Foreign, Commonwealth & Development Office

# Annual Report and Accounts

## 2023–2024


HC 63

**Foreign, Commonwealth & Development Office**

# Annual Report and Accounts 2023–24

For the year ended 31 March 2024

Annual Report presented to Parliament pursuant to Section 1 of the International Development (Report and Transparency) Act 2006

Accounts presented to the House of Commons pursuant to Section 6(4) of the Government Resources and Accounts Act 2000

Accounts presented to the House of Lords by Command of His Majesty

Ordered by the House of Commons to be printed on 29 July 2024

HC 63

This publication is available at www.gov.uk/official-documents.

Any enquiries regarding this publication should be sent to us at fcdo.correspondence@fcdo.gov.uk.

ISBN 978-1-5286-4967-4

E03136255 07/24

Printed on paper containing 40% recycled fibre content minimum.

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office.

Performance and Accountability Reports designed in-house by FCDO Communication and Engagement Directorate.

# Contents

**Section 1 Performance report..........4**

**Section 1.1 Performance overview............. 4**

Statement from the Permanent Under-Secretary ............................................... 6

Statement from the FCDO's Lead Non-Executive Director ............................... 8

Our vision and purpose ............................ 10

2023-24 Priority Outcomes ....................... 12

2023-24 Strategic Enablers....................... 13

Where we work ........................................ 14

FCDO organisation.................................... 15

Performance Summary ............................ 16

**Section 1.2 Priority Outcomes and Strategic Enablers: Performance Analysis .................................................. 20**

Priority outcome 1 .................................... 22

Priority outcome 2 .................................... 30

Priority outcome 3 .................................... 38

Priority outcome 4 .................................... 46

Strategic Enablers .................................... 52

External factors with significant impact on the FCDO's work.................................. 59

The FCDO's Risk Profile ........................... 60

Performance in other areas ....................... 63

**Section 1.3 Financial review ...................... 68**

**Section 1.4 Sustainability report ............... 78**

**Section 2 Accountability report.......98**

**Section 2.1 Corporate governance report ........................................................ 98**

Directors' report ..................................... 101

Governance statement............................ 103

**Section 2.2 Remuneration and staff report ...................................................... 126**

Remuneration Report .............................. 128

Staff Report............................................. 140

**Section 2.3 Parliamentary accountability and audit report ............... 154**

Statement of Outturn against Parliamentary Supply .................................156

Parliamentary Accountability Disclosures.. 164

The Certificate and Report of the Comptroller and Auditor General to the House of Commons ................................ 173

**Section 3 Financial Statements.....186**

Consolidated Statement of Comprehensive Net Expenditure ............. 188

Consolidated Statement of Financial Position ................................................. 190

Consolidated Statement of Cash Flow .... 192

Consolidated Statement of Changes in Taxpayers' Equity .................................... 194

Notes to the Departmental Resource Accounts ............................................... 196

**Section 4 Annexes ........................... 264**

Annex A: FCDO programme outturn ........ 266

Annex B: Annual Reporting of Statistical Information .............................. 272

Annex C: Regulatory Reporting ................ 302

Annex D: Arm's Length Bodies................. 305

Twenty-one tonnes of life-saving humanitarian aid is delivered from the UK to the Egyptian Red Crescent and UK Aid in Egypt for Palestinian civilians.


SECTION 1

# Performance report

## SECTION 1.1 PERFORMANCE OVERVIEW

The performance overview section of this report sets out key information about the department, including the structures that have been established to ensure we deliver effectively. This section also outlines our objectives and includes a performance appraisal for the 2023-24 financial year.

Below: The Permanent Under-Secretary Philip Barton.
Opposite: The Permanent Under-Secretary Philip Barton meets the Ukrainian State Secretary Oleksandr Bankov.

# Statement from the Permanent Under-Secretary


It has been another testing year. Russia's illegal war against Ukraine entering its third year. Hamas' barbaric terrorist attack on Israel and its aftermath. Sudan's rapid descent into civil war. Humanitarian need and hunger on the rise.

The FCDO has to pivot rapidly in response to crises, while sustaining long-term delivery. I am incredibly proud of and grateful to FCDO staff who have remained agile and resilient. Together, we have made a difference in a troubled and uncertain world.

We make the biggest difference when we convene and mobilise others. The UK has pressed for ongoing support for Ukraine, with $60 billion raised at the Ukraine Recovery Conference. Our diplomats helped broker UN Security Council Resolution 2727, calling for an immediate pause to get aid into Gaza. We hosted the world's first AI Safety Summit, with 28 countries agreeing to work together to ensure AI that is safe and supports the good of all. The FCDO has been at the heart of efforts to strengthen bilateral and multilateral relationships, from the Hiroshima Accord signed with Japan, to the Atlantic Declaration announced with the US; the bespoke deal with the EU to associate to Horizon Europe, to the Global Strategic Partnership agreed during South Korean President Yoon's State Visit. Our approach to development is also changing, with an offer based on mutual respect, powered by development finance at scale.

We have also continued to fulfil our enduring responsibilities. Exceeding our performance targets for consular assistance, we offered tailored and empathetic support to British nationals abroad. We prioritised lifesaving aid for those most in need, working with partners and other Government Departments to alleviate suffering.

Working all over the world on all manner of issues requires robust corporate infrastructure.

Building a unified Department post-merger remains one of my top priorities. We now have a single budget, one core IT system, one Finance/HR system and a common pay framework. Our agility model allows us to tackle new challenges while maintaining our focus on long-term priorities and maintaining staff wellbeing.

We are seeing the benefits of this work, with the NAO noting that our more integrated approach had improved our ability to respond to crises and events effectively. More detail on the report can be found on page 63, under the One FCDO section.

The pace of global events will not slow in the year ahead.

The FCDO's diplomats and development experts will continue to respond and adapt, promoting and protecting British interests in every corner of the globe.

Below: Lead Non-Executive Director, Beverley Tew.

# Statement from the FCDO's Lead Non-Executive Director

As I look back over the last twelve months, I am once more struck by the disruptive and challenging global context in which the FCDO operates and delivers. Putin's illegal war in Ukraine continues to threaten UK, European and global security. And on 7 October we witnessed Hamas' shocking terrorist attack on Israel, the consequences of which continue to be wide-ranging and critical to regional and global stability.

In this volatile global context, the FCDO has responded with agility to multiple crises whilst continuing to make progress across the UK's international objectives and priorities: protecting and promoting UK interests; running a world class diplomatic network; investing in international development including through nearly £9.5 billion of aid spending in 2023; and providing modern consular services.

The FCDO's Non-Executive Directors (NED) provide oversight, challenge and support to the department's executive team, through our formal roles on the FCDO Supervisory Board, the monthly Management Board and its sub-committees, as well as through our direct individual contributions. In 2023-24, we reviewed the FCDO's corporate and policy performance each quarter, using the department's Outcome Delivery Plan (ODP) as the framework to monitor delivery. We challenged risk management and mitigation, and supported the department to develop its strategic approach to its workforce skills and capability, its use of technology and to its oversight and management of a complex global property estate. We supported the Board's continued work to embed and strengthen the infrastructure of the merged department, in particular a comprehensive agility model to respond quickly and proportionately to crises and opportunities, while maintaining delivery of essential long-term aims.

This year, I have increased my personal focus on the delivery of development priorities. I sat on the panel that oversaw the appointment of Nick Dyer as the Second Permanent Under-Secretary of the FCDO. This new leadership role further reinforces the department's delivery against its development agenda. I have also joined the Development Committee, a new senior governance forum designed to provide strategic leadership and systematic oversight and accountability for Official Development Assistance (ODA). The Committee will drive coherence and effective delivery across the development portfolio, ensuring that development tools are integrated and used consistently with diplomatic efforts. The NED team undertook visits to posts in Turkey, Malawi, Zimbabwe and France, as well as the FCDO's UK locations outside London, seeing the board's strategic conversations translated to delivery on the ground.

The FCDO has much of which to be proud. Amongst many highlights, the department should celebrate its role in the vibrant international celebration of the Coronation of His Majesty the King and Her Majesty the Queen, supporting around 450 overseas dignitaries to witness an historic ceremony steeped in tradition. The FCDO also hosted the first major global summit on Artificial Intelligence safety, to support international cooperation on the challenges and opportunities presented by the rapid advancement of AI.

Ann Cormack concluded her term as an FCDO NED in November 2023 and I would like to thank Ann for all her support to the department, particularly on HR matters. Looking forward to the year ahead, I am proud to take on the role of lead NED on a permanent basis, and to welcome James Bilefield as the FCDO's newest NED. As ever, challenges lie ahead, but as a maturing and increasingly agile department, the FCDO is strongly placed to respond.

**"The FCDO has much of which to be proud. Amongst many highlights, the department should celebrate its role in the vibrant international celebration of the Coronation of His Majesty the King and Her Majesty the Queen, supporting around 450 overseas dignitaries to witness an historic ceremony."**

The UK and Jordan air-dropping life-saving aid to a hospital in northern Gaza.

# Our vision and purpose

## Our Vision

The Foreign, Commonwealth and Development Office delivers for the UK internationally, leading the government's diplomatic, development and consular work around the world.

## Our Purpose

Our aim is to make a positive difference in a troubled and uncertain world, to make the UK more secure and more prosperous.

We use all our levers, expertise and the diverse skills of our people to take the long view, investing effectively in enduring relationships and acting with agility in response to evolving priorities and emerging risks. We continue to position the UK as a responsible, reliable and effective international actor and partner, investing in the global relationships we need for the long term.


46
46
45

## 2023-24 Priority Outcomes

**In our Outcome Delivery Plan for 2023-24, the FCDO committed to the following Priority Outcomes:**

**PRIORITY OUTCOME 1**

Shape an open and stable international order through strong alliances and future partnerships.

**PRIORITY OUTCOME 2**

Protect our national and international security and mitigate the threats of strategic competition through building partnerships, strengthening deterrence, and effective constraint.

**PRIORITY OUTCOME 3**

Reinvigorate the UK’s leadership role in international development to tackle shared global challenges, respond to humanitarian crises, and support the Sustainable Development Goals.

**PRIORITY OUTCOME 4**

Support British nationals around the world by providing resilient 24/7 Consular services and agile crisis response.

## 2023-24 Strategic Enablers

**To deliver those Priority Outcomes, the FCDO committed to the following strategic enablers:**

STRATEGIC ENABLER ONE

### Workforce, skills and location

Creating a strong culture of learning and development to foster an exceptional workforce; providing flexible policies that enable staff to operate effectively wherever they are in the world; and using the merger to develop a workforce that reflects the new organisation's requirements across the world.

STRATEGIC ENABLER TWO

### Innovation, technology and data

Becoming a world-leading department for the use of digital, data, information, and technology to deliver diplomatic and development outcomes; laying the FCDO's digital foundations; continuously investing in structural innovations and nurture staff so they can turn ideas into solutions.

STRATEGIC ENABLER THREE

### Delivery, evaluation and collaboration

Improving outcomes through strong delivery, evaluation, and collaboration; developing robust frameworks to support, track and analyse real world change focusing on skill and capability building and putting evidence and analysis at the heart of our approach, to advance and strengthen the use and quality of our analysis to make our interventions more efficient, sustainable, and impactful.

STRATEGIC ENABLER FOUR

### Sustainability

Taking steps to find innovative ways to put sustainability at the heart of what we do; leading by example by reducing our environmental impact, transitioning to net zero emissions, and minimising our contribution to climate change; and equipping staff with an understanding of environmental responsibilities to achieve high standards of environmental sustainability throughout all our operations.

