Executive Team and the Trustees work together to identify the key risks and uncertainties that may affect the performance, future prospects or reputation of Tearfund, or impede the achievement of our objectives. They monitor these risks and report them to the ARF Committee termly. The Committee also receives regular reports from the Head of Internal Audit, whose team works in accordance with a plan based on agreed priorities for the organisation, with a focus on overseas programmes.

This year has seen a complete overhaul of Tearfund's risk architecture, through which we have achieved greater simplicity and consistency in risk management across the organisation. This has included an updated Risk Management Policy, a new Corporate Risk Register with a focus on live key risks that might hinder us from achieving our objectives in an increasingly volatile global environment, and a new Risk Appetite Statement.

The Trustees monitor the major risks faced by the Charity through the Corporate Risk Register. Drawing from the Corporate Risk Register, the principal risks and uncertainties that Tearfund faces at the point of reporting, and some of the control systems and strategies that are in place to manage them, are set out in the table on the following page.

Corporate risk	Management and mitigation
Fundraising: Failure to secure sufficient, appropriate and sustainable funding to support our mission and strategic objectives	• Actively maintaining a diverse funding portfolio to avoid over-reliance on a single stream, while committing internal resources to identify new and innovative funding opportunities, and attracting new supporters. • Robust financial monitoring and maintaining strict adherence to internal fundraising policies and external regulations, to ensure ethical and compliant practices. • Proactively managing our brand and reputation, and strengthening relationships to maintain supporter and donor trust and confidence.
Safeguarding/protection from sexual exploitation, abuse and harassment (PSEAH): Failure to protect children and adults with whom we come into contact from abuse, exploitation or harm	• Maintaining and updating policies and procedures and mandatory annual staff training on Safeguarding and PSEAH, Whistleblowing, and Personal Conduct. • Safer recruitment, and rigorous vetting and background checks on all staff. • Provision of internal and external reporting mechanisms, including an independent reporting service (Safecall). • Safeguarding risk assessments for all Tearfund and partner projects. • Our network of focal points provides regional and country-level safeguarding support for our partners, which is critical to managing the associated risks. • For cases investigated by partners or third parties, we work closely with the relevant investigative agencies, providing support and tracking progress through regular updates. Once the investigation concludes, we require a comprehensive final report for our review to ensure the adequacy of the third party's handling of the case.
Health, safety and security: Risk of harm to our staff, volunteers or partners, especially those operating in high-risk environments	• Maintaining a Global Security Policy, and health, safety and security risk assessments and crisis-management plan, plus comprehensive incident tracking and information management. • Ensuring staff receive regular security training and skills development prior to travel.

	• Pastoral and wellbeing support for all staff.
Finance and assets: Risk to Tearfund's financial stability due to significant financial shock, loss, mismanagement of funds or inadequate reporting	• Maintenance of financial stability through a dedicated financial planning and performance function, regular three-year organisation-wide forecasting, active review of unrestricted reserves, external and donor audits, and finance business partnering with professional expertise. • Robust financial controls and organisational policies in operation in all offices, including finance manuals. • Risks of fraud and mismanagement actively mitigated through mandatory annual anti-fraud training for all staff, and oversight by a fortnightly meeting of the Financial Wrongdoing Review Team, as well as safeguarding assets through tracking and stock management platforms.
Cyber/IT security: Data breaches, system failures or cyber attacks that disrupt operations and compromise sensitive information	• Corporate data protected by segregated networks, secure remote access, and the use of secure devices such as Chromebook laptops, preventing unauthorised access. • Mandatory annual Information Security training and Data Protection Policies covering all staff, a Security Committee and Data Protection Group for oversight, established IT incident playbooks, and cyber insurance. • Business Continuity and Disaster Recovery Plans in place, to ensure high service uptime and rapid data recovery through dual synchronised data centres, extensive use of cloud services, and continuous data back-up, complemented by cold storage for core databases to protect against ransomware attacks.

Structure, governance and management

Organisation

Tearfund is a private company limited by guarantee without share capital, which was incorporated on 13 November 1970. Tearfund operates as a charity, having been entered onto the Register of Charities on 6 March 1973; it is therefore regulated by both Companies House and the Charity Commission.

Tearfund's Board of Trustees is ultimately responsible for strategic decisions, having taken advice from the Chief Executive (CEO) and Executive Team. The Board of Trustees holds formal, all-day meetings four times a year, as well as other ad-hoc meetings and events. The Board holds half of its formal Board meetings in person, and it also plans to hold a Board meeting overseas every three years in a country where Tearfund operates, to give Trustees a wider appreciation of the work of the Charity. This most recently took place in Kigali, Rwanda, in March. The Board is supported by six committees, each with a remit to focus on a core element of the Charity's operations. Each committee is chaired by a Trustee who holds knowledge and experience within the relevant field.

The Articles of Association serves as Tearfund's main governing document. Under the Articles of Association, Trustees are ultimately responsible for the management and administration of the Charity, though due to the scale of Tearfund's work, the Charity Commission recognises that decision-making on day-to-day management is delegated to the Chief Executive and through to the employees.

Procedures for the appointment and induction of Trustees are set out in the Articles of Association and the Governance Manual. Trustees' recruitment is undertaken by the Board, in consultation with the Chief Executive and Executive Team, and an induction programme is overseen by the Governance Manager.

Trustees are appointed as and when it is deemed necessary, either to fill a vacant position or by way of addition to the Board. They are initially appointed for a term of three years. The Board can reappoint a Trustee for a second three-year term, with the option of a third term of one, two or three years by exception. As permitted by the Articles of Association, the Trustees have the benefit of a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the financial year and remains in force. The company also purchases Directors' and Officers' Liability Insurance.

This year, three new Trustees were appointed, including one to serve as Treasurer. In light of Trustee retirements expected later in 2026, the Board Development Committee has continued to re-evaluate the skills and experience required by the Board in order to ensure an appropriate balance of skills among Trustees. Non-Board members are appointed to committees in order to broaden the range of knowledge and expertise within those bodies that seek to make recommendations to the Board of Trustees and support the work of senior management.

The Board has also set targets for diversity within its membership. The targets for Board membership include:

- Not to fall below one-third for either men or women.
- For at least one-third of members to be Black, Asian or Minority Ethnic.
- To have at least one Trustee based in Africa, Asia or Latin America.

The current composition of the Board and the committees is set out on pages 35–36.

Upon appointment, Trustees are expected to complete a number of mandatory training modules to ensure that they understand key responsibilities and compliance requirements. All of these modules require regular refresher training. Non-mandatory training is also made available, including in-house training offered to Trustees regarding the duties of serving as a charity trustee.

Trustees receive no remuneration for acting in this capacity, though expenses are reimbursed as appropriate. A review of the governance practices and arrangements of the Board compared to the Charity Governance Code was last undertaken in 2023, which found that the majority of the recommended practices in the Code were in place. Where recommendations for improvements were made, the Board has completed an action plan to address them in line with the 2025 refreshed Charity Governance Code.

The Board has delegated approval for day-to-day operational decisions up to certain financial thresholds to the CEO and other Executive Team members under its Delegated Powers and Agreement Signing Policy, to enable them to coordinate and direct Tearfund's work worldwide. All decisions above specified thresholds must be approved by the Board. The Board has also reserved to itself certain important decisions, such as approving major initiatives, appointing to the role of the CEO and approving the long-term objectives and strategy. Decision-making primarily takes place at Board meetings, though in exceptional circumstances, business is transacted between Board meetings via e-business, which is formally ratified and minuted at the subsequent Board meeting.

Members

The Trustees are the only members of the company.

Volunteers

The financial statements in this report do not reflect the considerable and vital support of more than 1,000 Tearfund volunteers in the UK and those who volunteer globally.

Their help is at the heart of Tearfund's work: they bring life to the organisation and help us to operate effectively. The many roles they undertake include encouraging prayer, campaigning, acting within their local churches and communities, enthusing others, engaging with local media and championing lifestyle changes.

We celebrate the enormous contribution made by so many of our volunteers in organising or participating in fundraising activities in their homes, churches and communities. This volunteer network is a distinctive aspect of Tearfund's approach and the Board is very grateful for their commitment and contribution.

Remuneration

Tearfund's pay policy seeks to balance our Christian values with the ability to attract and retain the best people in our sector, as far as affordability allows.

We do this through market reviews of our salary scales each year, benchmarking against other international NGOs and similar organisations. We draw data for each country we work in from a number of charity sector-specific pay surveys, including Birches Group and MSF for our regions, and Reward Connected International Aid Charities Pay Club and Croner for the UK.

Tearfund Scotland

We are required by the Office of the Scottish Charity Regulator to report separately on the activities that Tearfund has undertaken in Scotland. These activities are led by a team based in Glasgow.

We receive funding from the Scottish Government and Scottish trusts. We raise funds from individuals and other organisations throughout Scotland, and raise other support including campaigning and prayer. Tearfund does not have grant-making activity in Scotland.

Tearfund Trading Limited

Tearfund's subsidiary, Tearfund Trading Limited, is dormant, with no plans for any future activity.

Stakeholder engagement

Section 172 statement

Trustees are required to explain how they consider the interests of key stakeholders and the broader matters set out in Section 172 of the Companies Act 2006 in promoting the success of the company for the achievement of its charitable purposes.

General confirmation of Trustees' duties

When making decisions, each Trustee ensures that they act in good faith to best promote the company's success for the achievement of its charitable purposes, and in doing so will have regard (among other matters) to their responsibilities under Section 172. In order to assist Trustees with these duties, all papers submitted to the Board identify the areas of Section 172 to which they relate.

S172(1) (a) 'The likely consequences of any decision in the long term'

To ensure that Trustees are fully informed and understand the potential long-term consequences of decisions, we ensure that all reports clearly articulate the implications and potential impact of each decision. Additionally, Trustees receive comprehensive training and focused presentations to enhance their understanding. Furthermore, the Board Chair and Committee Chairs have access to relevant resources and personnel to support their decision-making processes. The role of committees in scrutinising details and monitoring progress updates also contributes to robust decision-making.

S172(1) (b) 'The interests of the company's employees'

The Board recognises that Tearfund employees are our most important asset and are fundamental to the delivery of our strategic ambitions. Our success depends on attracting, retaining, motivating and developing them, wherever they are located in the world. We remain focused on prioritising our staff as our most valuable assets. A representative from the Tearfund Staff Council also attends Board meetings to ensure that the Board is fully informed of the employee perspective and is mindful of the impact of decisions on employees.

S172(1) (c) 'The need to foster the company's business relationships with suppliers, customers and others'

To deliver our mission and strategy, and to create impact at scale, we need to work with others. The Board consults with stakeholders where appropriate in advance of making key decisions. This includes the wider Tearfund family. In order to help them meet this responsibility, the Board receives regular updates on stakeholder engagement, ranging from aspects of our corporate priorities work to supporter surveys that underline our global fundraising strategy.

S172(1) (d) 'The impact of the company's operations on the community and the environment'

Maximising the positive impact we have on communities and the environment is core to our corporate priorities and therefore integral to our Board decision-making. As environments and community characteristics are ever-changing, the Board must remain informed of these changes to make effective decisions. Briefings and reports are provided to the committees and Board, with the International Impact Committee having a particularly focused role to play, as defined in our Governance Manual.

S172(1) (e) 'The desirability of the company maintaining a reputation for high standards of business conduct'

It is crucial that Tearfund maintains its reputation for high standards of conduct, not least because local churches around the world are affected by our work and reputation. Reputation is one of the key areas of impact that we use to evaluate all corporate risks, to ensure it informs all key decision-making. We remain committed to financial and risk management, compliance, safeguarding and good governance.

A Board Development Committee was established in 2024, which advises the Board on succession planning to ensure we recruit Trustees with the most applicable skills for our needs. The Committee also ensures that there is regular evaluation of the operation of the Board and its committees. We anticipate an external review of Tearfund's governance during 2026, a practice that the Charity Commission recommends taking place every few years.

We continue to improve our corporate reporting mechanisms to ensure the Board has the information it needs to make decisions.

S172(1) (f) 'The need to act fairly as between members of the company'

This is not relevant to Tearfund's organisational structure, as the Charity is run in the interests of its charitable objects rather than in the interests of its members.

Who's who

Board of Trustees

The Board of Trustees is ultimately responsible for strategic decision-making. Individual appointments follow robust recruitment processes. The Board of Trustees who were in office during the year and up to the date of signing were:

Anna Laszlo (Chair)
Stanley Arumugam (until December 2025)
Stephanie Biden
Alfred Biehler
Bonike Bracewell (from July 2026)
Jayakumar Christian
Tracy Cotterell
John Davidson (until December 2025 and served as Interim Treasurer until September 2025)
Rev Catherine De Souza
Andrew Mackie (Treasurer from September 2025)
Jimmy Nadapdap (from May 2026)
Jean Paul Ndagijimana
Yemi Odusolu
David Wesson (Deputy Chair)

Committee members

Details up to the date of signing. The Board recruits individuals with specific expertise to sit on sub-committees of the Board alongside Board members:

Audit, Risk and Finance Committee

Andrew Mackie (Chair and Treasurer from September 2025)
John Davidson (Chair and Interim Treasurer until September 2025)
Anna Beck (until August 2025)
Stephanie Biden (from September 2025)
Robert Hardy
Joseph Kariuki (until September 2025)
Bing Mei Hao (from August 2025)
Yemi Odusolu
Mike Parikh

International Impact Committee

Jean Paul Ndagijimana (Chair)
Joanna de Berry
Alfred Biehler (from January 2026)
Jayakumar Christian
Tracy Cotterell (from September 2025)
Marcus Manuel (from May 2026)
Jo Moir (from May 2026)

People, Culture and Safeguarding Committee

Following an amalgamation of the People and Culture and Safeguarding Committees in November 2025

Stephanie Biden (sole Chair from December 2025 – previously Co-Chair)
Stanley Arumugam (Co-Chair until December 2025)
Ayo Afolabi (until September 2025)
Doyin Atewologun
Thembisa Bekwa (from August 2025 until June 2026)
Alfred Biehler (from June 2025)
Rev Catherine De Souza
Nishani Ford
Anna Laszlo (until November 2025)

Supporter Engagement and Fundraising Committee

David Wesson (Chair)
Tracy Cotterell (from September 2025)
John Davidson (until December 2025)
Sarah Douglas
Yemi Odusolu
Simon Poole

Theology Committee

Rev Catherine De Souza (Chair)
Jayakumar Christian
Right Rev Dr Emma Ineson
Esther Mombo
Jean Paul Ndagijimana
Rev Dr Israel Olofinjana
Jocabed Solano Miselis

Board Development Committee

Anna Laszlo (Chair)
Stephanie Biden (until September 2025)
Andrew Mackie (from April 2026)
David Wesson

National Advisory Committee members

Northern Ireland
Helen Mills (Chair)
Ian Long
Naomi McClelland
Peter McClelland
Robin McCormick
Laura McFarland (until October 2025)

Scotland
The Scotland Committee closed following a review of the various national committees and the Chair of the Scotland Committee stepping down from that role.

Ambassadors

Laura Anderson
Rev Celia Apeagyei-Collins
Martha Collison
Liz Earle
Karen Gibson
Pete Greig
Tamsin Greig
Lord Michael Hastings
Lord Marvin Rees
Rev Siew-Huat Ong
Channique Sterling-Brown (from July 2025)
Nissy Tee
Will Torrent

Executive Team

The Board has delegated day-to-day operational decisions to the Executive Team:

Nigel Harris, **Chief Executive** (until June 2025)
Silas Balraj, **Chief Executive** (from September 2025)
Olutayo Bankole-Bolawole, **Director of People and Culture**
Stuart Lee, **Global Fundraising and Communications Director**
Veena O'Sullivan, **Director of Global Influencing and Programmes** (until November 2025)
Debbie Perera, **Finance Director** (from July 2025). Also **Interim Chief Operating Officer** (from September to December 2025)
Tim Pilkington, **Chief Operating Officer** (until February 2026). Also **Interim Chief Executive** (from June to September 2025)
Caroline Sanderson, **Interim Director of Core Operations Group** (from January 2026)
Claire Tiffen, **Interim Executive Director** (from August to November 2025). Also **Interim Director of Global Influencing and Programmes** (from November 2025)

Independent auditors	Crowe UK LLP, 4th Floor, St James House, St James' Square, Cheltenham, GL50 3PR
Solicitors	Anthony Collins Solicitors LLP, 134 Edmund Street, Birmingham, B3 2ES
Bankers	Barclays Bank UK plc, 1 Churchill Place, London, E14 5HP
Registered office	100 Church Road, Teddington, TW11 8QE

People and culture

This was a pivotal year for the People and Culture Group as we consolidated our team structure and refined our ways of working. Our focus was on completing the foundations of a reinvented People and Culture function, with the goal of improving our impact on the organisation. Key initiatives included developing leadership capacity, auditing our reward structure so that we can better attract and retain talent, and realigning our priorities with changing internal and external landscapes.

Since the launch of our four-year People and Culture Strategy, we have focused the past year on positioning our teams to provide improved holistic support services to our staff and organisation. Based on our strategy, these have been some of our priority areas in the past year:

- Embedding trust and engagement across the organisation.
- Refining talent management and reward schemes.
- Strengthening organisational vitality through robust change management.
- Advancing globalisation and localisation initiatives.

In November 2025, the People and Culture Committee merged with the Safeguarding Committee to form the People, Culture and Safeguarding Committee. We would like to thank both committees for their invaluable advice and support on the projects presented this year. We look forward to working with this newly merged body, as the combination of committees brings a richer mix of skills, experience and diversity to our future work.

During the inaugural People, Culture and Safeguarding Committee meeting, we presented the terms of reference (ToR) for the Globalisation/Localisation project that was approved at the March 2026 Board meeting.

Key objectives and achievements

Strengthening organisational vitality

Our spiritual theme for 2026, ‘Rooted in love’, launched in January and has been well received. Monthly Bible studies are being prepared to support teams to engage with the theme as a part of their own spiritual rhythms, not just during Tearfund prayers and sabbath days, days we set aside for the whole organisation to pause from their daily work to pray, worship, study the Bible, be refreshed by the Holy Spirit, reminding us of the truth in John 15:5, apart from Jesus, we can do nothing.

The Executive Team have taken intentional steps within their groups to improve management and staff communication. Each group has initiated an approach to suit the group’s needs.

By continuously refining regional wellbeing plans, we ensure that initiatives fit the local context. This proactive approach boosts staff resilience and stops burnout-inducing habits before they take hold. Ultimately, these plans mean that wellbeing is a core part of our daily culture and something of which everyone takes ownership.

A People and Culture representative is working with the newly formed Research and Innovation Steering Group, exploring what needs to shift in our culture to enable innovation to thrive.

Revitalising trust and engagement

This year saw us bid Nigel Harris farewell as our CEO and welcome Silas Balraj. We also said goodbye to Director of Global Influencing and Programmes Veena O'Sullivan and Chief Operating Officer Tim Pilkington, thanking them for their invaluable contributions to Tearfund's mission.

Meanwhile, the Internal Communications Team proved instrumental in ensuring information flow and improving intra-group engagement. Staff Council updates the Executive Team and the People, Culture and Safeguarding Committee about staff mood and helps identify any areas the Executive Team may want to address. This is also fed into Board meetings to allow the Board to track employee morale and workplace sentiment outside staff surveys.

We addressed change management via a new framework, co-owned by the People and Culture Group and the Core Operations Group, which includes impact analysis before plans are finalised.