# Where we work

**281** officially designated overseas posts which breaks down as follows:

**162** Embassies/High Commissions (also referred to as Sovereign Posts)

**63** Consulates/ Consulates-General/ Deputy High Commissions

**11** Permanent Missions (also referred to as Sovereign Posts)

**12** Overseas Territories Posts

**4** Resident Commissioners

**29** Other representations

# FCDO organisation

The chart represents the FCDO's leadership on 31 March 2024

## FCDO Senior Leadership

**The Rt Hon Lord Cameron of Chipping Norton**
Secretary of State for Foreign, Commonwealth and Development Affairs

**The Rt Hon Andrew Mitchell MP**
Deputy Foreign Secretary and Minister of State (Development and Africa)

**The Rt Hon Lord Ahmad of Wimbledon**
Minister of State (Middle East & United Nations)

**David Rutley MP**
Parliamentary Under-Secretary of State (Americas, Caribbean and Overseas Territories)

**Nursat Ghani MP**
Minister of State (Europe)

**The Rt Hon Anne-Marie Trevelyan MP**
Minister of State (Indo-Pacific)

**The Rt Hon Lord Benyon**
Minister of State (Climate, Environment and Energy – joint with DEFRA)

## Senior staff

**Sir Philip Barton**
Permanent Under-Secretary of State (PUS)

**Nick Dyer**
Second Permanent Under-Secretary (2PUS)

**Jonathan Allen**
DG Defence and Intelligence

**Melinda Bohannon**
DG Humanitarian and Development

**Owen Jenkins**
DG Indo-Pacific, Middle East and North Africa (interim)

**Jenny Bates**
DG Economics, Climate and Global Issues

**Peter Wilson**
DG Europe

**Harriet Matthews**
DG Africa, Americas and Overseas Territories

**Dr Christian Turner**
DG Geopolitics

**Corin Robertson**
DG Finance and Corporate

**Sally Langrish**
DG Legal (Legal Adviser)

UK Armed Forces load Container Delivery Systems (CDS) with Humanitarian Aid as part of the action to address the plight of the Palestinian people.

# Performance Summary

For further detail on our performance, including specific achievements against our Priority Outcomes, see page 20, the Performance Analysis section.

## Key achievements

### Support Ukraine's fight against Russian aggression

**$60 billion** raised at the Ukraine Recovery Conference in June 2023.

**278** sanctioned individuals and entities under the Russia sanctions regime in 2023-24.

**11 million people** benefitted from humanitarian funding to protect those most vulnerable in 2023.

### Build a more secure and stable Middle East

**£70 million** of funding allocated from the UK in response to the Gaza conflict in 2023-24.

**150 tonnes** delivered UK aid to Gaza in March 2024, including tents, blankets, shelter kits and over 3,000 dignity kits.

More than **100 patients** are now able to be treated per day in a UK field hospital in Gaza.

**5 sanction packages** on individuals, groups and entities related to Hamas and West Bank settlement violence since November 2023.

### Enhance UK security

Through our strategic partnership with Albania on enhancing our bilateral cooperation on areas such as migration, we have reduced Albanian small boat arrivals by **93%** in 2023 from the previous year. **5,976** Albanians were returned in 2023-24, almost two and half times as many as the preceding year.

**Strategic Migration Partnership** agreed with Italy and an Organised Immigration Crime Action Plan with Bulgaria in June.

**Downing Street Accord** signed with Republic of Korea to deepen defence and security cooperation.

### Consular services and crisis response

We deliver core services for the UK public, including our global **24/7 consular support** and travel advice. During the year, we provided tailored consular assistance to over 22,000 British nationals overseas, issued more than 28,000 emergency travel documents and answered 467,000 enquiries. We have facilitated the departure of over 2,450 eligible people from Sudan, 977 from Israel, and over 300 were supported leaving Gaza.

### Cross-cutting results

The FCDO publishes additional detail of its achievements in outcome statistics factsheets on gov.uk. Over 2023–24, the FCDO has also invested in its ability to monitor and report on results at the portfolio level, to support enhanced reporting of outcome.

## Promote international development and address critical global challenges

FCDO data published in October 2023 showed that we reached **13.8 million people** with food aid, cash or vouchers through our humanitarian assistance and social protection programming in 2023-24.

**$2 billion** announced at the G20 that the UK will provide to the Green Climate Fund. This is the biggest single international funding commitment the UK has made to help the world tackle climate change.

**Second highest** spender among G7 countries of Official Development Assistance as a proportion of Gross National Income (GNI).

**$1 billion** unlocked in affordable education finance for women and girls.

**17 million square metres** of land globally is set to be cleared of landmines through UK funding.

We have delivered the following achievements, through the International Development White Paper, published in November 2023:

- A successful Global Food Security Summit in November, alongside launching the White Paper, where we convened global leaders and reset international attention on the global food security crisis.
- Galvanized donor action around climate finance, through our co-chair role of the Good Humanitarian Donorship Initiative and commissioned an independent review to invigorate the group's focus.
- Brought international attention to gender-based violence (GBV) through co-hosting high-level events at the UN Commission on the Status of Women on female genital mutilation (FGM) and adolescent girls.
- Assumed co-chair position of the Green Climate Fund.
- Supported an alliance of three non-governmental organisations (WaterAid, SNV and Self-Help Africa) to implement the WASH Systems for Health programme in Nepal, Bangladesh, Malawi, Tanzania, Nigeria and Sierra Leone.

## Boost UK prosperity and jobs

**Advanced UK commercial interests** with the Gripen aircraft programme in Thailand, potentially worth £350 million to UK supply chains; and strengthened relationships with major capital investors from Australia.

**Chair of the Organisation for Economic Co-operation and Development (OECD)** at the Ministerial Council which drove outreach to Indo-Pacific, resulting in opening of OECD accession negotiations with Indonesia and application for membership by Thailand.

Foreign Secretary meets students at School 23 as he visits Mongolia.

# SECTION 1.2 PRIORITY OUTCOMES AND STRATEGIC ENABLERS: PERFORMANCE ANALYSIS

This section provides a detailed analysis of the FCDO's progress against our four Priority Outcomes for the financial year 2023-24. It also reports progress against our strategic enablers, provides an analysis of external events impacting on our progress and gives an overview of our performance in other areas.

G7 Hiroshima Summit 2023.

# Priority outcome 1

Shape an open and stable international order through strong alliances and future partnerships.

**KEY ACHIEVEMENTS**

» Bespoke deal for UK's partnership to Horizon Europe (the world's largest research and collaboration programme).

» Supported Sweden and Finland's accession to NATO.

» Secured agreements to protect tariff-free digital trade, through the 13th WTO Ministerial Conference.

» Unlocked over $6 billion of new finance and innovative guarantees for African, Asian, and Pacific countries.

» Strengthened UK-EU cooperation on illegal migration, through a new UK-Frontex arrangement.

» Rules of Origin on Electric Vehicles (EVs) extension agreed, continuing zero tariff trade in EV batteries, saving manufacturers and consumers additional costs.

## Build a more secure and stable Middle East

The appalling terrorist attack on Israel on 7 October threw the Middle East into turmoil. The UK has invested heavily in trying to bring the Gaza conflict to an end as quickly as possible. We shaped international consensus behind the UK's position, including at the UN, calling for an immediate pause to get aid in and hostages out, and to then progress towards a sustainable permanent ceasefire without a return to destruction, fighting and loss of life.

Palestinians faced a devastating and growing humanitarian crisis. The UK played a leading role in alleviating that suffering.

We continued to support a two-state solution that guarantees security and stability for both the Israeli and Palestinian people. We have offered the UK's support to the Palestinian Authority so that it can implement much-needed reforms. We urged Israel to release frozen funds, halt settlement expansion and address extremist settler violence. We have worked urgently with our partners to de-escalate regional tension. The danger of miscalculation at Lebanon's border with Israel is grave, and we have worked with the Lebanese Armed Forces to maintain stability. In the Red Sea, we have maintained the UK's position that the Houthis' illegal attacks are unacceptable and joined US forces in strikes against Houthi locations in Yemen.

## Strengthen our relations with European partners

The UK has continued to reinvigorate our European relationships through cooperation under the Trade and Co-operation Agreement and the Windsor Framework, formalised in October 2023.

We strengthened our security partnerships in Europe to increase defence engagement for Ukraine, through training and military equipment, deterrence, and defence: and to maintain stability in the Western Balkans.

We strengthened Europe's defence industrial capacity and output through North

Atlantic Treaty Organisation (NATO) endorsement of the Defence Production Action Plan.

We continued to strengthen our bilateral relationships across Europe, including through strategic partnership agreements with Poland, Austria and Denmark. The UK and Switzerland signed a Mutual Recognition Agreement in Financial Services providing UK businesses with unique access to the Swiss market.

We strengthened development cooperation with Nordic partners through the UK's Chairmanship of the Nordic Plus Group. We will use our leadership to advance shared priorities and deepen engagement with Nordic Plus countries (the Nordics: Denmark, Sweden, Finland, Iceland, Norway; plus, the Netherlands; UK and Ireland).

## Demonstrate our support for a free and open Indo-Pacific

Our support for a free and open Indo-Pacific continued throughout 2023-24. FCDO Ministers undertook 34 visits to the region, strengthening bilateral relationships. We put in place new strategic partnerships with Japan (Hiroshima Accord), and Thailand, creating benefits for both the UK and our Indo-Pacific partners on security, trade and investment, health, education and climate change. The UK-Taiwan Enhanced Trade Partnership was also established. The UK launched the first Democracy Action Partnership with partners across the Southeast Asia region to take collective action to tackle violence, online and offline, against women in politics and elections, and strengthen democratic resilience in the region through dialogue.

We continued negotiations with India on an ambitious Free Trade Agreement (FTA), and the UK-India WHO-approved R21 malaria vaccine. We deepened our partnership with the Association of Southeast Asian Nations (ASEAN), progressing our Plan of Action on health, education, and climate.

With other Departments, the FCDO continued to manage the challenge posed by China through our "protect, align and engage" approach. The former Foreign Secretary visited China in August, meeting Vice President Zheng and Foreign Minister Yi to discuss international security, climate change, human rights, and to promote UK interests. China attended the UK's AI Safety Summit and signed the Bletchley Declaration. We aligned our approach with international partners, exemplified through collective messaging on China at the G7, and through our leadership of a statement on China's human rights violations in Xinjiang at the UN in October. We have sanctioned three China-based entities supporting Russia's war in Ukraine. We spoke out on threats to rights and freedoms in Hong Kong, including on National Security legislation.

## Deepen partnerships with the global majority and secure impactful international reforms

We have collaborated with global partners on the shared issues that will shape the future international order, including reinvigorating multilateral institutions and making the international financial system bigger, better, and fairer.

The UK has worked through the G7 to agree an ambitious economic pressure package on Russia. At the G7 Summit (May 2023), we championed international financial system reform and committed to invest and mobilise up to $40 billion for the Partnership for Global Infrastructure and Investment

Below: The ASEAN FM Summit.


by 2027. The G7 launched its Platform on Economic Coercion and agreed a Food Security Action Plan with partners.

At the G20 Summit (September 2023), we supported increased African participation through African Union G20 membership and pledged $2 billion to the Green Climate Fund. The G20 also agreed an Action Plan to accelerate progress on the SDGs. We helped secure strong G20 language on "territorial integrity" and a "just and durable peace in Ukraine." We helped secure reforms that empower in-country Resident Coordinators to improve UN coordination, drawing on UN agencies' comparative advantages, providing better value for money. We continued to support the expansion of the UN Security Council in both the permanent and non-permanent categories, including permanent African representation and the creation of permanent seats for Brazil, Germany, India, and Japan.

Working with partners, we have engaged proactively with

Commonwealth members and institutions in preparation for the 2024 Commonwealth Heads of Government Meeting (CHOGM) in Samoa.

## Support norms of sovereignty and open societies while countering those who seek to undermine the Rules-Based International System

During 2023-24, the FCDO continued to use the multilateral system to encourage all states to uphold their international human rights obligations. We used our Global Human Rights sanctions regime to hold those who violate human rights to account, including individuals in Myanmar and Haiti, and entities in Chechnya and Cambodia.

We helped tackle illicit financial flows, supported civil society, defended civic space, and strengthened institutions. The FCDO has fought to protect media and internet freedom, and built coalitions for addressing corruption. With UNESCO, the UK launched the joint Oxford Statement highlighting the importance of access to information, digital connectivity, and a global, interoperable and secure Internet, which supports an open international order.

We have worked with parliaments, political parties, and civil society to make political systems fairer, more inclusive and accountable.

We established a new Iran sanctions regime, providing significantly enhanced powers to disrupt Iran's hostile activities in the UK and around the world. We maintained nuclear sanctions and an arms embargo on Iran, which were due to lift in October 2023, under the Joint Comprehensive Plan of Action. We have continued holding Iran to account in multilateral fora, including at the International Atomic Energy Agency Board of Governors.

We maintained our commitment to peace in the Korean Peninsula, urging the Democratic People's Republic of Korea (DPRK) to engage in dialogue and denuclearise. In February 2024, we sanctioned five targets for complicity in DPRK-Russia weapons transfers and aiding sanction evasion. We aligned with partners to maintain pressure on DPRK, joining the G7 in condemnation of DPRK missile tests, and 50 Foreign Ministers to condemn Russia-DPRK arms transfers.

## Advance the rules and norms of the global economic, digital and technology orders

The FCDO supported launching negotiations for the upgrades of the UK-Republic of Korea FTA and the UK-Turkey FTA, progressing FTA negotiations with India and the Gulf Cooperation Council, and conducting trade discussions with the US flowing from the Atlantic Declaration. We are on track for ratification of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) this year.

The FCDO-DBT joint unit continued to boost trade with developing countries including the implementation of Economic Partnership Agreements with African, Caribbean, and Pacific partners, as well as the Developing Countries Trading Scheme which came into force in June 2023. We delivered an additional £4.5 million of technical assistance to strengthen trading capacity of developing countries.

In June, the UK Technology Secretary chaired the inaugural OECD Global Forum on Technology, focusing on quantum and synthetic biology, and immersive technologies. The FCDO published its first Digital Development Strategy in March 2024, positioning digital

Below: The UK hosts the AI Safety Summit in November 2023.


## AI Safety Summit Case Study

The UK hosted the world's first global AI Safety Summit at Bletchley Park in November 2023, securing the Bletchley Declaration with 28 countries, including the US, China, and the EU. This landmark agreement focuses on the opportunities and risks of AI, and the need for collaborative action to ensure AI safety and public trust in AI systems. An independent report on international AI safety was commissioned, safety testing principles were agreed with leading AI companies, and the UK's AI Safety Institute was launched. We also announced our £38 million contribution to the AI for Development Programme, alongside Canada, the Gates Foundation, USA, and others, to support AI capability building in Africa. Following the Summit, the UK will continue to help shape global norms on frontier AI safety: the UK and the Republic of Korea co-hosted the next Summit in May 2024, and France are hosting the following Summit in 2025.

as a driver of development outcomes.

We continued to build bilateral science and technology partnerships, including through a memorandum of understanding between the UK and US AI Safety Institutes, the UK-France Joint Declaration on AI safety research, and renewal of the UK-Japan Science and Technology Agreement. The Technology Centre of Expertise will support developing nations to determine their own technology values and build capacity to increase multilateral participation.

Ukraine Conference in Paris.

# Priority outcome 2

Protect our national and international security and mitigate the threats of strategic competition through building partnerships, strengthening deterrence and effective constraint.

## KEY ACHIEVEMENTS

- Drove down insurance premiums with international partners for commercial shipping in Ukraine's maritime corridor, aiding in the export of Ukraine's entire 2023 grain harvest.
- Signed the Global Combat Air Programme International Treaty with Japan and Italy, to develop the next generation of fighter aircraft.
- Strengthened international action against Foreign Information Manipulation and Interference through Canada's Global Declaration on Information Integrity and the UK-led Compact on countering deceptive use of AI in elections.
- Launched the £50 million Economic Deterrence Initiative, which is a portfolio that aims to improve sanctions implementation and enforcement, and prepare for future scenarios where the UK may need to respond to hostile acts.
- Provided over £3 million to restore St Helena's endangered cloud forest which holds over one sixth of the UK's total endemic biodiversity.

## Support Ukraine and manage the Russian threat

Russia's illegal invasion of Ukraine has precipitated the largest military conflict in Europe since the end of the Second World War. We were the first country to sign a long-term security cooperation agreement with Ukraine, delivering on a commitment made by G7 and other allies at the 2023 NATO Summit, alongside other support.

This year the UK has announced:

- £3 billion in military aid to Ukraine in 2024-25, a £700 million increase on 2022-23, and a commitment to spend at least this amount every year until 2030 or for as long as is required.
- Over 1,800 strike and air defence missiles, including Storm Shadow long-range precision-guided missiles for Ukraine.
- A £325 million drone production programme.
- £245 million for artillery ammunition supply chains this year to procure and invigorate supply chains to produce urgently needed artillery ammunition for Ukraine.
- Provision of nearly 4 million rounds of small arms ammunition to Ukraine.
- £4.2 billion of fiscal support, including around £4.1 billion in World Bank loan guarantees and £99 million in fiscal support grants.
- £6.2 million to the Atrocity Crimes Advisory Group to support Ukraine's domestic investigations and prosecution of international crimes.
- £2 million to aid the International Criminal Court.

Our sanctions have targeted Russian energy revenues and undermined Russia's military-industrial complex, including a ban on exporting goods with a potential military application. This year we have imposed over 50 new sanctions, including munitions manufacturers, electronics companies, diamonds and oil traders.

The FCDO has worked closely with NATO partners to implement a multi-year assistance programme which will help Ukraine transition from Soviet era to NATO standards, rebuild the security and defence sector, and continue to cover critical needs. We have coordinated closely with G7 partners, on sanctions and other economic measures. At COP28 G7+ countries and Ukraine launched a Clean Energy Partnership to support the sustainable recovery and reconstruction of Ukraine. Ukraine has destroyed or damaged a quarter of Russia's Black Sea Fleet and written down 50% of Russia's pre-invasion land combat power.

## Strategic stability in Euro-Atlantic & Indo-Pacific

The UK has steadily increased defence engagement with partners to maintain security and stability in the Euro-Atlantic region, provide training and military equipment to Ukraine, reinforce deterrence and defence in response to the long-term threat from Russia, maintain stability in the Western Balkans, and strengthen Europe's defence industrial capacity. We continue to support US engagement with Russia on risk reduction and encourage Russia's return to full implementation of the New START Treaty (a nuclear arms reduction treaty between the United States and the Russian Federation). Through the Organisation for Security and Co-operation in Europe, we continue to engage non - western states and work to preserve its institutional framework.

The signing of a new Defence and Security Treaty with Australia bolstered our security relationship alongside achievements delivered under AUKUS. In December 2023, the UK, Japan, and Italy signed the Global Combat Air Programme International Treaty, a major milestone following the programme's announcement in 2022.

## National Security

The FCDO played a crucial role in protecting UK national security. In 2023-24, the FCDO worked with international partners to build our shared resilience and capacity to confront national security threats, including terrorism, cyber threats, malign trade and investment, serious organised crime, and malicious state activity.  We worked internationally and across Government to refresh the UK's national security capabilities, including through the development of the National Security Act and the Investigatory Powers Act, aligned with technological changes and evolving threats. We led international efforts to tackle the proliferation and irresponsible use of commercial cyber intrusion capabilities through initiatives such as the Pall Mall Process. It will establish principles and policy options for states, industry and civil society regarding the development, use and purchase of commercial cyber intrusion capabilities, tackling their proliferation and irresponsible use.

## Information Threats

The UK has played a leading role internationally in tackling the threats posed by foreign information manipulation and interference. In collaboration with close partners, we worked with the Government of Ukraine to help it challenge Russia's disinformation and propaganda, including through strategic communications campaigns to build resilience to Russia's information manipulation and interference techniques.

Below: A roundtable session at the Pall Mall Process conference in Lancaster House.

## Ensuring a reliable supply of clean, affordable energy

The UK has worked around the world to accelerate the clean energy transition, including driving momentum at the G7, G20 and COP28. We supported clean energy innovations across low and middle income countries, including through our Transforming Energy Access platform.

## Economic Security

With other government departments, we deepened international coordination, to assess, prepare for, deter, and respond rapidly to current and future economic threats; strengthened diplomatic and economic tools to respond to and deter hostile acts; and worked with allies and partners to strengthen our collective economic resilience, including to supply chain shocks. This included operationalising the G7 Coordination Platform for Economic Coercion agreed at the G7 Leaders' Summit in May 2023; and supporting DBT with the launch of the Advanced Manufacturing Plan, UK Battery Strategy in November 2023 and Critical Imports Strategy.

## Sanctions

The UK's autonomous sanctions framework provides a transparent and robust system of legal challenge and review. Judgments have shown that we are upholding our approach of ensuring sanctions are well-reasoned, in line with the law and justified in view of their important foreign policy objectives.

We have used UK and UN sanctions to support wider UK priorities including limiting

funding and arms to terrorist groups; deterring state threats; addressing serious abuses and violations of human rights; tackling threats to national security; and supporting international peace and stability. We used sanctions as part of our response to events in the Middle East.

Our £50 million Economic Deterrence Initiative uses diplomatic and economic tools to respond to and deter hostile acts. This includes the establishment of the Office of Trade Sanctions Implementation and sanctions enforcement through the Office of Financial Sanctions Implementation National Crime Agency) and HMRC amongst others.


## Overseas Territories (OTs)

In 2023-24, the UK provided £85 million to OTs that are eligible for, and receive, UK Official Development Assistance (ODA) to support infrastructure programmes and financial aid, £18 million of cross-Government programme funding for justice, governance, border security, and environment/climate change, and £19 million of non-ODA funding, largely for constitutional, international obligations and Ministerial priorities.

The FCDO supported OTs to bolster security, including in Anguilla and the Turks and Caicos Islands, including the recruitment of specialist police officers, and funding regional support and procurement of specialist equipment. A £1.4 million package was announced to bolster Turks and Caicos police and border security.

In St Helena, the FCDO, through the UK Integrated Security Fund, funded the RSPB-led “St Helena Water Security Project” to increase water security and tackle climate change through habitat restoration and protection of the Cloud Forest.

We commissioned the UK Health Security Agency to enhance local public health capabilities, responded to emerging health threats and supported the OTs in achieving compliance with the International Health Regulations. The Maritime & Coastguard Agency have supported the OTs in developing capable and resilient maritime administrations, compliant with the International Maritime Organisation (IMO) standards.

The FCDO supported Montserrat and Turks and Caicos Islands to develop disaster management programmes and an emergency plan for disaster management.

Through FCDO funding, His Majesty’s Prison and Probation Service delivered use of force training to prison officers from the Cayman Islands, Anguilla, Sovereign Base Areas (SBA) Cyprus, Gibraltar, the Falklands, and St Helena closing a critical gap in appropriate use of force knowledge across the territories.

We continued to fulfil commitments under the Antarctic Treaty and Arctic Policy Framework to support conservation and sustainable management of polar regions.

Below: President of Ukraine Volodymyr Zelenskyy pictured addressing the opening of the Ukraine Recovery Conference 2023 in Greenwich.

## The Ukraine Recovery Conference Case Study

The June 2023 Ukraine Recovery Conference (URC) in London brought together governments, international and civil society organisations, and businesses from around the world to send a clear message: the world will not only support Ukraine to resist Russia's aggression but will also invest in its future.