Improving talent and reward

We finalised our first-ever Employee Value Proposition (EVP), an offering that we hope will both attract and retain talent. We reviewed our grading and reward systems with an external consultant and are in the process of finding solutions to issues unearthed by the process. We created the role of Talent Advisor to shape talent and are currently drafting a talent strategy. We released our 2025 Gender and Ethnicity Pay Gap report, a statutory requirement for England, Ireland and Wales. The report is published annually online: tearfund.org/paygapreport. We will be working to make more improvements in the diversity of the talent pipeline organisationally.

What we learnt

While engagement remains high, data from our 2025 staff survey indicates that change management is an area requiring attention. Given the current global volatility and ongoing recruitment at the Executive Team level, the organisation is in transition; change increases staff stress and impacts morale. In response, we are focusing on improving transition management, building a workforce ready for change, and equipping line managers to communicate more clearly and supportively as we move forward, in addition to the Change Management framework.

Going forward

In the coming year, we will focus on leadership development, refreshing our organisational culture and improving the areas of talent, performance management and our ways of working, and putting more emphasis on our spiritual identity as an organisation.

We will also implement our Equity, Diversity and Inclusion (EDI) Strategy, which was approved at the March 2026 Board meeting. The EDI Policy that underpins the strategy is grounded in using our diversity as a strength and allowing diverse voices to input into organisational culture. The Globalisation/Localisation project will take off in the coming year, building on our work on organisational culture as we shape the project.

From a systems perspective, we intend to replace outdated HR and payroll systems with a digital solution for our workforce in more than 50 countries, providing faster support to our frontline staff. We intend to shift from reactive support to using real-time data to ensure our people processes are regionally relevant and digitally accessible to our teams globally.

Safeguarding

Guided by the example of Jesus, we uphold a profound commitment to treating every individual with dignity and respect. Safeguarding the vulnerable communities at the heart of our mission is a priority for us, and so too are the safety and wellbeing of our partners, staff and supporters.

Policies and procedures

Protection from Sexual Exploitation, Abuse and Harassment (PSEAH) remains a key priority for Tearfund and we have continued to ensure that our Safeguarding and PSEAH Policy and associated guidance are sufficiently robust. This year, our policy has been reviewed and updated to ensure clarity over whom we say we protect, reflecting UN definitions. We have been explicit about protecting children and adults at risk, alongside individuals connected to our work who may not fall into the 'at risk' category.

This is an important update to our language, and has far-reaching implications for our safeguarding culture. It broadens the scope of our engagement and puts the onus on us to ensure our risk mitigation is inclusive.

Furthermore, our Anti-harassment Policy has been subsumed into the Safeguarding and PSEAH Policy in a drive towards policy efficiency.

Mitigating risks continues to be the principle undergirding all our policies and procedures, especially in relation to safer recruitment. We ensure thorough vetting by screening UK staff through the Disclosure and Barring Service (DBS) and non-UK citizens via a robust third-party provider. Additionally, as a member of the Misconduct Disclosure Scheme, we cross-reference all recruits with previous employers for any history of sexual abuse, harassment or misconduct.

The Safeguarding and Whistleblowing Review Team (SWRT) continues to report quarterly to the People, Culture and Safeguarding Committee, which provides Board oversight of Tearfund's safeguarding culture, how cases are handled and how learning is embedded. We have strengthened the SWRT by including individuals with direct oversight of our new risk architecture, as well as members of our Global Partnership Team.

Tearfund's Incident Management System (TIMS) continues to grow in effectiveness. We have begun the migration process away from inefficient trackers and towards using TIMS as the portal for tracking all live, closed and historic cases. TIMS is also used to report concerns unrelated to safeguarding, so we have a triage team that ensures that incidents are referred to and handled by the correct teams. We have developed a TIMS Steering Committee that ensures the efficacy of our internal management system, and highlights any changes that could affect how the system works.

All information is treated confidentially and only shared with those who need to know. Reports can be submitted anonymously but, where contact information can be shared, follow-up and support are much easier.

Handling complaints and concerns

We continued to make good use of our robust reporting channels. Our reporting tools are: 'Safecall', a whistleblowing mechanism provided by an external company; the Ombudsperson email, through which concerns about members of the Board or Executive Team can be reported; and our internal reporting system, TIMS.

Posters and adverts in all Tearfund and partner offices are an engaging and effective way to keep people up to date with our reporting processes. Furthermore, in places where our communities struggle to access literary materials, role play/scenarios are used as a tool to deliver safeguarding and PSEAH messages, with special emphasis on contextualisation for maximum impact.

People are increasingly assured about using TIMS. Safeguarding focal points say they are increasingly confident in the reporting process, which is more robust, clear and explicit.

Assessment of safeguarding risks

We continue to monitor safeguarding risks and improve our response to them across all the contexts and ways in which Tearfund works. With the introduction of a new risk architecture that has simplified the assessment process to be more accessible and clearer in its format, the aim is to be able to cross-reference information, producing real-time data which informs our decisions.

Before cases are formally closed, we gather learnings from them, reflecting on the investigation process and areas that need improvement or increased protection, which allows us to implement further preventative measures.

The chief safeguarding risks we face include:

- **Non-funded partners with poor safeguarding policies.** When working with partners that are not funded by Tearfund, it becomes more difficult to enforce our safeguarding policies. However, our network of focal points provides regional and country-level safeguarding support for our partners, which is critical to manage the associated risks.

- **Third-party/partner-led cases.** These are cases which are reported to Tearfund but in which we are unable to control the process because another agency or authority is responsible for their investigation. For these cases, we partner closely with the relevant investigative agencies, providing support and tracking progress through regular updates. Once the investigation concludes, we require a comprehensive final report for our review and analysis.

Review of cases in past year

Number of safeguarding cases received quarterly					Total	Cases reported as serious incidents to the Charity Commission
	Q1	Q2	Q3	Q4		
2025/26	1	2	9	4	16	3

Table: Breakdown of reported cases by quarter for financial year 2025/26

During the reporting period of 2025/26, there were 16 recorded safeguarding cases which is a slight decrease in reported incidents from the previous year. One case involved a Tearfund staff member, which was thoroughly investigated, and resulted in the individual's employment being terminated. This is significantly lower than previous years and Tearfund continues to provide safeguarding & PSEAH training to staff in a continued effort to increase awareness. Six reports related to partner staff, all of which were robustly investigated and action taken, either by the partner directly or with support from Tearfund. This highlights a growing awareness for responsive action by partners addressing safeguarding concerns. The remaining nine reports originate from localised community reporting, similar to the previous year. In one of these, the connection between the subject of the complaint and Tearfund and its partners is part of an investigation. There were eight other cases, none of which relate to Tearfund staff or partners. Of these, five are instances where Tearfund has responded to a vulnerable supporter. Alongside our supporter care team we have developed a number of signposting tools which mean our supporters can access relevant assistance within a close proximity to their home address. The other three cases are instances where Tearfund has been made aware of somebody in a community we are serving, who requires some low level support, again through signposting mechanisms or through contact with a relative or an advocate. The level of reporting is indicative of an on-going confidence by members of the community to report safeguarding issues to us.

Number of whistleblowing cases received quarterly					Total
	Q1	Q2	Q3	Q4	
2025/26	1	2	2	1	6

Table: Breakdown of reported cases by quarter for financial year 2025/26

During the reporting period of 2025/26, the number of whistleblowing reports returned to expected levels, with a total of six recorded incidents. This follows a temporary increase in the previous year, confirming our earlier assessment that the 2024/25 spike was driven by miscategorisation of grievance issues as 'whistleblowing' and duplicate reporting rather than an increase in underlying issues.

Definitions

Child safeguarding: A child is anyone under the age of 18.

Adult safeguarding: We acknowledge that the power dynamic between Tearfund staff, partners and volunteers and the people we support can create increased vulnerability. Our commitment to safeguarding is broad and we take responsibility for addressing misconduct allegations involving our staff, partners or volunteers, even when they involve individuals outside our immediate programmes who may not be considered 'at risk' according to standard definitions.

Environmental performance

Climate change disproportionately affects those living in poverty and we remain committed to reducing our own carbon footprint. Our Environmental Policy continues to guide our actions as we seek to improve our environmental performance.

In 2025/26, we have:

- established an AI and Environment Working Group to review the energy implications of AI infrastructure and its impact on our climate goals
- selected a consultancy agency to lead our ESOS (Energy Savings Opportunity Scheme) Action Plan response, ensuring regulatory compliance and identifying further efficiency measures
- reviewed our Environment Policy and the 'Walk the Talk' mandate to strengthen internal sustainability efforts and governance
- implemented a revised flight-tracking system, encouraging teams to plan journey numbers in advance to better monitor and reduce travel impact
- continued to offset emissions while initiating a strategic review of our long-term offsetting approach potentially shifting towards 'climate contributions' – to adapt to changing legal frameworks and voluntary carbon market regulations

Greenhouse gas emissions and energy-use data for Tearfund UK

In 2025/26, Tearfund continued to implement measures to reduce its environmental footprint. Total reported energy consumption for the year was 239,039 kWh. Emissions from purchased electricity (Scope 2) were recorded at 22.76 tCO_2e, reflecting our continued focus on energy efficiency. Business travel emissions in rental cars or employee-owned vehicles (Scope 3) were 10.56 tCO_2e.

We are actively working to improve the accuracy of our environmental reporting, particularly by integrating data across different financial and reporting systems and refining our methodologies for international office emissions. We remain committed to carbon offsetting and are currently exploring future strategies to ensure our approach aligns with the latest best practice and regulatory requirements.