The URC raised an estimated $60 billion towards meeting the recovery and reconstruction needs of Ukraine, including up to €50 billion via a new EU Ukraine Facility, and generated new development bank financing to leverage private investment, including up to £250 million of new capital for the UK's development finance institution, British International Investment (BII). The UK committed loan guarantees of $3 billion for World Bank lending to support Ukraine's economic stability, and to provide up to £240 million in humanitarian and early recovery assistance.

The conference launched the "London Conference War Risk Insurance Framework" to expand insurance coverage for investments into Ukraine and mobilised a broad coalition of businesses to support Ukraine. Nearly 500 companies, from 42 countries and 21 sectors, worth more than $5.2 trillion signed up to a "Ukraine Business Compact" to signal their intention to invest in Ukraine.

UK Government officials help deliver aid to Gaza through the King Hussein Bridge.

# Priority outcome 3

Reinvigorate the UK's leadership role in international development to tackle shared global challenges, respond to humanitarian crises, and support the Sustainable Development Goals.

Opposite: Three beneficiaries of the UN Women National Resilience Programme (NRP). Co-funded by the FCDO. Bangladesh, January 2024. Credit: UN Women/ ZANALA Bangladesh Ltd.

**KEY ACHIEVEMENTS**

- Successful procurement of the £48 million Green Cities and Infrastructure Programme (GCIP) to deliver low-carbon, climate-resilient infrastructure in lower income countries.
- Helped to secure global agreement at COP28 – for the first time – on the need to transition away from fossil fuels.
- Pledged £1.6 billion ($2 billion) to the Green Climate Fund and elected as co-Chairs for 2024.
- With UK support, Gavi, the Vaccine Alliance announced in June 2023 that it had helped vaccinate over one billion children with routine vaccines since it was established in 2000.

In November 2023, the former Prime Minister Rishi Sunak launched *International Development in a Contested World*, the UK's White Paper on International Development. The White Paper described how the UK will work in partnership to achieve our strategic goal to end extreme poverty and tackle climate change and biodiversity loss, and support delivery of the UN's SDGs by 2030. It described how the UK's approach to development would change to meet the changed global context for development, with a focus on partnerships and mutual respect, and across seven key areas for action. Prior to the publication of the White Paper, the FCDO was implementing the four priorities of the International Development Strategy, and delivering the seven campaigns established in the Integrated Review Refresh.

## How the FCDO delivered the approach set out in the White Paper

The UK focused its development resources where they are most needed and most effective. For 2024-25, the FCDO has allocated its resources to reflect the target to spend 50% of all bilateral Overseas Development Assistance (ODA) in Least Developed Countries, and plans to more than double the UK's bilateral support for African countries.

Since July 2023, the UK has published over 50 Country and Regional Development Partnership Summaries. These summaries demonstrate the UK's approach to transparency and mutually respectful partnerships with countries that receive development assistance. We strengthened our work with global development partners, holding strategic development dialogues at senior levels with many bilateral development partners.

## Go further, faster to mobilise international finance to end extreme poverty, tackle climate change and biodiversity loss, power sustainable growth and increase private sector investment in development

Over the last year, we put international finance front and centre of our efforts. We implemented the G20 review of Multilateral Development Banks (MDB) Capital Adequacy Frameworks, that recommend reforms to maximise MDB funding. We worked with UK pension funds, asset managers, and investment advisors to identify how to unlock private sector finance for developing countries at much greater scale, supporting sustainable and inclusive economic growth.

At COP28 the UK announced £100 million to support some of the most climate-vulnerable countries to tackle climate change. This included support for an initiative to strengthen early warning systems in countries on the front line of climate change, giving people advanced warning of cyclones, flooding and other extreme weather so they can move away from danger, saving lives and protecting vulnerable communities.

In 2022, our programmes invested and mobilised £6.6 billion to promote high quality investment into developing countries, on track to meet the target of mobilising £8 billion of UK-backed financing per year by 2025. In 2022, the UK directly supported businesses which employed 1 million people, increased access to new or improved infrastructure for 3.6 million people, reduced or avoided 300,000 tonnes of CO2; generated 50,000 GWh of electricity, and improved access to clean energy for over 6 million people.

### Strengthen and reform the international system to improve action on trade, tax, debt, tackling dirty money and corruption, and deliver on global challenges like health, climate, nature and energy transition

The UK continued to champion the use of Climate Resilient Debt Clauses (CRDCs) which pause debt repayments when crisis hits. The UK, through UK Export Finance, was the first bilateral creditor to offer CRDCs. With partners, the UK launched a call to action calling for all creditors to offer these clauses. Progress was rapid, with six multilateral and five bilateral creditors committed to offer CRDCs or already offering them.

At COP28 the UK announced £280 million of Ayrton Fund support for clean energy research and innovation, including £66 million from the FCDO. This included an extension to the flagship Transforming Energy Access platform, which has already improved clean energy access for 27 million people since 2016, to scale up research on sustainable cooling and energy efficiency and demonstrate clean energy innovations in developing countries.

In 2023-24, the FCDO established the International Centre of Expertise on Illicit Finance, and put in place new programmes to support work on asset recovery with developing countries.  A Global Call to Action on beneficial ownership transparency, to disclose the ultimate owners of a corporate entity, was launched in March 2024, to galvanise greater

Opposite: A Malawi health facility who have received funding from the UK.

action across a range of partners.

### Harness innovation and new technologies, science and research for the greatest and most cost-effective development impact

Since April 2023, the Climate Adaptation and Resilience research programme has launched 17 new research projects across 30 countries to increase understanding of climate change risks and build community resilience. Projects focused on urban resilience, integrated water management, innovative modelling of tropical cyclones and flooding, and cutting-edge solutions to tackle storm surge in Bangladesh.

In 2023-24 the FCDO launched a new international research competition for new public-private product development partnerships to develop new technologies to improve health outcomes in lower- and middle- income countries. Since 2017, the UK has invested £458 million in product development partnerships, bringing 34 products to market. The FCDO awarded eleven research grants in the second phase of the What Works to Prevent Violence programme. The evidence will be used to influence policy-makers to adopt more a more effective and scaled-up global response to end violence against women and girls.

### Ensure opportunities for all, put women and girls centre stage and invest in education and health systems that societies want

In 2023-24, the FCDO championed the rights and freedoms of women and girls across the world, pursuing the priorities set out in the FCDO's International Women and Girls Strategy published in March 2023. We continued to promote the right of all girls, including those in conflict and crises, to 12 years of quality education with a focus on foundational learning. In 2023 we pledged £80 million to the Education Cannot Wait campaign and co-led an education "mega-pledge" at the 2023 Global Refugee Forum.

The UK is a recognised leader in ending Gender-Based Violence (GBV) and a pioneer of innovative approaches that have reduced violence by around 50% within three years. Over the last two years, the UK has provided 4.2 million people across the globe with GBV prevention or response services, including 1 million in Bangladesh and 800,000 in South Sudan.

Over the past year we have made progress on our global health agenda, including tackling the legacy of COVID-19. In May 2023, we published a cross-Government Global Health Framework.

We played a key role at the World Health Organization (WHO) in efforts to negotiate a new international "Pandemic Accord" treaty for future health emergency preparedness, and we worked with countries and global health partners to reform the global health architecture. At the UN General Assembly (UNGA), UK Ministers participated in historic sessions on pandemic prevention, preparedness and response, Universal Health Coverage (UHC) and Tuberculosis.

Our programmes and significant investments in Global Health Institutions focused on strengthening health systems and other health-related systems (e.g. food and nutrition, water, sanitation, and wider environmental systems). We provided technical assistance to countries as part of our Ending Preventable Deaths programme. Health equity and rights remain central to our work.



### The Global Health Case Study – Malawi

Financing for health service delivery in Malawi is dominated by donors (54.5%), but highly fragmented, with funding from over 160 sources and spent by over 260 delivery partners often uncoordinated. To accommodate each partner's requirements, Malawi had 56 National Strategic Plans for health in 2022, straining their departmental resources due to the need to focus on donor coordination.

To address this, the FCDO partnered with Malawi's Ministry of Health to chair an international task team to reform the way global health partners work in country, bringing Malawi's experience to the forefront of this discussion. The team's findings were presented at a UK-hosted conference held in partnership with Norway and Kenya, as part of the Future of Global Health Initiatives (FGHI) process, emphasising the need for coordinated financing and a unified national plan.

The consensus document, known as the "Lusaka Agenda" was endorsed and published on Universal Health Coverage Day, 12th December 2023. The Lusaka Agenda exemplifies the new approach set out by the International Development White Paper of working in partnership with countries. We continue to champion efforts to embed the Lusaka Agenda throughout the global health architecture.

## Champion action to address state fragility, and anticipate and prevent conflict, humanitarian crises, climate disasters and threats to global health

At COP28, the UK played a key role in the first ever global agreement to transition away from fossil fuels. COP28 also saw an agreement to triple renewable energy generation capacity, double annual energy efficiency improvements until 2030, accelerate efforts to "phase down" unabated coal power, and phase out inefficient fossil fuel subsidies that do not address energy poverty or just transitions.

A new Just Energy Transition Partnership (JETP) with Senegal was announced in June 2023, and the Resource Mobilisation Plan for the Vietnam JETP, co-led by the UK, was launched at COP28, providing further details on $15.8 billion of finance that has been committed. In 2023 the UK aligned all new bilateral UK ODA with the Paris Agreement.

The UK responded to a worsening level of global humanitarian needs and hunger over 2023-24, providing timely, lifesaving assistance to people affected by conflict, disasters, and climate crises. The FCDO created a crisis reserve, enabling rapid responses to emerging humanitarian crises.

Following the earthquake in Morocco, we deployed an International Search and Rescue team. In Libya, we provided essential relief items in response to flooding, including emergency shelter for up to 14,400 people, water filters and hygiene kits to support access to safe water for up to 10,500 people. In the Occupied Palestinian Territories, the FCDO allocated an additional £70 million to the humanitarian response, which included a UK Emergency Medical Team, setting up a field hospital and surgical unit, and delivery of core relief items such as wound care packs, family sized tents, sleeping mats, blankets and warehousing equipment.

### Build resilience and enable adaptation for those affected by conflict, disasters and climate change, strengthen food security, social protection, disaster risk financing and building state capability

To champion early action to prevent conflict and atrocities, the UK injected over £1 million alongside key partners, including through the UN, to support the innovation and scaling of new conflict early warning technology and data capabilities. The UK promoted inclusive and sustainable resolution to conflict by developing new collaborative relationships with states that are increasingly active in mediation and conflict resolution.

To support women's full, equal, meaningful and safe participation in conflict prevention and resolution processes, we launched a £38 million global programme to support the rights of Women's Rights Organisations (WROs) around the world, including supporting WROs in conflict and crisis contexts, amplifying grassroots women's and girls' voices.

In November 2023, the UK hosted a Global Food Security Summit in London, to boost international efforts to tackle hunger and malnutrition, in partnership with the UAE and Somalia. The Summit brought together key development and humanitarian actors and galvanised support for long term, evidence-based solutions and future-fit partnerships to prevent food security crises and save lives.

### Stand up for our values, for open inclusive societies, for women and girls, and prevent roll-back of rights

In March 2024, the UK launched a campaign to protect, promote and drive progress on sexual reproductive health rights. As part of this effort, the UK announced £4.25 million of funding to tackle the sexual and reproductive healthcare crisis in Gaza and £1.5 million to provide sexual and reproductive health services for the most vulnerable women and girls in Ukraine.

The FCDO agreed a core grant-in-aid funding increase of £2 million, to a total of £8.5 million, for Westminster Foundation for Democracy both to continue building democratic resilience globally and to support transparent elections, accountable institutions, and women's political empowerment and inclusion in over 30 countries.


2PUS meets colleagues working on the Israel Gaza crisis response.

# Priority outcome 4

Support British nationals around the world by providing resilient 24/7 Consular services and agile crisis response.

## KEY ACHIEVEMENTS

» Consistently exceeding our performance targets in delivering consular services to British nationals.

» Responding swiftly to support British nationals involved in the crisis in Israel and the Occupied Palestinian Territories, and to evacuate British nationals from the conflict in Sudan.

» Orbit, our new global consular case management system, went live for both consular birth and death registrations and assistance cases and is being used by every consular team in the world.

» Over 22,200 people received tailored consular assistance in 2023-24 (an increase of 7% versus 2022-23), over 8,000 of whom were considered vulnerable. This included British Nationals who had been detained abroad, who had been the victims of crime or hospitalised abroad, and the families of British Nationals whose loved ones had died overseas.

In 2023-24, the FCDO remained committed to providing professional, 24/7 tailored consular assistance focused on the vulnerable, the prevention of incidents and continued strengthening of our crisis planning and response. The assistance we provide is considered on a case-by-case basis, within the principles set out in our public framework, "Support for British Nationals Abroad". Our approach is empathetic, without judgment, and prioritises the best interests of the individual. With 86% of service users who accessed consular support satisfied (8/10 or above) with the service they received, this continued to exceed the existing benchmark of 80%. 99% of enquiries were handled within the time frame set out in our Service Level Agreements. The Consular and Crisis Strategy, published in 2022, sets the overall direction for our work and is focused on four strands:

### 24/7 Services

In 2023-24, we issued almost 28,000 emergency travel documents, 99% of which were handled within the time frame set out in our Service Level Agreements. We answered 467,000 enquiries of which 306,000 were calls. The average speed of answer was less than 2 minutes every day throughout 2023-24. We continued to improve our on-line digital services available to British people to self-serve 24/7 and added new services such as the online consular birth and death registration service.

### Assistance

Our consular teams have supported British Nationals attending major events around the world including the Hajj in Mecca, the World Scout Jamboree in South Korea, and the Rugby World Cup in France. We work with a wide range of partner organisations within the UK and overseas to ensure our support to British Nationals is as tailored and effective as possible.

The FCDO provides consular services 24 hours a day, 7 days a week, 365 days a year, ensuring Ministers are promptly informed and consulted where there are human rights or other concerns. We continue to engage closely with UK Parliamentarians on our work including through the Foreign Affairs Committee.

## Prevention

We have worked with authorities and organisations around the world to make it safer, or improve support, for British nationals abroad. In 2023-24 we have worked closely with host authorities across our overseas network to improve the support given to victims of rape & sexual assault (RSA). In Greece, we worked with the central police authorities to deliver seminars on how to best help RSA survivors. Over the last academic year, more than 1,200 police cadets have been trained with now over 90% of participants feeling they are now better prepared to support with this type of case. In Chile, a lack of English language mental health support saw the British Embassy work with Samaritans in Spain to set up an English-speaking helpline number for British nationals requiring mental health assistance.

The FCDO is committed to providing accessible, clear, and up-to-date Travel Advice to help UK nationals take responsibility for their safety


abroad. It is our main tool to communicate with British nationals abroad, including in time of crisis. We have developed a new layout and content approach to travel pages which has improved its readability, navigation, and overall usability.

## Crisis

We continue to improve our crisis contingency planning, ensuring it is focused on priority risks and draws on the full range of expertise to provide integrated consular, political, and humanitarian support when a crisis happens. In the past year the FCDO facilitated the departure of more than 4,000 eligible persons from crisis situations.

The most recent assisted departure was from Israel, after the attack by Hamas in October 2023. The FCDO supported 977 British nationals and others to leave Israel in the early stages of the conflict. As soon as a viable border was opened from Gaza, the FCDO assisted the departure of a further 317 British nationals and their dependents through the Rafah crossing. In 2023-24 the FCDO also responded to crises in Sudan, Greece, Niger, and the Red Sea. We continued to use and refine our just-in-time online registration system for British nationals in a crisis, including direct messaging to those registered with us.

Below: UK officials help evacuations in Sudan.

## Crisis Case Study

Hostilities in Sudan broke out in April 2023. The FCDO needed urgently to evacuate British nationals which included offering support and reassurance, having trained experts on the ground, and working with the military to get British nationals on planes and to a place of safety. Over 2,450 people were helped to safely leave the country on 30 evacuation flights, as well as by land and sea. The UK government announced it would provide £5 million of lifesaving aid to people fleeing Sudan. British nationals and eligible immediate dependants were removed from a situation where their lives were under threat. The FCDO has worked on many demanding crisis responses in the last 2 years; the safety and security of British nationals remains a core priority. The consular crisis operation is multi-faceted from those working on the ground in country, to the contact centre who liaise directly with British nationals and to the team in the UK Crisis Response Centre coordinating our consular response.

## Strengthening our core capabilities

Our support for British nationals is underpinned by our digital change programme. During 2023-24 we introduced a new integrated case management system that ensures that consular staff have a complete view of our interactions with a British national, from first contact through to resolution. This system is being used by every consular team in the world for both registration and assistance cases, and during 2024 it will be extended further, including for use in crisis response. We continue to develop our staff, increase expertise and capability through a range of opportunities, bespoke learning, and professional development. Staff wellbeing is a core priority; we offer staff tailored wellbeing supervision and employee assistance sessions with external providers, and we ensure wellbeing is incorporated into our day-to-day work.

The FCDO lights up for Holocaust Memorial Day.

# Strategic Enablers

"Successful delivery of ODPs and priority outcomes is reliant on strong underpinning enablers"

Opposite: An All Staff meeting.

# Strategic Enabler 1

## Workforce, skills and location

### Workforce Planning and Management, alignment to organisational priorities and agility

Our resourcing processes and policies have been updated to support a stable workforce which maximises the capability of our staff. New resourcing controls have been introduced, including on cross-government and external recruitment, but with business-led flexibility to support delivery.

We launched a capability framework, to anchor career planning, understand our capabilities, identify any gaps and target our learning and development; allow the Executive Committee (ExCo) to make choices and direct funds, time and attention to the capabilities that the FCDO needs to sustain and build; and to demonstrate to Ministers and HMG colleagues exactly what the FCDO can offer and be clear what they will get for the investment they make in the department. ExCo has quarterly reviews on the size, shape, and cost of our workforce, with agile management measures.  A small-scale Voluntary Exit Scheme at Grade 7, Grade 6 and Senior Civil Service (SCS) helped to exit staff. The agility model has enabled us to respond to new priorities and crises, making us more effective and bringing a better employee experience of supporting crisis response. The FCDO workforce agility model ensures that we can respond quickly and effectively in a volatile international context, reprioritising where needed while continuing to deliver on our commitments to the British people.

### Workforce location

In December 2023, the FCDO announced that we would be moving our Abercrombie House office from East Kilbride to Glasgow. The size and facilities of the new premises, combined with the expanded catchment area for recruitment, should provide a solid platform for the next stage of expanding the FCDO's presence in Scotland. The second Permanent Under-Secretary has taken on the role of Place Champion for Scotland to help deliver enduring cultural change, cross-departmental strategic alignment and a thriving Civil Service community in Scotland.

### Leadership development

We continued to build on the leadership development offering available to FCDO senior leaders, complementing the existing offering from the International Academy available to Deputy Heads of Mission and Heads of Mission. Hera Learn, part of our online resource management system, has been launched, providing foundations for increased insight into the capabilities of our staff, and the Diplomatic & Development Fast Stream programme has been reviewed and updated. We have introduced a new induction programme to improve the integration of new staff and increase their interaction with FCDO leadership.

### Diversity and Inclusion

The total representation of FCDO UK based staff is in line with the rates of the UK Economically Active Population (UKEAP). SCS trends have been slowly increasing, with good progress over the last quarter for women (now at 45%) and ethnic minority staff (11%). Plans are underway to break down barriers and provide a pipeline of ethnic minority staff, women and staff with disabilities into the SCS.

### What's next?

- Deliver strategic workforce planning and a Capability Programme to move towards a capability-centred organisation.
- Review our employment frameworks to attract, retain and reward staff.

- Complete the review of our overseas employment offer for UK Based Staff posted abroad to ensure it is modern, fair and simplified.
- Review our preparedness to different crisis categories and investment in capabilities for swift and effective surge responses for crises.
- Announcement of new location of joint HQ in Glasgow after commercial negotiations.
- A new self-driven leadership offer will be launched by the International Academy.
- A three-year overseas posting role incorporated into the Diplomatic and Development Fast Stream scheme, along with broader Fast Stream reforms.
- Support Posts in the recruitment of LGBT+ staff, and provide support to secure residence and accreditation rights for them and their families.
- Implement the Departmental Action Plan on Disability Inclusion and host Leonard Cheshire interns in Abercrombie House.

## Strategic Enabler 2

### Innovation, technology and data

Establishing a coherent, modern, secure and integrated technology platform is a critical enabler of our integration post-merger. In 2023-24 the FCDO continued to build a high-performing digital and information platform to increase our efficiency and agility and to enhance our competitive edge. 2023-24 saw the FCDO enter the final phase of the deployment of its new and more secure Official-tier platform (Osprey), due to complete in 2024-25, alongside improvements to global connectivity (Echo 2). In 2022, we deployed a new HR and Finance system (Hera), replacing multiple legacy systems with a modern platform supporting over 20,000 FCDO staff and enabling more effective working as One HMG around the world.

The FCDO is subject to near continuous hostile activity and is one of the most targeted departments in the UK Government, so we continue to prioritise strengthening our cybersecurity posture: enhancing our cyber defences, developing our proactive cyber capabilities and increasing the awareness and skills of all our staff.

Other digital, data and technology work continued with improvements to: our digital capabilities that support Consular services; our hybrid working capabilities in the UK and at key posts; and the delivery of digital solutions to meet needs across the whole

Below: The Permanent Under-Secretary shadowing HR Services colleagues.

of Government, for example building and deploying a Digital Clutch Card product for use at the UNGA and the UK's AI Safety Summit and implementing a Power App for Private Office Directorate which serves as both triage and data entry tool for external facing FCDO e-mail.

In the last year, the FCDO made progress on how we use data. FCDO staff completed over 6,500 hours of data-related learning and we have continued to build skills through the successful launch of the Data and Analysis Foundation-level e-learning alongside resources to support those developing practitioner level skills. We are improving our data platform and developing data products to support the better use of data for decision-making, such as a Data Explorer dashboard which enables non-data experts to bring preferred data sources and visualisations of Economic and Development topics into Ministerial briefing.

## What's Next?

» Refresh the Digital, Data and Cyber-Security Strategy, addressing changes in the operational context and technological advancements, such as AI.

» Complete the Osprey and Echo deployments overseas, enhancing our cyber-security capabilities and increasing the resilience of our technology platform.

» Continue to improve existing digital products while developing new products.

» Finalise our responsible AI framework to build on our experience using AI.

» Continue working with other governmental departments to build on our innovation capabilities and co-create solutions to shared challenges.

» Continue to align Digital and Data roles to Government Digital and Data Profession Capability Framework.

» Pilot a data and analysis skills framework to help staff build core skills with aims to build practitioner and expert level skills.

# Strategic Enabler 3

## Delivery, evaluation and collaboration

On the Delivery Platform, in 2023-24, an estimated 85% of annual FCDO programme portfolio spending was managed directly on the Aid Management Platform (AMP) (just below 90% target). Osprey roll-out to enable AMP access has been slower than expected but most staff engaged directly in policy programme management now have access to AMP and the number is increasing steadily. A new PowerBI report app is available FCDO-wide which includes a range of summary analysis and underlying AMP data.