		Unit	2025/26	2024/25	2023/24	2022/23
Energy consumption	Used to calculate the emissions below	kWh	239,039	312,978*	330,258*	337,877
Emission sources						
Scope 1	Combustion of gas	tCO_2e	10.19	10.35	9.9	9.5
Scope 1	Combustion of fuel for transport purposes	tCO_2e	4.41	1.33	2.1	0.63
Scope 2	Purchased electricity	tCO_2e	22.76	40.0	50.0	59.9
Scope 3	Business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel	tCO_2e	10.56	16.45	7.5	18.25
Total gross based on above		**tCO_2e**	**47.92**	**68.13**	**69.5**	**88.28**
Intensity ratio	Tonnes of CO_2e per full-time equivalents	tCO_2e	0.14	0.23	0.17	0.2

Table: Greenhouse gas emissions and energy-use data for the past four years
*Correction to previously reported figures, which were reported as 193,174 for 2024/25 and 241,241 for 2023/24.

Financial review

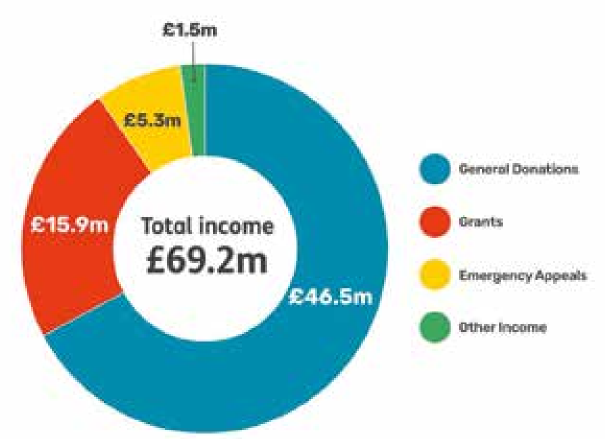
In 2025/26 there has been a drop in available government awards and an increasingly turbulent global situation deepening the needs of many communities. Tearfund's financial position has remained stable throughout the period, enabling our ongoing work with vulnerable communities.

We are incredibly grateful to all who have supported us so generously this year to help realise our vision of seeing people freed from poverty, living transformed lives and reaching their God-given potential.

Income and expenditure

2025/26 saw a drop in total income to £69.2m from £80.2m in 2024/25. Unrestricted income has remained resilient at £37.2m (2024/25: £35.3m) and we are grateful to our supporters for their continuing generosity. Restricted income reduced by 28.7 per cent to £32.0m (2024/25: £44.9m), as a result of the loss of USAID funding and a reduction in the availability of other government awards.

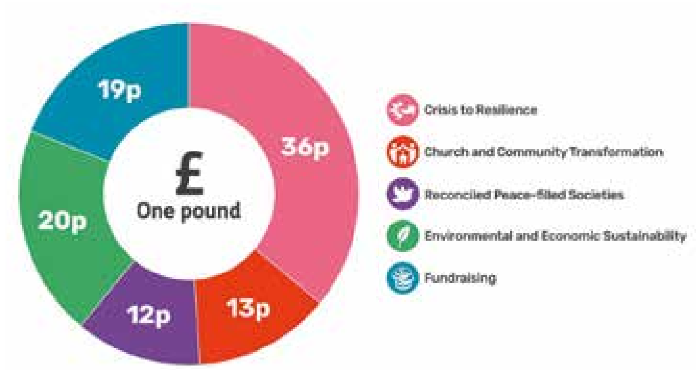
Income by source:



Reference: Further information on this split is found in note 2 of the financial statements

Total expenditure of £69.0m was £8.7m (11 per cent) lower than the 2024/25 level of £77.7m. Unrestricted expenditure has increased to £35.8m (2024/25: £29.6m) as we invested in Church and Community Transformation and Crisis to Resilience programmes, in fundraising and in our people. Restricted expenditure reduced by £14.9m to £33.2m (2024/25: £48.1m), as a result of the closure of USAID funding driving a reduction in programming, particularly in the East and Central Africa region.

Expenditure split per £1:



Reference: Further information on this split is found in note 3 of the financial statements

The net result for the year is £0.2m (2024/25: £2.6m), made up of an increase of £1.4m in unrestricted funds offset by a decrease of £1.2m in restricted funds.

Grant-making Policy

A significant portion of Tearfund's work to address poverty is undertaken through making grants to partner organisations. These grants are aligned with our country strategies. Project proposals received from partner organisations undergo a formal approval process encompassing both a technical assessment of the project and a review of the partner's capacity and compliance policies. An agreed monitoring process is undertaken during the life cycle of all projects. In addition, financial evaluations are carried out on all large projects and on a sample of smaller projects.

A list of the top 50 partner organisations we made grants to can be found on our website at **tearfund.org/top50**.

Funds

Total funds at the end of the year were £29.9m (2024/25: £29.7m), comprising unrestricted funds of £14.7m (2024/25: £13.3m) and restricted funds of £15.2m (2024/25: £16.4m).

General funds

General funds are defined as our unrestricted funds less any designated funds, and are essential for:

- providing necessary working capital
- allowing flexibility to respond to unexpected opportunities and challenges
- acting as a buffer against fluctuations in resources, whether seasonal or event-driven
- providing contingency against unexpected costs and changes in Tearfund's operating environment
- financing strategic initiatives outside Tearfund's normal operations

The general funds act as the Tearfund reserves balance, which is monitored in line with the Reserves Policy.

Reserves Policy

The Board of Trustees reviews annually the required level of reserves to ensure that an appropriate level is held. This review assesses the main financial risks inherent in our operating model and external environment, considering all income streams and expenditure categories.

For 2025/26, the target range for reserves to cover these risks is set at between £9m and £12m (2024/25: between £7m and £11m). This has been increased during the year to ensure financial sustainability, reflecting inflationary pressures as well as uncertainty in the global fundraising arena at a time of increasing global need.

In previous years, the Reserves Policy allowed up to £2m of the value of the freehold office building owned by Tearfund to count towards reserves. This has been removed from the policy in 2025/26.

At the end of 2025/26, the general funds balance stands at £13.1m (2024/25: £11.8m), which is just above the target range. The Board has taken a prudent approach and expects this to be a temporary position, with higher expenditure being committed to our charitable activities next year.

Designated funds

Designated funds are part of the unrestricted funds that the Trustees have earmarked for a particular use. This designation does not represent a legal restriction. At the close of 2025/26, the only designated fund was the fixed asset fund, which stood at £1.6m (2024/25: £1.5m). This fund represents the net book value of Tearfund's fixed asset, indicating that these resources are not available for other purposes.

Restricted funds

Restricted funds are subject to specific conditions imposed by donors. The year-end balances represent income that has been recorded but where the related expenditure has not yet been incurred.

The majority of these funds are either institutional grant funding, or funds generated as a result of appeals targeting a particular purpose. In many cases these appeals generate income over a short timeframe, which is then planned to be spent over a period of up to three years in line with the purpose of the appeal.

At the end of the year, total restricted funds had decreased to £15.2m (2024/25: £16.4m) due to the reduction in institutional grant funding. See note 14 of the financial statements for details of how this balance is split by region or specific appeal.

Financial risk management

Tearfund continues to navigate an uncertain global landscape, impacting both the communities we serve and our dedicated supporters. The unavailability of US Government funding (2024/25: 8.8 per cent of total income) and the continuing reductions in overseas aid budgets from many governments increases the challenge in securing institutional income, even as poverty deepens around the world.

To mitigate these risks, Tearfund operates robust financial monitoring along with an enhanced three-year forecasting process to ensure we can react to challenges quickly as situations change. Cash flow and liquidity risks are minimised by a conservative investment policy. As of 31 March 2026, Tearfund held cash and short-term deposit balances of £22.4m (2024/25: £21.0m). These factors support the Trustees belief that there are no material uncertainties that would cast significant doubt over the ability of Tearfund to operate as a going concern for at least a year from the date of approval of the financial statements.

Receivable balances primarily consist of contributions from major governmental and institutional donors, as well as legacy income debtors. We assess the associated credit risk as low, and similarly the risk of material disallowances from donor audits is considered minimal. This area is actively monitored to ensure any issues are identified and proactively managed at an early stage.

Foreign exchange risk affects Tearfund mainly by impacting the purchasing power of donor funds in the countries where most of our charitable expenditure is incurred. Tearfund does not enter into foreign exchange contracts for speculative purposes.

As part of Tearfund's work supporting communities to prepare for disasters, we have entered into swap contracts, which provide an insurance mechanism for communities at risk of drought in four countries. Amounts received under these contracts have been used for anticipatory action and early response. Tearfund's risk is limited to the original fixed payments.

Investment policy and performance

Tearfund's investment policy is reviewed annually by the Audit, Risk and Finance Committee. The core principles of the policy are to:

- ensure the security of our funds
- maintain a high degree of liquidity to meet our cash flow requirements
- obtain the best available financial return allowing for these objectives, agreed risk levels and Tearfund's ethical principles

To achieve this, Tearfund invests with institutions with a high security rating in fixed-term or call deposits.

Fundraising practices

Tearfund deeply values the trust of our supporters and is committed to ethical fundraising and transparent communication. We are registered with the Fundraising Regulator and maintained full compliance with its standards throughout the year.

The majority of our fundraising is carried out by Tearfund staff. We do not undertake any face-to-face fundraising, but do call supporters to discuss their giving.

For outsourced telephone fundraising, we implement strict quality control through call monitoring and targeted training to ensure adherence to our standards and maintain the integrity of our supporter relationships. We use a third party to make some calls regarding supporters' communication preferences. The relationship with this third party is carefully managed and any complaints are handled jointly with the agency. Our internal Fundraising Operations Team and Data Protection Core Group ensure rigorous adherence to best practices in all communications.

Staff interacting with supporters receive training on safeguarding and supporting vulnerable individuals, in line with our established policies. We proactively track and address supporter feedback to ensure our community feels heard and respected.

In the 2025/26 financial year, we received 330 fundraising-related complaints, representing 24 per cent of our total complaint volume. We responded to all fundraising complaints, updating any data errors and making appropriate adjustments to our communication with supporters where appropriate (eg removing them from mailings/reducing the number of mailings, or taking them off future calls). We have no record of complaints being escalated to the Fundraising Regulator.

We review supporter complaints monthly and feed back significant trends and issues to the Executive Team and the Board's Supporter Engagement and Fundraising Committee, demonstrating our commitment to continuous improvement and accountability.

Trustees' responsibility statement

The Trustees are responsible for preparing the strategic report, the Trustees' report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year.

Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the net income or expenditure of the company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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
- prepare the financial statements on the 'going concern' basis unless it is inappropriate to presume that the company will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions.

The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Disclosure of information to auditors
In the case of each person who is a Trustee of the company at the date when this report was approved:

- So far as each of the Trustees is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditors are unaware.
- Each of the Trustees has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Anna Laszlo

Anna Laszlo, Chair of the Board

2026-07-22

Independent auditor's report to the members and the Trustees of Tearfund

Opinion
We have audited the financial statements of Tearfund for the year ended 31 March 2026 which comprise the statement of financial activities (incorporating an income and expenditure account), the balance sheet, the cash flow statement and notes to the financial statements, including 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 31 March 2026 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

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 charitable company 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.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception
In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' 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; 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

Responsibilities of Trustees
As explained more fully in the Trustees' responsibilities statement set out on page 48, 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members, including internal specialists. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were the General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Taxation legislation and employment legislation. We also considered compliance with local legislation for the charitable company's overseas operating segments as well as compliance with international sanctions regimes.

We also considered the opportunities and incentives that may exist within the charitable company for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income, legacy income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, and the Audit, Risk & Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, detailed reviews of a sample of legacy notifications and receipts, detailed reviews of a sample of funding agreements for grant income, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

TWestcott

Tara Westcott
Senior Statutory Auditor

2026-07-23

For and on behalf of
Crowe UK LLP
Statutory Auditor
4th Floor, St James House
St James' Square
Cheltenham
Gloucester
GL50 3PR

Statement of financial activities

(incorporating an income and expenditure account)

Year ended 31 March 2026

	Note	Unrestricted funds £'000	Restricted funds £'000	2026 Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	2025 Total funds £'000
Income from:							
Donations and legacies	2	36,560	31,202	67,762	34,424	44,605	79,029
Charitable activities		158	641	799	164	291	455
Investment income		478	203	681	754	-	754
Total income		37,196	32,046	69,242	35,342	44,896	80,238
Expenditure on:							
Raising funds	3	12,962	362	13,324	10,733	421	11,154
Charitable activities	3	22,885	32,855	55,740	18,844	47,669	66,513
Total expenditure		35,847	33,217	69,064	29,577	48,090	77,667
Net income/(expenditure) for the year	4	1,349	(1,171)	178	5,765	(3,194)	2,571
Transfer between funds	14	33	(33)	-	-	-	-
Net movement in funds		**1,382**	**(1,204)**	**178**	**5,765**	**(3,194)**	**2,571**
Reconciliation of funds:							
Total funds brought forward at 1 April	14b	13,353	16,397	29,750	7,588	19,591	27,179
Total funds carried forward at 31 March	14a	**14,735**	**15,193**	**29,928**	**13,353**	**16,397**	**29,750**

There are no recognised gains or losses in the current or preceding year other than those shown in the Statement of Financial Activities above. All amounts derive from continuing operations.

Balance sheet as at 31 March 2026

Company number: 00994339

	Note	2026 £'000	2025 (restated) £'000
Fixed assets			
Tangible assets	7	1,596	1,546
Long-term investments	8	5	5
Total fixed assets		1,601	1,551
Current assets			
Stocks	9	763	802
Debtors	10	10,222	11,625
Short-term deposits[1]		9,450	5,050
Cash at bank and in hand[1]		12,955	15,938
Total current assets		33,390	33,415
Creditors			
Amounts falling due within one year	12	(4,224)	(4,760)
Net current assets		29,166	28,655
Provisions for liabilities	13	(839)	(456)
Net assets		**29,928**	**29,750**
Funds			
Unrestricted funds:			
General fund	14a	13,139	11,807
Designated funds	14a	1,596	1,546
		14,735	13,353
Restricted funds	14a	15,193	16,397
Total funds		**29,928**	**29,750**

[1] The split of short-term deposits and cash at bank and in hand has been restated to reflect a change in accounting policy. See note 1 for further details.

The financial statements on pages 53–77 were approved by the Board of Directors on 22 July 2026 and signed on its behalf by:

Andrew Mackie, Treasurer

Anna Laszlo, Chair of the Board

Cash flow statement

Year ended 31 March 2026

	2026 £'000	2025 £'000
Net cash provided by/(used in) operating activities	**1,169**	**(193)**
Cash flow from investing activities:		
Investment income received	681	754
Purchase of property, plant, equipment and intangibles	(300)	(309)
Proceeds from the sale of property, plant and equipment	11	14
Net cash used in investing activities	**392**	**459**
Change in cash and cash equivalents in the reporting period	**1,561**	**266**
Cash and cash equivalents at the beginning of the reporting period	**20,638**	**20,372**
Cash and cash equivalents at the end of the reporting period	**22,199**	**20,638**
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period (as per the statement of financial activities)	**178**	**2,571**
Adjustments for:		
Depreciation charges	245	223
Investment income receivable	(681)	(754)
Profit on sale of tangible fixed assets	(6)	(9)
Decrease/(Increase) in stocks	39	(251)
Decrease/(Increase) in debtors	1,403	(1,548)
(Decrease)/Increase in creditors	(392)	129
Increase/(Decrease) in provisions	383	(554)
Net cash provided by/(used in) operating activities	**1,169**	**(193)**

Analysis of changes in net funds	**1 April 2025 (restated) £'000**	**Cash flows £'000**	**31 March 2026 £'000**
Cash at bank and in hand[1]	15,938	(2,983)	12,955
Short-term deposits[1]	5,050	4,400	9,450
Interest-free loans	(350)	144	(206)
	20,638	**1,561**	**22,199**

[1] The split of short-term deposits and cash at bank and in hand has been restated to reflect a change in accounting policy. See note 1 for further details.

Notes to the financial statements

31 March 2026

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006, Charities Act 2011, Charities Accounts (Scotland) Regulations 2006, Charities and Trustee Investment (Scotland) Act 2005, Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities effective from 1 January 2019, FRS 102, and applicable United Kingdom accounting standards. The Charity has adapted the Companies Act formats to reflect the Charities SORP and the special nature of the Charity's activities.

Tearfund's wholly owned subsidiary, Tearfund Trading Limited, has been excluded from consolidation based on materiality, as permitted under FRS 102.

Accounting estimates and key judgements

Critical accounting estimates and judgements are based on historical experience and other relevant factors, including reasonable expectations of future events. The main areas which involve such estimates and judgements include the accrual of legacy income; entitlement to grant and contract income; useful lives of fixed assets; and provisions. In addition, the allocation of investment income between restricted and unrestricted funds is an estimate as cash balances relating to restricted and unrestricted funds are not separately invested.

Change in accounting policy

The classification of cash and cash equivalents accounting policy has been updated in line with the SORP to recognise short-term money deposits from 90 days, rather than seven days. This results in an adjustment of £12m as at 31 March 2025 from short-term deposits to cash at bank and in hand.

Company status

Tearfund is a registered charity in England and Wales (number 265464) and Scotland (number SC037624) and is constituted as a company registered in England and Wales and limited by guarantee (company number 00994339). It is governed by its Memorandum and Articles of Association and at the year-end there were ten members (2024/25: nine) who were each liable to contribute £1 in the event of the company being wound up. In the application of the Charity's accounting policies, the particular accounting policies adopted by the Board of Directors have been applied consistently and are described below.

Fund accounting

The company maintains three types of funds. General unrestricted funds are funds available for use at the discretion of the Board of Trustees in furtherance of the general charitable objectives. Designated unrestricted funds are monies set aside by the Board from unrestricted funding for specific purposes. Restricted funds are funds subject to specific conditions imposed by donors. At the year-end any fund deficits are maintained only when the Trustees are of the opinion that such deficits will be eliminated by future funding. Income and expenditure on these funds are shown as restricted in the Statement of Financial Activities (SOFA) and analysed into the main components in note 14.

Going concern

The Financial Review on pages 44–46 sets out Tearfund's financial performance in 2025/26 and the Charity's reserve position at 31 March 2026.

The global landscape continues to be volatile and uncertain, impacting both the communities we serve and our dedicated supporters' ability to give. The Board has approved a budget for 2026/27, which seeks to maintain Tearfund's strong financial position and invest in our future sustainability.

Key points in assessing Tearfund's going concern status include the following:

- A cash flow forecast has been prepared for the next 12 months. Analysing the challenges of the current economic climate, this shows that Tearfund has adequate financial resources to continue operating for the foreseeable future.
- Income budgets continue to seek to balance caution with an appropriate level of ambition. We remain very grateful for the loyalty of our supporters and the ability and agility of our fundraising teams.
- Experience of the past few years provides reassurance that, where required, we have the ability to adjust our cost base both in the short and long term as needed.
- The sale of the Teddington office building is continuing to progress. This would significantly increase financial liquidity.

Performance against budget is closely monitored on a monthly basis to identify any downward trends or budgetary overspends as early as possible in order to allow for early action to be taken if required. This could include delaying expenditure or making cost reductions if necessary.

Consequently, the Trustees do not believe there are any material uncertainties that would cast significant doubt over the ability of Tearfund to operate as a going concern for at least a year from the date of approval of the financial statements, and the financial statements have therefore been prepared on a going concern basis.

Income

All income, including donations, legacies and investment income, is recognised in the SOFA when the Charity can demonstrate entitlement to the income, receipt is probable and the amount can be quantified with reasonable accuracy.

The following specific policies apply to the categories of income:

Legacies

Legacies are recognised when evidence of entitlement exists, probate has been granted and the receipts are both probable and measurable. No value is included where the legacy is contentious or is subject to a life interest held by another party. The fair value of the legacy income receivable is based on the information available at the time and it is the expected cash amount to be distributed to Tearfund from the estate.