On Reducing Bureaucracy, the FCDO has updated its Programme Operating Framework (PrOF) to make it clear where exemptions apply for smaller funded programmes and projects. Proportionate business case and annual review templates have been launched to support management of lower value programmes. Overall, good progress has been made against all three ICAI recommendations as part of their rapid review of the PrOF. The FCDO has established a Delivery Solutions Hub, providing tailored advice to over 160 colleagues and launching a Monitoring, Evaluation and Learning (MEL) drawdown support service.

The FCDO has completed the review of the Finance Delivery Model (FDM) 'Discovery Phase'. This has provided a collective understanding of our current finance model to help establish whether the FCDO has the right people, in the right places, doing the right things. It has provided an assessment of the maturity of the FDM against the Government Finance Function (GFF) standards as well as reviewing how the FCDO FDM compares to other Government departments and the private sector.

As part of Arm's Length Bodies (ALB) Reform, the ALB Hub is now a mature, core part of the FCDO ALB sponsorship architecture, leading for the FCDO on public appointments, the cross-government Public Bodies Review Programme and enhancing FCDO sponsorship capability.

### What's Next?

- Transition finance transformation to finance improvement activities and determine the scope of the next phase of the Finance Improvement activity, building on recommendations from the report and ensuring alignment with other reviews.
- Incorporate ALB Reform and Reducing Bureaucracy themes into BAU.
- Focus on supplier engagement to drive innovation, exchange knowledge and input to policy development.

# Strategic Enabler 4

## Sustainability

Embedding sustainability in our thinking and policies has continued to be a key area of focus for the FCDO this financial year, as we support the Greening Government Commitments (GCC) made across Government.

Since 2020, we have had periods of low occupancy levels across our Estate due to COVID-19, with a related significant fall in greenhouse gas emissions in the last few years. In 2023-24, we have seen a gradual rise in our occupancy levels and are continuing to learn how hybrid working affects our environmental impacts.

Below: King Charles Street Quad. Opposite: The PUS meets the Turkey and Syria team in Abercrombie House.

There is ongoing progress towards our new UK Greening Government Commitment (GGC) targets, more details of which can be found in the Sustainability Report. We are developing operational plans to meet our GGC targets, and have maintained an ISO 14001 externally certified environmental management system (EMS), accredited since 2006.

Numerous projects supporting FCDO's transition to net zero emissions have been delivered across the overseas estate including sustainability audits and a range of estates improvements. Early successes include construction to high environmental standards (e.g. LEED Gold in Ottawa), solar PV projects in Africa and the Middle East, energy efficient schemes including LED lighting and renewable heating.

## What's Next?

- Continuing to design new buildings to high sustainability standards and fund and install sustainability measures in our buildings, using renewable power where possible, upgrading building fabric, combining heating and power and using LED lighting.
- Develop and share advice and guidance on sustainability with FCDO colleagues across the network, to support awareness raising about sustainability and how all colleagues can make a difference to the FCDO's sustainability goals

# External factors with significant impact on the FCDO's work

The following emerging issues have had an impact on the FCDO's work over this period:

- The crises in the Middle East, and their effects on regional stability, leading to massive increased demand for humanitarian and development assistance, diplomatic action, and military support.
- Hostile state activity and the increasing need to tackle the malign activity of hostile actors in the information environment, by countering Foreign Information Manipulation and Interference (FIMI) globally and promoting trustworthy information.
- Iran's ongoing nuclear activity, and its strategic struggle for influence in the Middle East, risking major regional conflict, and implications for the UK's regional security, energy, and trade interests.
- Climate geopolitics, El Niño and other weather events, along with global warming, which made 2023 one of the warmest years on record, driving an increase in the severity and scale of humanitarian needs.
- China and the West remained locked in systemic competition, with limited mechanisms for securing strategic stability.

Building on lessons from previous crises, including Afghanistan, the FCDO's new workforce agility model has informed our approach to respond effectively to crises while continuing to deliver our enduring priorities.

Opposite: A British National is evacuated from Sudan with the assistance of the UK Government's Rapid Deployment Team.

## The FCDO's Risk Profile

The FCDO operates globally and seeks to deliver on ambitious objectives in challenging environments – it therefore faces a wide range of risks. The breadth of the risks the department faces in its work is summarised below.

**Strategy and context** risks relating to conflict and instability continued to rise over 2023-24. Risks relating to systemic competition and the potential actions of adversaries also remained elevated. We address these through diplomatic engagement and robust, consistent, and clear messaging, and cooperation with allies and partners. The risk of divergence or misalignment between the UK's positions and those of our allies and partners, potentially undermining UK objectives, is mitigated through continuous and broad engagement and discussion with our partners at all levels. The FCDO continued to support Ukraine's fight against Russian aggression. Impacts from the escalating crisis in the Middle East have been wide-ranging from sustained regional humanitarian and security concerns to wider risks to energy security. The contested international environment has also made delivering other objectives, for example our climate goals, more challenging.

**Policy and programme delivery** risks evolved over 2023-24. Uncertainty in the FCDO's ODA budget created risks across a range of objectives such as delivering strong development impact, though these were partially eased by Autumn 2023. The risk to the FCDO's ability to deliver effective humanitarian response remained high over 2023-24 because of increased demand for humanitarian assistance and the growing complexity of delivery contexts. We aim to prioritise those most in need, protect the most vulnerable and foster global partnerships which deliver preventative action and build resilience. Risks to the UK-EU relationship persisted despite progress in implementing the Windsor Framework. The UK engaged with the EU and Spain on future arrangements for Gibraltar, and with France and other EU Member States on the forthcoming Entry/Exit System. The FCDO also worked closely with a range of international partners to mitigate the complex risks arising from growing levels of illegal migration.

**Public service delivery and operations** includes risks to the FCDO's crisis response and consular delivery, which remained elevated. We responded to crises in 2023-24 ranging from conflict in Sudan to wildfires in Greece. We will work in 2024-25 to upgrade consular IT systems. The risks (both financial and operational) to maintaining our global estate and to the security of the FCDO overseas network remained high, with programmes in place to manage these challenges. Some operational and delivery risks have reduced with the introduction of a new integrated finance and HR system (Hera) in 2022-23, with benefits expected to grow as the business continues to familiarise itself with the integrated system.

Our **people** risks remained elevated in 2023-24 given the context of our operations, including the challenges of delivering diplomacy and development in the current global context and responding to global crises.

Given these pressures, the department has enhanced its focus on staff resilience, welfare and inclusion with the enhancement of our wellbeing offer and expanded welfare teams. We expect resourcing policies introduced during 2023-24 (to support local and departmental-wide workforce choices), ongoing development of the FCDO's agility model, and prioritisation at local and organisational level, to help mitigate risks associated with pressures on our staff.

**Safeguarding** risks to programme beneficiaries and to FCDO staff continue to be managed through measures to build capability and momentum within the organisation and with all external partners. In the case of the risk of sexual exploitation, abuse and harassment (SEAH), measures included: continued delivery of the 2020 UK Strategy; launch of an updated FCDO safeguarding SEAH capability action plan; and finalisation of a global Common Approach to Protection from Sexual Exploitation, Abuse and Harassment (CAPSEAH) for all humanitarian, international development and peace-related work.

**Financial and fiduciary** risks included significant uncertainty during the first half of 2023-24 on the FCDO's ODA budget. This created risks across a range of objectives but eased by Autumn 2023 mostly driven by an improving Gross National Income, lowering the FCDO's overall risk profile. We continue to face uncertainty in relation to ODA budgets in 2024-25 but with a more developed framework for managing this. We also anticipate managing a range of non-ODA pressures and will continue to invest effort in 2024-25 in ensuring the FCDO meets the full range of its public spending commitments.

**Reputational** risks are significant because of the varied and complex nature of

FCDO hosts the annual UK SCS conference.

the FCDO's work, the challenging environments we face, the high public expectations of delivery, and proving value for money to the British taxpayer. We mitigate reputational risks by:

- Protecting and promoting the FCDO's reputation with domestic and overseas audiences;
- Robust management of policy and programme delivery risks, including our consular response;
- Effective relationship management with internal and external stakeholders;
- Operating with agility and implementing lessons learned, to make the best use of staff expertise and internal resource when responding to crises.

### Risk management processes in the FCDO

The FCDO's work and the world we work in are inherently risky. Risk management helps us to navigate the complexity and uncertainty we face in delivering our objectives. It is an essential part of managing the FCDO, informing operational decision making, policy options, planning and financial management and control.

Over the past year, the FCDO has strengthened its risk management approach.

Our risk management policy is aligned to government principles and is reviewed each year. Our Risk Appetite Statement summarises the nature and extent of the risks we are willing to take in order to achieve our objectives and is reviewed regularly. Both the risk management policy and Risk Appetite Statement are being embedded into key decision-making processes and we continue to build our 'risk maturity' as an organisation.

The FCDO's Principal Risk Report covers the most significant risks to our performance and reputation and analyses component risks and mitigation plans. The scope and number of principal risks is reviewed regularly. Each principal risk is owned by a director or deputy director and has a director general-level sponsor.
The Management Board discusses the FCDO's principal risks each month it meets, reviewing the FCDO's overall risk profile. The Board determines accountability for each of the principal risks, reviews risk exposure against risk appetite and monitors progress in implementing controls. To do this, it draws on management information, qualitative insight across the organisation and wider evidence.

Risk management has been integrated into the FCDO's business and country planning process for this spending review period and risk management capability is growing across the FCDO.

Risk management rules for the FCDO's portfolio of policy programmes are captured in our PrOF. Further information on our approach to risk management, including the governance of risk, can be found in Section 2.1, page 116.

# Performance in other areas

## One FCDO (FCO and DFID post-merger progress)

In March 2024, the **National Audit Office** (NAO) published a report reviewing the merger which recognised our significant progress and the challenges we encountered along the way, notably the tracking of costs and benefits and impact of change on teams. They found examples of staff now having a better understanding of both development and diplomacy, and greater cooperation and coherence. They also found examples of our improved ability to convene different teams quickly, develop options, and provide consolidated advice. They reported that this more integrated approach had improved our ability to respond to international crises and events, with better results.

In **Sudan** we adopted an integrated approach in our response to the crisis in April 2023, building in lessons from Afghanistan and Russia's invasion of Ukraine. We deployed diplomatic influence to try to bring an end to the conflict, humanitarian expertise to provide emergency assistance to those in need, and we evacuated 2,450 people on 30 flights. Our diplomatic engagement supported regional and international efforts to bring about a cessation of violence, while promoting the role of Sudanese civilians in any peace talks.

In **Kenya,** interviewees told the NAO they were able to draw on the whole range of development and diplomatic levers for a coordinated approach to key events and issues. For example, the political and governance team combined programmatic and diplomatic levers to support the Kenyan government to deliver an orderly election in 2022, using diplomatic political expertise to inform the design of the election aid programme.

In **Yemen,** NAO reported that interviewees felt that there was better co-ordination of political negotiations with negotiations on humanitarian access**.**

The NAO received feedback that in **Uganda** during the Ebola outbreak in 2022, integrated teams used their influence to help avoid an economic, political and security crisis. Meanwhile, expertise from health, political, growth and prosperity teams worked together lobbying partners to ensure aid spending was targeted. NAO reported that efforts had been focused on the worst affected areas**.**

Below: Safeguarding Resource and Support hub – MENA.

June 2023 saw an important milestone in the delivery of the merger: the Infrastructure and Projects Authority Review Team completed a closure review of the FCDO's Integration Portfolio which has now exited the Government Major Projects Portfolio as a completed programme.

The FCDO has a unified budget, one core IT system, one Finance/HR system (Hera) and a common pay framework as well as many common people policies.

## Safeguarding

In line with the 2020 UK Safeguarding Strategy the FCDO continued to promote safeguarding against sexual exploitation, abuse and sexual harassment (SEAH). Our annual progress report provides further details.