Grants and contracts

Grant and contract income is recognised when the Charity can demonstrate entitlement to the income. Where receipt of funding is conditional only on administrative requirements such as the submission of a claim, it is accrued. If there are restrictions on the time period in which funding received can be spent, or if the Charity is not yet in a position to meet the conditions of the funding, the related income is deferred.

Gifts in kind
Donated gifts in kind for distribution to communities are included in income and stock at donors' valuation or market value when received. Expenditure is recognised when gifts in kind are distributed. More detail can be found in notes 2a and 2b.

In line with the Charities SORP (FRS 102), the economic contribution of volunteers is not recognised in the financial statements. This is because it does not meet the definition of a transaction or event that gives rise to a financial asset or liability under FRS 102.

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources. Like many charities, Tearfund is unable to recover some of the VAT that is incurred on the purchase of goods and services in the UK. The amount of VAT that cannot be recovered is added to the appropriate underlying cost.

The following specific policies apply to categories of expenditure:

Grants payable
Grants payable to Tearfund partner organisations are made in furtherance of the Charity's objects. Grants are recognised as expenditure when payment is due to the partner organisation, in accordance with Tearfund's project agreement, in line with phased payment schedules and when milestones are met by the grantee.

Support costs
Support costs include functions such as general management, financial management, information technology, human resources and the cost of premises and facilities. They are allocated across the categories of charitable expenditure and fundraising costs on the basis set out in note 3 to the financial statements.

Fundraising and publicity
Fundraising costs are those incurred in seeking donation income and do not include the costs of disseminating information in support of the charitable activities.

Foreign exchange
Transactions denominated in foreign currency are translated into sterling and recorded at the rates ruling at the date of the transactions. Balances denominated in a foreign currency are translated into sterling at the exchange rates at the balance sheet date. Foreign exchange gains and losses incurred in respect of overseas operations are included in the SOFA within the relevant activity expenditure.

Pensions
Tearfund operates two defined contribution pension schemes. Contributions are charged to the SOFA as they become payable and invested on behalf of the employees.

Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost less accumulated depreciation. Assets costing more than £1,000 with an expected useful life of more than one year are capitalised, except laptops which are capitalised regardless of value. Depreciation is provided in order to write off the cost of tangible fixed assets over their estimated useful economic lives on a straight-line basis, as follows:

Freehold land	Nil
Freehold buildings – UK	50 years
Freehold buildings – overseas	15 years
Fixtures, fittings and equipment including computers	3–20 years
Motor vehicles	4–10 years

The useful economic lives of fixed assets are reviewed at the end of each accounting period. All assets are tested annually for impairment.

Assets including vehicles and equipment used in programmes overseas, except for laptops and buildings, are considered to have a useful economic life of one year or less. They are not capitalised but are charged in full to charitable expenditure when purchased.

Investments
The investment in the subsidiary is included in the Charity's financial statements at cost.

Stocks
Bought-in goods are valued at lower cost and net realisable value. Humanitarian supplies donated to Tearfund are valued at cost, based on donor's valuation or deemed market value, with obsolete stock written off.

Financial instruments
Financial assets and financial liabilities are recognised when Tearfund becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors are recognised where Tearfund has a present obligation resulting from a past event, at their settlement amount after allowing for any trade discounts due.

Derivatives, which are not basic financial instruments, are initially recorded at fair value on the date a derivative contract is entered into and subsequently re-measured at fair value. Changes in the fair value of derivatives are recognised in the SOFA. Derivatives are derecognised when the contractual obligation is discharged, cancelled or expires.

Cash and cash equivalents
Cash and cash equivalents include interest and non-interest bearing amounts held at banks and cash at hand. Short-term money deposits (90–365 days), including deposits repayable on demand and fixed-term deposits, are held under current assets as short-term deposits.

Provisions
Provisions are recognised where Tearfund 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. Provisions have an element of uncertainty in the timing or amount of the obligation.

Redundancy costs are provided for when the decision has been made and the employees have been informed, and the amounts could be calculated with reasonable accuracy.

Operating leases
Costs in respect of operating leases are charged to the SOFA on a straight-line basis over the lease term.

2a. DONATIONS

	Note	Unrestricted funds £'000	Restricted funds £'000	2026 Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	2025 Total funds £'000
Donations from:							
Individuals		26,630	6,919	33,549	25,311	8,337	33,648
Churches		1,392	1,110	2,502	1,419	1,394	2,813
Trusts, companies, schools and other		844	4,425	5,269	875	4,114	4,989
Legacies		7,694	226	7,920	6,819	284	7,103
Grants	2b	-	15,953	15,953	-	26,499	26,499
		36,560	**28,633**	**65,193**	**34,424**	**40,628**	**75,052**
Via Disasters Emergency Committee	14a	-	2,569	2,569	-	3,977	3,977
Total donations and legacies		**36,560**	**31,202**	**67,762**	**34,424**	**44,605**	**79,029**

Included in restricted income above are the following donations and legacies relating to appeals and emergencies:

	2026 £'000	2025 £'000
Donations from:		
Individuals	2,124	1,893
Churches	390	326
Trusts, companies, schools and other	189	250
Grants	-	-
	2,703	**2,469**
Via Disasters Emergency Committee	2,569	3,977
Total appeals and emergencies	**5,272**	**6,446**

Gifts in kind of £21,000 (2024/25: £34,000) of pro-bono legal are included in 'Trusts, companies, schools and other'. The corresponding expenditure is included within support costs.

As at 31 March 2026, Tearfund had been notified of a number of legacies that have not been recognised as income in the Statement of Financial Activities as they did not meet the Charity's legacy income recognition criteria. These legacies are considered part of the Charity's legacy pipeline and are expected to be realised in future periods. The estimated gross value of these legacies is £1,410,000 (2024/25: £2,142,000).

2b. GRANTS INCOME

	2026 £'000	2025 £'000
United Nations	3,610	5,177
Dutch Government	3,530	4,056
European Union	1,807	2,003
United Kingdom Government	1,398	3,018
Canadian Foodgrains Bank (including Tearfund Canada)	1,086	825
German Government	1,074	1,772
Gates Foundation	963	-
Scottish Government	566	222
States of Jersey	414	184
Norwegian Government	217	278
Swiss Government	129	199
Other	116	172
New Zealand Government	40	138
Canadian Government	-	125
United States Government[1]	(49)	7,098
	14,901	**25,267**
Tearfund Netherlands	581	992
Other Tearfund Family	471	240
	15,953	**26,499**

[1] 2026 includes a foreign exchange loss due to movements in foreign exchange rates between the recognition of accrued grant income in 2024/25 and receipt of the income in 2025/26.

Included within the above grants income are gifts in kind of £1,290,000 (2024/25: £1,836,000), which are also included in either expenditure or stock. The whole amount for both years is restricted income. They consist mainly of water and sanitation products, food aid, nutrition inputs, seeds and tools for planting and fishing, and, in 2025/26, a vehicle.

3. TOTAL RESOURCES EXPENDED

	Grants £'000	Direct costs £'000	Support costs £'000	2026 Total costs £'000	2025 Total costs £'000
Unrestricted					
Costs of raising funds:	**-**	**11,173**	**1,789**	**12,962**	**10,733**
Charitable activities:					
Church and Community Transformation	294	3,677	704	4,675	4,295
Reconciled Peace-filled Societies	125	3,590	621	4,336	3,096
Environmental and Economic Sustainability	160	4,874	1,011	6,045	5,660
Crisis to Resilience	169	5,748	1,912	7,829	5,793
	748	**17,889**	**4,248**	**22,885**	**18,844**
Total unrestricted	**748**	**29,062**	**6,037**	**35,847**	**29,577**
Restricted					
Costs of raising funds:	**-**	**359**	**3**	**362**	**421**
Charitable activities:					
Church and Community Transformation	1,675	2,005	442	4,122	6,829
Reconciled Peace-filled Societies	1,679	1,897	409	3,985	7,282
Environmental and Economic Sustainability	3,262	3,965	695	7,922	10,108
Crisis to Resilience	6,706	8,885	1,235	16,826	23,450
	13,322	**16,752**	**2,781**	**32,855**	**47,669**
Total restricted	**13,322**	**17,111**	**2,784**	**33,217**	**48,090**
Total expenditure	**14,070**	**46,173**	**8,821**	**69,064**	**77,667**

Many programmes achieve benefits across a number of different charitable activities and their costs are allocated on the basis of their principal aims. Cost allocation includes an element of judgement and Tearfund has had to consider the cost-benefit of detailed calculations and record-keeping in calculating a best estimate of the attributable costs.

3. TOTAL RESOURCES EXPENDED CONTINUED

	2026 £'000	2025 £'000
Grants to partner organisations by geographical region:		
Africa	6,238	9,542
Eurasia	4,136	7,922
Asia	3,548	2,271
Europe	148	195
Latin America and Caribbean	-	10
Total grants to partner organisations	**14,070**	**19,940**

The top 15 countries and regions where grants were made:	2026 £'000	2025 £'000
Mekong region	1,952	656
DRC	934	1,212
Pakistan	832	1,425
Occupied Palestinian Territories	816	706
Malawi	811	616
South Sudan	779	2,215
Syria	702	3,147
Ethiopia	674	1,429
Lebanon	626	759
Nigeria	594	298
Rwanda	535	884
Afghanistan	496	311
Iraq	409	1,404
Bangladesh	383	436
Burundi	380	713
Total grants made to top 15 countries and regions	**10,923**	**16,211**

Details of partner organisations included in the top 50 receiving grants can be found at **tearfund.org/top50**

There were no grants over £1,000,000 made to a partner in 2025/26 (2024/25: £1,661,000 to Medair).