We helped to develop a new Common Approach for Protection Against Sexual Exploitation, Abuse and Sexual Harassment (CAPSEAH). We invested in improving safeguarding capability, including through the Safeguarding Resource and Support Hub. The Office of the Victims Rights Advocate (OVRA) launched the Victim's Rights Statement. We also invested in strengthening recruitment systems so that it is harder for perpetrators of SEAH to work in international development, through the Misconduct Disclosure Scheme and Project Soteria with Interpol.

In 2023 the FCDO ran a staff survey on SEAH in the workplace and work-related settings which found that 23% of women and 6% of men reported having experienced SEAH over the previous 12 months related to their work. In response, the FCDO's Executive Committee agreed a robust action plan. The FCDO increased the number of Safeguarding Champions and action plans within departments and overseas posts. All staff undertake mandatory safeguarding training.

The number of safeguarding concerns reported to the FCDO in 2023-24 was 302. These are cases across our programme portfolio, as well as internal cases. Internal cases include cases where either the survivor or subject of complaint is an FCDO staff member. The majority of cases were recorded as SEAH. 72 of the cases for 23-24 were internal. This is an increase in the number of cases reported from last year. Work was and continues to be carried out internally to raise awareness of SEAH and to encourage staff to report when incidents do occur. In this financial year, we closed 55 internal cases: in all cases where the allegation was proven (35%), disciplinary action up to and including dismissal was taken. For the remaining cases, in 25% other management action was taken such as training; in 18% there was no survivor or witness engagement; in 15% allegations were not upheld or no further action was taken; and 7% were logged as advisory only.

In 2023-24, 230 cases involved the FCDO's programme portfolio. Of those cases that were closed this financial year, 29% resulted in disciplinary action, 7% resulted in criminal referral, and in 14% partner organisations were recommended to take other action, such as strengthening their safeguarding policies and processes. In 28% of closed external cases, the allegations were not upheld or there was insufficient evidence, and 22% were logged as advisory only.

## Evaluation arrangements

The FCDO's evaluation policy and strategy set out principles and standards for evaluation and outcomes to advance and strengthen the practice, quality and use of evaluation. The strategy outlines specific actions to increase strategic evaluation, ensure all evaluations are high-quality, improve learning, and strengthen our evaluative culture, expertise and capability. We have a proportionate approach to evaluation, which sits alongside routine monitoring and accountability mechanisms. We will invest in evaluation for policies, programmes and strategies where the most learning can be generated. Evaluations will take place at the central level, with assessments used to identify the most strategic areas for investment. It will also take place at local levels, where teams are best positioned to identify their own evaluation opportunities and learning needs, with central support to ensure quality and proportionality.

The department is committed to transparency and has a metric measuring the number of evaluations published. Evaluation reports are currently published on gov.uk and from April 2024, the FCDO has registered planned and completed evaluations on the new cross government Evaluation Registry.

The FCDO Evaluation Unit will launch the new Strategic Impact Evaluation and Learning Programme (SIEL) in late 2024 to support the delivery of robust impact evaluation in areas of strategic importance. In 2024–25 the focus of the programme will be building capability across the department and identifying specific areas where experimental approaches could generate important learning for the department. The Evaluation Unit will also continue to support thematic and portfolio evaluations on topics such as gender and social inclusion, climate and health.

## Aid Transparency

The FCDO aims to make the best use of evidence, data and digital tools to inform and improve our policy and delivery

Below: Busara field officers facilitating a mobile lab experiment in Kirinyaga County, Kenya. copyright Alauna Peterson photography.

and enhance our aid transparency. Transparency enables us to demonstrate the value and impact of our work and supports our international standing and reputation. The FCDO welcomed ICAI's recognition in their rapid review, Transparency in UK Aid, that transparency has helped to promote accountability and effectiveness of our aid. Most recently, the FCDO was independently assessed as part of the global Aid Transparency Index 2024 and achieved the highest rating of 'Very Good'. This reflects its strong organisational culture of transparency and delivers on commitments made to ICAI and in the White Paper.

The FCDO remains an active member of the International Aid Transparency Initiative (IATI), promoting aid transparency internationally and supporting the growth of global transparency standards (including through our membership of the Working Groups on Standard Operation Procedures and Data Use). The FCDO continues to convene the cross-Government Transparency Community of Practice, providing guidance and support to other departments' aid transparency practice. Furthermore, the FCDO worked with the Cabinet Office, civil society, and other stakeholders to develop a new Aid Transparency commitment in the UK National Action Plan for Open Government 2024-2025. This follows the successful delivery of the 2022-2023 National Action Plan.

G20 leaders pay tribute to Mahatma Gandhi at Raj Ghat, Delhi, India.

# SECTION 1.3
# FINANCIAL REVIEW

## In 2023-24, the FCDO successfully managed their finances within all Parliamentary and HM Treasury controls.

### The public sector budgeting framework

The FCDO's spending is broken down into several different spending totals, for which Parliament's approval is sought. The spending totals which Parliament votes are:

- Resource departmental expenditure limit (**resource DEL**) – programme funds, running costs, frontline diplomacy and development, the overseas platform, scholarships, grants to international organisations and other bodies supporting FCDO objectives, and associated non-cash items.
- Capital departmental expenditure limit (**capital DEL**) – investment in capital assets, capital grants, research and development, loan funding to the British Council, and investments and assets to create growth in the future for either the UK or our partner governments.
- Resource annually managed expenditure (**resource AME**) – less predictable day-to-day spending – in the FCDO's case, this includes non-cash accounting costs related to financial guarantees, impairments, provisions, unrealised foreign exchange gains or losses, the impact of changes in the valuation of the FCDO's development investments, and the refund of certain taxes and duties paid by certain foreign and Commonwealth governments.
- Capital annually managed expenditure (**capital AME**) – this covers the FCDO's capital injections in its wholly owned self-financing public corporation, British International Investment (BII).

*2023-24 Outturn Compared to Supplementary Estimate*

| | Outturn (£m) | Estimate (£m) | Saving (£m) | Saving (%) |
|---|---|---|---|---|
| Resource DEL | 8,008.2 | 8,181.8 | 173.6 | 2.1% |
| Capital DEL | 3,449.0 | 3,588.2 | 139.2 | 3.9% |
| Resource AME | 202.6 | 852.7 | 650.1 | 76.2% |
| Capital AME | 433.0 | 433.0 | 0.0 | 0.00% |

The main financial performance indicators used to monitor the FCDO's activities are:

- the budgetary control totals established through the main and supplementary estimates;
- the profiling of these costs on a monthly basis; and
- the variance between actual and budgeted costs.

Any significant variances on each operational area are identified and explained on a monthly basis. Where required, action is taken to understand and address movements.

### Outturn against estimate variances

This explains how the FCDO's spending compared to the amounts voted by Parliament in the estimates. The figures are shown in the Statement of Outturn against Parliamentary Supply (SOPS) (page 157). It is not possible for the FCDO to reflect the breakdown of resources by Priority Outcome as the FCDO is not structured in this way. Our resources, both people and projects, are cross cutting and delivery of our objectives contribute towards all of our Priority Outcomes.

## Resource DEL

### SOPS 1.1: headings A through to I – an underspend of £174 million (2.1%) of £8.2 billion budget

The following underspends are ring-fenced in the FCDO's settlement and cannot be used to cover other expenditure:

- **£61 million** for depreciation and impairments primarily due to the refurbished Washington building needing less impairment than initially thought due to changes in valuation assumptions between Supplementary Estimates and year-end.
- **£21 million** for underspends in the UK Integrated Security Fund due to slippage across the portfolio and spend options moving into 2024-25.
- **£37 million** reclassified administration depreciation to programme resulting in an administration underspend.

The FCDO exhausted all programme (ODA and non-ODA) spending options.

The remaining £55 million underspend includes additional operating income received in year, and as part of our financial management process, sufficient budget was held to deal with other year end risks such as foreign exchange losses.

## Resource AME

### SOPS 1.1: heading J – an underspend of £650 million (76%) of £853 million budget

Resource AME expenditure is volatile in nature and the FCDO takes a conservative approach towards forecasting its requirements, to ensure that there is no breach of the Parliamentary control. We need to ensure there is sufficient headroom in budgets to accommodate the impact of unforeseen global events on foreign exchange rate volatility and market conditions. However, if the impacts are favourable, this can lead to large underspends and sometimes negative resource AME.

Resource AME forecasts in the year were tested to ensure that they were taut and realistic and necessarily provided cover for a reasonable worst case. This included ensuring that there was sufficient budget cover for new guarantees entered into in the year (notably Government of Ukraine, Government of India and Asian Development Bank IFFEd see Note 13 to the Financial Statements), potential new provisions including providing for credit impaired guarantees which score to Resource AME if we deem that the probability of default is 50% or more, and any temporary impairments of assets due to changes in market conditions.

***Resource AME expenditure***

| Resource AME expenditure | 2023-24 Actual £000 |
|---|---|
| Financial instruments unrealised foreign exchange losses/gains, e.g. peacekeeping forward purchase contracts and promissory notes | 12,695 |
| Reimbursement of duties and taxes | 46,274 |
| Provisions, in particular, financial commitments to the Gavi vaccines alliance | (176,273) |
| Impairments (revaluation of worldwide properties) and AME depreciation | 95,140 |
| Movement on defined benefit pensions | 118 |
| Loan discounting | (32,287) |
| Development capital fair value revaluations | 11,885 |
| Financial guarantee | 245,055 |
| **Total** | **202,607** |

Opposite: UK Aid for Palestinians.

The underspend of Resource AME in the year is due to:

» Favourable foreign exchange rates and stable economic conditions resulting in minimal Resource AME spend on balance sheet valuations.
» A change in accounting policy for the guarantee to the Government of Gibraltar resulting in a lower Resource AME charge.
» An amendment to the level of guarantee support provided to the Government of Ukraine in the year due to additional Japan support resulting in unutilised Resource AME.

## Capital DEL

### SOPS 1.2: headings A, C, D, E, F and H – an underspend of £139 million (3.9%) of £3.6 billion budget

Capital DEL underspend mainly relates to £93 million underspend in leased assets accounted for under IFRS 16. The FCDO had to secure sufficient budgetary cover for new and renewed leased assets and additional cover was secured to ensure that there was no risk of breaching parliamentary control totals. This is a non-cash budget type and could not have been spent on other activities.

The remaining £46 million underspend is primarily because of a returned programme promissory note which could not be re-spent in year, higher than expected loan reflows, small accounting adjustments for depreciation on buildings, and usual budget retained to deal with year-end budget.

## Capital AME

**SOPS 1.2: Heading K – there was a full spend of capital AME.** This represents investments in the FCDO's wholly owned self-financing public corporation, British International Investment (BII), which included £153 million for the transfer of UK Climate Investments to BII.

## Budget to accounts reconciliation

The FCDO's resource outturn (DEL and AME) was £8.2 billion compared to £10.8 billion net resource in the consolidated statement of comprehensive net expenditure CSoCNE.

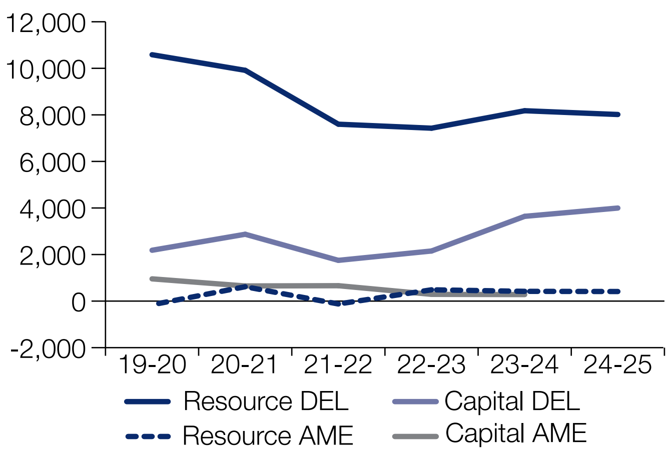
The key differences are that:

» Capital grants, research and development (that meets ESA 10 criteria for the national accounts), and certain types of income are treated as expenditure in the resource accounts but as capital in budgets.
» The CSoCNE does not include EU attribution, in line with rules on activities charged directly.