3. TOTAL RESOURCES EXPENDED CONTINUED

Support costs and the basis of their allocation are as follows:	**Principal basis of allocation to activities**	**2026 £'000**	**2025 £'000**
General management, risk and compliance	Headcount and expenditure	535	517
Financial management	Headcount and expenditure	1,924	1,571
Human resources	Headcount	2,364	2,364
Strategy & impact	Expenditure	227	260
Information systems	Headcount and expenditure	2,753	2,775
Premises and facilities	Headcount	456	541
Governance	Headcount and expenditure	562	428
		8,821	**8,456**

4. NET EXPENDITURE/(INCOME) FOR THE YEAR

Net income for the year includes the following:	**2026 £'000**	**2025 £'000**
Depreciation of tangible fixed assets	245	223
Profit on sale of tangible fixed assets	(6)	(9)
Operating leases: land and buildings – unrestricted	326	261
Operating leases: land and buildings – restricted	405	473
Auditors' remuneration – Tearfund	84	74
Auditor's other services – taxation	-	1

The above is all unrestricted expenditure/(income) unless otherwise indicated.

5. EMPLOYEES AND TRUSTEES

Employee costs	2026 UK £'000	2026 Overseas £'000	2026 Total £'000	2025 UK £'000	2025 Overseas £'000	2025 Total £'000
Salaries and wages	14,551	12,132	26,683	13,710	12,625	26,335
Employee benefits	104	834	938	10	731	741
Social security costs	1,873	174	2,047	1,428	101	1,529
Other pension costs	1,489	352	1,841	1,414	296	1,710
	18,017	**13,492**	**31,509**	**16,562**	**13,753**	**30,315**

Included in the above employee costs are redundancy and severance costs of £280,000 (2024/25: £179,000).

Average number of persons employed during the year	2026 Number	2025 Number
UK-contracted employees based:		
In the UK	329	337
Overseas	70	72
	399	**409**
Staff based overseas on local contracts	395	484
	794	**893**

UK staff includes those personnel based in Tearfund's UK offices. Overseas staff on UK contracts includes UK nationals working overseas as well as non-UK nationals employed to work in various countries around the world. All staff were employed across the range of charitable activities detailed in the SOFA. The number of employees whose emoluments (including benefits in kind but excluding employer's pension) amounted to over £60,000 in the year was as follows:

	2026 Number	2025 Number
£60,001 – £70,000	20	28
£70,001 – £80,000	19	5
£80,001 – £90,000	4	4
£90,001 – £100,000	5	2
£100,001 – £110,000	1	2
£110,001 – £120,000	1	1
£120,001 – £130,000	1	-
£160,001 – £170,000	1	-

The total number of employees earning over £60,000 has increased from the prior year as annual salary increases have moved more individuals above this amount.

The total aggregate emoluments, including relocation costs, received by individuals in the Chief Executive role in the year was £138,000 (2024/25: £97,000). This includes amounts relating to the outgoing, interim and new Chief Executives, which are separately presented in the table above where the amount is relevant.

In 2025/26, members of the Executive Team earned a total of £879,000 (2024/25: £559,000) including social security and pensions. The 2025/26 year was one of substantial change within the Executive Team, including the departure and appointment of a new Chief Executive, an interim Chief Executive, and significant change in the construct of the Executive Team. Overlapping post-holders during transitional periods resulted in an abnormally large total emolument for the Executive Team in 2025/26. Details of the Executive team, including interim arrangements during the year, are included on page 37.

Trustees

As Charity Trustees, the Board of Directors and Committee Members, who are not employees, received no remuneration for their services. During the year, a total of 12 directors/committee members were reimbursed or had costs paid for by Tearfund for travel, communication and subsistence for a total of £42,000. Of this, £10,000 related to UK travel, communication and subsistence expenses (2024/25: £9,000) and £32,000 related to overseas travel (2024/25: £8,000).

Indemnity insurance is provided for the Directors at a cost of £20,000 (2024/25: £22,000).

Pensions

Tearfund has a defined contribution pension plan for UK employees called the Tearfund Group Personal Pension Plan and a separate defined contribution pension plan for overseas employees called the Tearfund International Group Personal Pension Scheme. An overseas staff member can have a percentage of the salary paid into a pension fund or a percentage of the salary is paid directly to the staff member, and they take responsibility for their own pension arrangements and investment. The percentage paid depends on the time when employees joined Tearfund and employees' age. In some countries the percentage is defined in the legislation. These plans operate on a non-contributory basis.

Included within creditors falling due within one year is £177,000 (2024/25: £170,000) in respect of pension contributions due to be paid to the fund managers.

6. TAXATION

Tearfund is exempt from taxation on its income and gains under sections 466 to 493 of the Corporation Tax Act 2010 and Section 256 of the Taxation of Capital Gains Act 1992, to the extent that they are applied for charitable purposes.

7. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Total Tangible £'000
Cost				
At 1 April 2025	3,086	6,665	60	9,811
Additions	-	300	-	300
Disposals	-	(391)	-	(391)
At 31 March 2026	**3,086**	**6,574**	**60**	**9,720**
Accumulated depreciation				
At 1 April 2025	2,076	6,135	54	8,265
Charge for the year	57	187	1	245
Disposals	-	(386)	-	(386)
At 31 March 2026	**2,133**	**5,936**	**55**	**8,124**
Net book value				
At 31 March 2026	**953**	**638**	**5**	**1,596**
At 31 March 2025	**1,010**	**530**	**6**	**1,546**

The book value of freehold land not depreciated is £368,000 (2024/25: £368,000). Tearfund's offices (land and building) in Teddington have a book value of £599,000 (2024/25: £642,000) and are insured at a value of £12,500,000 (2024/25: £12,500,000).

The sale of the Teddington office building is continuing to progress.

8. LONG-TERM INVESTMENTS

	2026 £'000	2025 £'000
Unquoted investment in subsidiary	5	5

At 31 March 2026, Tearfund had one wholly owned subsidiary, Tearfund Trading Limited. Tearfund Trading Limited is registered in England and Wales, company registration number 03779450. The registered address is 100 Church Road, Teddington, TW11 8QE. Tearfund Trading Limited is now dormant.

Organisation name	Class of share of capital held	Nature of business
Tearfund Trading Limited	Ordinary	Dormant

9. STOCKS

	2026 £'000	2025 £'000
Goods held for distribution to communities	763	802
	763	**802**

10. DEBTORS

Due within one year:	2026 £'000	2025 £'000
Tax recoverable	301	225
Other debtors	124	168
Accrued institutional grants	2,741	5,429
Accrued legacy income	5,825	4,784
Prepayments and other accrued income	1,231	1,019
	10,222	**11,625**

11. FINANCIAL INSTRUMENTS

Included in other debtors, measured at fair value, is a derivative financial instrument. Tearfund has entered into a swap contract, covering the period from November 2025 to July 2026 (2024/25: November 2024 to August 2025), which provides an insurance mechanism for communities at risk of drought in four countries. In the year to 31 March 2026, payouts of £336,000 (2024/25: £80,000) have been used for anticipatory action and early response. Tearfund's risk is limited to the original fixed payment of £85,000 (2024/25: £94,000). The fair value movement was charged to charitable activities within the Statement of Financial Activities.

Derivatives	2026 £'000	2025 £'000
Opening balance	43	-
New derivatives	85	94
Fair value movement	(90)	(51)
Closing balance	**38**	**43**

12. CREDITORS

Amounts falling due within one year:	2026 £'000	2025 £'000
Interest-free loans	206	350
Amount owed to group undertaking	5	5
Other creditors	1,057	1,213
Taxation and social security	927	1,074
Accruals	2,029	2,118
	4,224	**4,760**

The interest-free loans, which have been made by supporters, are unsecured and have no set repayment dates.

13. PROVISIONS FOR LIABILITIES

	2026 £'000	2025 £'000
Opening balance	456	1,010
Additions	397	250
Charged	(12)	(699)
Reversed	(2)	(105)
Closing balance	**839**	**456**

Provisions for liabilities comprise amounts relating to an overseas bank account, redundancies, tax liabilities and ongoing litigation.

Redundancies are expected to be charged in the next financial year. The timing of the other provisions is unknown.

14a. FUNDS MOVEMENT (2025/26)

Tearfund	1 April 2025 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2026 £'000
General fund	11,807	37,196	(35,847)	(17)	13,139
Designated funds:					
Fixed asset fund	1,546	-	-	50	1,596
	1,546	-	-	50	1,596
Total unrestricted funds	**13,353**	**37,196**	**(35,847)**	**33**	**14,735**
Restricted funds:					
Appeals and emergencies:					
Afghanistan	708	540	(459)	-	789
Crisis to Resilience	167	-	(1)	-	166
Democratic Republic of Congo	364	78	(351)	-	91
Democratic Republic of Congo and South Sudan	181	44	(221)	-	4
East Africa hunger crisis	35	9	(44)	-	-
Ethiopia	85	3	(31)	-	57
Indonesia	7	1	(8)	-	-
Mekong region earthquake	97	2,208	(1,776)	-	529
Middle East	1,672	2,081	(1,872)	-	1,881
Other	1	-	(1)	-	-
Pakistan	612	16	(415)	-	213
Sudan and South Sudan	47	27	(5)	-	69
Syria crisis	332	-	(77)	-	255
Türkiye and Syria earthquake	2,699	400	(866)	-	2,233
Ukraine	629	25	(263)	-	391
Yemen	527	39	(200)	-	366
	8,163	**5,471**	**(6,590)**	**-**	**7,044**

14a. FUNDS MOVEMENT (2025/26) CONTINUED

Tearfund	1 April 2025 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2026 £'000
Restricted funds brought forward	**8,163**	**5,471**	**(6,590)**	**-**	**7,044**
Country funds	-	58	(59)	1	-
Project funds:					
Institutions and trusts	7,959	23,722	(23,553)	(133)	7,995
Other	269	1,344	(1,459)	-	154
Beneficiary funds:					
Children	6	2	(58)	50	-
Issue funds:					
Disaster management	-	773	(818)	45	-
Water and sanitation	-	611	(615)	4	-
Transforming Communities	-	65	(65)	-	-
Total restricted funds	**16,397**	**32,046**	**(33,217)**	**(33)**	**15,193**
Total	**29,750**	**69,242**	**(69,064)**	**-**	**29,928**

Designated funds are set up for the following purposes:

- The fixed asset fund represents the net book value of Tearfund's tangible fixed assets to indicate that these resources are not available for other purposes.

Restricted funds are shown under the following main categories:

- Appeal and emergency funds comprise funds raised for specific appeals and emergencies.
- Country funds comprise funds given for specific countries.
- Project funds comprise funds given for specific projects mainly by institutional donors.
- Beneficiary funds comprise funds given for the benefit of specific beneficiary groups such as children.
- Issue funds comprise funds given for specific issues such as disaster management, water and sanitation, and transforming communities.

At 31 March 2026, there were deficit fund balances sitting within the broader fund categories of Institutions and Trusts Project funds and Other Project funds. In total, deficit funds amounted to £192,000 (2024/25: £282,000). Restricted fund balances may be in deficit where expenditure is made in advance of anticipated income and it is expected that the negative balances will be cleared in future accounting periods, or due to partner underspends, or where there are unrealised foreign exchange losses as at the year-end date.

14a. FUNDS MOVEMENT (2025/26) CONTINUED

Transfers between funds represent:

a) Movements on the net book value of tangible fixed assets between the general fund and the fixed asset fund.
b) Balance transfers or reallocation of funds in line with donors' wishes.

Included within restricted funds are the following amounts relating to money received from the following donors:

Foreign, Commonwealth and Development Office (FCDO) and Other:	1 April 2025 £'000	Income £'000	Expenditure £'000	31 March 2026 £'000
DRC Incubation Fund	-	83	(83)	-
Iraq CSSF	1	-	(1)	-
Nigeria Innovate UK	(5)	167	(162)	-
Rwanda REDAA Strengthening System	(4)	156	(153)	(1)
Start Network:				
Burundi Emergency Response for Congolese Refugees	-	140	(140)	-
Democratic Republic of Congo Disaster Risk Finance 2025	-	171	(168)	3
Democratic Republic of Congo Disaster Risk Finance 2026	-	11	(11)	-
Democratic Republic of Congo Displacement due to Conflict Response	-	112	(112)	-
Democratic Republic of Congo DRF Programme and Hub Incubation Funds 2026	-	38	(14)	24
Democratic Republic of Congo Social Innovation for IDPs	7	-	-	7
Democratic Republic of Congo START Solidarity Fund	-	230	(230)	-
Mekong Region Aid Passporting Solution	-	6	(1)	5
Pakistan Disaster Risk Finance	-	58	(58)	-
Pakistan Drought Anticipatory Action Project	-	80	(80)	-
Zimbabwe Anticipation of Disease Outbreak Response	-	146	(146)	-
Total FCDO funds	**(1)**	**1,398**	**(1,359)**	**38**
Disasters Emergency Committee (DEC):				
Mekong region earthquake	-	1,072	(1,012)	60
Middle East response	95	1,166	(957)	304
Türkiye and Syria earthquake	67	331	(398)	-
Total DEC funds	**162**	**2,569**	**(2,367)**	**364**

14b. FUNDS MOVEMENT (2024/25)

Tearfund	1 April 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2025 £'000
General fund	6,117	35,342	(29,571)	(81)	11,807
Designated funds:					
Fixed asset fund	1,465	-	-	81	1,546
Strategic priorities	6	-	(6)	-	-
	1,471	-	(6)	81	1,546
Total unrestricted funds	**7,588**	**35,342**	**(29,577)**	**-**	**13,353**
Restricted funds:					
Appeals and emergencies:					
Afghanistan	937	4	(233)	-	708
Bangladesh	11	2	(13)	-	-
Crisis to Resilience	404	-	(237)	-	167
Democratic Republic of Congo	-	574	(210)	-	364
Democratic Republic of Congo and South Sudan	-	181	-	-	181
East Africa hunger crisis	72	21	(58)	-	35
Ethiopia	403	3	(321)	-	85
Indonesia	131	1	(125)	-	7
Middle East	1,073	2,217	(1,618)	-	1,672
Other	3	122	(27)	-	98
Pakistan	1,120	933	(1,441)	-	612
Sudan and South Sudan	9	39	(1)	-	47
Syria crisis	334	-	(2)	-	332
Türkiye and Syria earthquake	3,918	2,277	(3,496)	-	2,699
Ukraine	867	60	(298)	-	629
Yemen	622	12	(107)	-	527
	9,904	**6,446**	**(8,187)**	**-**	**8,163**

14b. FUNDS MOVEMENT (2024/25) CONTINUED

Tearfund	1 April 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2025 £'000
Restricted funds brought forward	**9,904**	**6,446**	**(8,187)**	**-**	**8,163**
Country funds	3	69	(72)	-	-
Project funds:					
Institutions and trusts	9,230	33,589	(34,860)	-	7,959
Other	457	1,832	(2,020)	-	269
Beneficiary funds:					
Children	-	6	-	-	6
Issue funds:					
Disaster management	-	796	(796)	-	-
Water and sanitation	3	918	(921)	-	-
Waste management	(6)	1,240	(1,234)		-
Total restricted funds	**19,591**	**44,896**	**(48,090)**	-	**16,397**
Total	**27,179**	**80,238**	**(77,667)**	-	**29,750**

14b. FUNDS MOVEMENT (2024/25) CONTINUED

Included within restricted funds are the following amounts relating to money received from the following donors:

Foreign, Commonwealth and Development Office (FCDO) and Other:	1 April 2024 £'000	Income £'000	Expenditure £'000	31 March 2025 £'000
DRC Incubation Fund	-	7	(7)	-
Ethiopia GSMA Climate Resilience	-	229	(229)	-
Iraq CSSF	191	648	(838)	1
Nigeria Innovate UK	(25)	178	(158)	(5)
Rwanda REDAA Strengthening System	-	176	(180)	(4)
Start Network:				
Burundi Flooding and Landslide Response	-	120	(120)	-
Democratic Republic of Congo Disaster Risk Finance	-	150	(150)	-
Democratic Republic of Congo Social Innovation for IDPs	1	73	(67)	7
Democratic Republic of Congo Start Fund	-	200	(200)	-
Pakistan Flood Response	-	85	(85)	-
Philippines Disaster Risk Finance	(5)	5	-	-
Rwanda Refugees Response	-	74	(74)	-
Rwanda START Fund Flooding	(3)	-	3	-
South Sudan Displacement due to Conflict	(2)	-	2	-
Zimbabwe Drought Response	-	1,073	(1,073)	-
Total FCDO funds	**157**	**3,018**	**(3,176)**	**(1)**
Disasters Emergency Committee (DEC):				
Middle East response	-	772	(677)	95
Pakistan floods	197	933	(1,130)	-
Türkiye and Syria earthquake	1,091	2,272	(3,296)	67
Total DEC funds	**1,288**	**3,977**	**(5,103)**	**162**

15a. ANALYSIS OF NET ASSETS BETWEEN FUNDS (2025/26)

Fund balances at 31 March 2026 are represented by:	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Long-term investments	5	-	5
Fixed assets	1,596	-	1,596
Current assets	17,455	15,935	33,390
Current liabilities	(3,501)	(723)	(4,224)
Provisions	(820)	(19)	(839)
	14,735	**15,193**	**29,928**

15b. ANALYSIS OF NET ASSETS BETWEEN FUNDS (2024/25)

Fund balances at 31 March 2025 are represented by:	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Long-term investments	5	-	5
Fixed assets	1,546	-	1,546
Current assets	15,484	17,931	33,415
Current liabilities	(3,226)	(1,534)	(4,760)
Provisions	(456)	-	(456)
	13,353	**16,397**	**29,750**

16. OPERATING LEASE COMMITMENTS

At 31 March 2026, Tearfund was committed to making the following payments in total in respect of operating leases for land and buildings:

	2026 £'000	2025 £'000
Within one year	275	495
In the second to fifth years inclusive	269	380
	544	**875**

17. RELATED PARTY TRANSACTIONS

A number of the Trustees of Tearfund are directors and trustees of other charities and organisations with whom Tearfund has historic relationships.

In 2025/26, goods and services of £2,000 were provided by related parties (2024/25: £22,000). These comprised professional services from Bates Wells and venue hire of Waverley Abbey. In addition, payments of £238,000 were made to Tearfund USA (2024/25: £126,000). Stephanie Biden is a partner at Bates Wells, David Wesson is CEO of the Waverley Abbey Trust and John Davidson serves on the Board of Tearfund USA. There were no outstanding balances owed at 31 March 2026 (2024/25: £nil).

Total donations from related parties in the year were £140,000 (2024/25: £583,000).

There were no expenditure transfers to the subsidiary of Tearfund (2024/25: £nil) in the year ended 31 March 2026. The balance of £5,000 (2024/25: £5,000) owed by Tearfund to Tearfund Trading Limited at the end of the year is disclosed in note 12. Tearfund Trading Limited is dormant.

18. CAPITAL COMMITMENTS

At 31 March 2026, there were contracted or authorised capital commitments of £64,000 (2024/25: £nil).

'He who began a good work in you will carry it on to completion until the day of Christ Jesus.'

Philippians 1:6

tearfund.org

Tearfund
Tearfund, 100 Church Road, Teddington, TW11 8QE
020 3906 3906 info@tearfund.org /tearfund

Tearfund Northern Ireland
Tearfund, 241 Newtownards Road, Belfast BT4 1AF, Northern Ireland
+44 (0)28 9073 0060 in@tearfund.org /tearfundNI

Tearfund Scotland
Tearfund, Challenge House, 29 Canal St, Glasgow G4 0AD
+44 (0)141 332 3621 scotland@tearfund.org /TearfundScotland

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