## Trend analysis

The chart below shows overall spending trends for the last five outturn years and plans for 2024-25. Figures prior to 2020-21 have been combined from the former FCO and DFID budgets.

***Spending trends, £m***




For **resource DEL** and **capital DEL**, the reduction in 2021-22 reflects the decision to reduce temporarily the overall amount spent on aid from 0.7 to 0.5% of GNI from calendar year 2021. In the context of the significant and unexpected costs incurred to support the people of Ukraine and Afghanistan escape oppression and conflict and find refuge in the UK, and others seeking asylum, the FCDO found £1.7 billion of savings in 2022-23. The Government also provided additional resources of £1 billion in 2022-23 and £1.5 billion in 2023-24 as part of the 2022 Autumn Statement to help meet these unanticipated costs. The growth in 2023-24 reflects these additional resources and an improvement in GNI. In 2024-25, the FCDO is required to find savings of £991 million capital DEL to continue to manage these costs and ensure the UK can deliver its commitment to spend around 0.5% of GNI as ODA in the calendar year.

The increase in the FCDO's capital expenditure budget over the spending review period reflects the government's ambition to unlock new finance for green growth. This will be achieved with significant capital investment over the next three years for a new strategic initiative to support clean and green infrastructure in partner countries through UK-backed investment, loans and expertise.

Resource AME is used primarily for accounting adjustments to provisions and financial instruments, such as loans and shares. AME expenditure is volatile by definition, and in some years shows as negative spend.

The information in the trend analysis ties to common core tables (Annex C), where further breakdowns are provided.

Opposite: A welcome to country ceremony at Government House Canberra, Australia for visiting UK officials.

*Analysis of the consolidated statement of financial position*

| Category | 2023-24 £000 | 2022-23 (Restated) £000 | Change £000 | Change (%) | Explanation of movement between 2022-23 and 2023-24 |
|---|---|---|---|---|---|
| Property, plant and equipment | 2,350,482 | 2,279,797 | 70,685 | 3% | Movement is due to additions, disposals, depreciation and impairments of property, plant and equipment. |
| Right of Use assets | 1,451,684 | 1,436,254 | 15,430 | 1% | Movement is due to additions, disposals and depreciation of Right of Use assets. |
| Financial investments | 14,368,778 | 13,655,618 | 713,160 | 5% | Additions of £737 million, including capital addition of £433 million shares in BII. Offset against disposals of £166 million and revaluations. For more details refer to note 6 of the financial statements. |
| Trade and other payables (current and non-current) | 6,748,199 | 6,063,644 | 684,955 | 11% | Increase in promissory notes of £1,059 million offset against a decrease in amounts issued from Supply not spent. |
| Provisions (current and non-current) | 1,009,277 | 1,185,550 | -176,273 | -15% | Movement is due to provision utilisations and unwinding of discounts. For more details refer to note 11 of the financial statements. |
| Financial guarantee | 722,886 | 477,831 | 245,055 | 51% | New guarantees entered into of US$2 billion to Government of Ukraine and Government of India. For further details see note 13 of the financial statements. |

## Contingent liabilities

The FCDO has a portfolio of investment and guarantee financial instruments. Guarantees and other instruments, e.g. callable capital, create a contingent liability for the FCDO. This means that the department must consider the risk that it will be exposed to a call upon the contingent liability and the impact of that on in-year budgets.

Contingent liabilities disclosed in accordance with International Accounting Standard 37 (note 12) are £1,888 million. In addition, certain contingent liabilities, where the likelihood of a transfer of economic benefit is remote are disclosed in the Parliamentary accountability and audit report (page 170).

Contingent liabilities are increasingly a key feature of the FCDO's financial position and need to be monitored closely with regard to their amount, timing and uncertainty on future cash flows.

The FCDO ensures that it complies with HM Treasury's Contingent Liability Approval Framework, which includes best practice when designing guarantees and indemnities, and an enhanced checklist to assess contingent liability proposals.

### Financial Guarantees

FCDO has a guarantee portfolio with total current exposure of £7.9 billion used to leverage financing primarily through the Multilateral Development Banks (MDBs). Calls on these guarantees could lead to unpredictable costs in year, and significant trade-offs for a constrained ODA budget, particularly default in a region with high concentration risk. See Note 13 for more information on the FCDO's governance of guarantees.

## Detail of the type of spend incurred over the year

### Financial Guarantees

The MDBs are a major source of affordable finance for developing countries, providing around $160 billion in 2021, along with economic policy advice. However, faced with the unprecedented global challenges, MDB resources are becoming increasingly stretched. Several countries are constrained in their ability to borrow more from the MDBs, despite significant need.

Guarantees allow the MDBs to provide additional loans that go beyond their credit limits, by insuring the MDBs against the risk of default on these loans. Over the last number of

years, guarantees to the MDBs have become an increasingly important part of the FCDO's toolkit for supporting middle-income countries. We have announced over US$10 billion of guarantees with over £6 billion of these active at 31 March 2024, and the remainder in the pipeline. This includes guarantees with different structures and policy objectives (e.g. climate finance, crisis response).

No ODA is scored at the point a guarantee is issued, only if the guarantee is called and the FCDO makes a payment. This means that guarantees can mobilise large volumes of financial assistance without immediate trade-offs with other UK ODA-funded projects. The risk of one of our guarantees being called is low, because the loans we are guaranteeing are covered by the MDB's Preferred Creditor Treatment, which means that borrower countries will generally repay the MDBs before any other creditor. To manage the risks from the guarantees, we agree terms which give FCDO time to plan between a missed payment and a guarantee being called. We track the maximum possible pay-out in any given year and monitor our exposure to single countries/regions. The long maturity of MDB loans means that the maximum payout in any single year is relatively low compared to the volumes of finance that we are guaranteeing.

Guarantees for Ukraine are now an important part of the portfolio. Since Russia's illegal invasion in February 2022, UK guarantees for up to US$5 billion of MDB lending to Ukraine have been announced as part of our wider package of economic support. At 31 March 2024, around US$2.5 billion of UK guaranteed lending to Ukraine has been disbursed. These guarantees enable vital budget support financing, to fund public sector salaries and social safety net payments. Alongside our guarantees for Ukraine, we announced at COP26 the "Room to Run" guarantee, which became operational in October 2022. This is the FCDO's largest single guarantee agreement to date and will enable the African Development Bank to provide up to US$2 billion of additional lending to governments and businesses across Africa. In September 2023, the FCDO signed a US$1 billion guarantee to the Government of India to fund green infrastructure and green development. This enables India to access additional loans over and above the World Bank's Single Borrower Limit for India. It will unlock a surge of green financing that will have a catalytic impact on India's transition to a cleaner and greener development path.

Although no ODA is scored immediately, there is a budgetary impact to recognise the fair value of guarantees which scores as Resource AME. At 31 March 2024, the FCDO has entered into guarantees totalling £7,872.8 million. The fair value of these guarantees is £722.9 million of which £245.1 million has been charged to Resource AME in the year.

## British Council loan funding

The Government committed to providing the British Council with up to £200 million loan funding to help support their short-term cash flow and restructure. In 2023-24 British Council drew down £112.0 million and repaid £54.0 million, giving net capital DEL loan funding of £58.0 million. As at March 2024, £197 million has been drawn down and no further drawdowns are now possible.

## Official Development Assistance (ODA)

In 2020, the government announced a temporary reduction in ODA spend from 0.7% of GNI to 0.5% from 2021. As set out in Autumn Statement 2022, and re-confirmed in

Autumn Statement 2023, ODA spend will be assumed at around 0.5% of GNI until the fiscal principles for a return to spending 0.7% are met. The independent Office for Budget Responsibility forecasts show that the principles for a return to 0.7% GNI confirmed by Parliament in 2021 have not been met for 2024-25.

Recognising the significant and unanticipated costs incurred to support the people of Ukraine and Afghanistan escape oppression and conflict and find refuge in the UK, and those seeking asylum, the government provided an additional £2.5 billion of ODA over 2022-23 and 2023-24. Despite these additional funds, the FCDO and other departments had to revisit their original ODA allocations set at Spending Review 2021 to ensure the Government spent around 0.5% of GNI as ODA in the calendar year.

For 2023-24, the FCDO planned for a reduction in its ODA budget of £1.5 billion which required difficult spending decisions (reduction in 2022-23 was £1.7 billion). Due to a subsequent increase in the value of 0.5% of GNI, and lower than expected forecasts for non-FCDO ODA spend that materialised late in calendar year 2023, the FCDO's £1.5 billion planned saving in 2023-24 was no longer required. The FCDO predominantly used this resource to bring forward planned multilateral contributions from 2024-25 and 2025-26 into 2023-24 to help manage pressures in future years.

ODA spending was guided by the government's strategic priorities and is in line with the International Development White Paper, including focusing ODA on low-income countries, maximising value for money, and meeting the FCDO's financial commitments to multilateral organisations

| Item | Value £ million |
|---|---|
| **Core FCDO ODA settlement** | **9,595** |
| transfer to DCMS for Cultural Heritage Programme | -10 |
| transfer to DESNZ for LEAF Programme | -14 |
| transfer to DESNZ for PACT Programme | -20 |
| transfer to DESNZ for REDD+ | -28 |
| transfers for Research & Development and FT's | -455 |
| **Main Estimate 2023-24 ODA budget** | **9,068** |
| Internal transfer for other FCDO programming | -32 |
| transfer from DESNZ for ICF projects | 20 |
| transfer to MOD for Ukraine Resilience & Energy Security (URES) | -2 |
| transfer to DEFRA for Blue Belt Programme | -1 |
| transfer from DEFRA for Humanitarian Grain shipment from Ukraine | 3 |
| transfer from Home Office for the ending to Modern Slavery Programme | 1 |
| ODA Budget Exchange from 2023-24 to 2024-25: UKISF | -4 |
| **Supplementary Estimate 2023-24 ODA budget** | **9,053** |

The Provisional Statistics on International Development confirmed that the UK spent £15.37 billion on ODA in calendar year 2023 and the ODA:GNI ratio was 0.58%. The final ODA spend ratio will be confirmed in autumn 2024. Further information on 2023-24 ODA outturn and indicative 2024-25 ODA spending plans is contained in Annex A.

Decorations at the British Embassy in Riga for official birthday celebrations for His Majesty the King.

# SECTION 1.4
# SUSTAINABILITY REPORT

## Task Force on Climate-related Financial Disclosure (TCFD)

The Financial Stability Board introduced the Task Force for Climate Related Disclosures in 2015 with the aim of developing recommendations for more effective climate-related disclosures. The Task Force published their recommendations in 2017, which proposed 11 recommendations across 4 thematic areas: Governance, Strategy, Risk Management, and Metrics and Targets.

The FCDO has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. The FCDO considers climate to be a principal risk, and has therefore complied with the TCFD recommendations and recommended disclosures relating to:

» Governance – recommended disclosures (a) and (b)

» Metrics and Targets – recommended disclosure (b)

This is in line with the central government's TCFD-aligned disclosure implementation timetable for Phase 1. The FCDO plans to provide recommended disclosures for Strategy, Risk Management and Metrics and Targets in future reporting periods in line with the central government implementation timetable.

### Governance

Energy, Climate and Environment (ECE) is a principal risk for the FCDO recorded on the principal risk register. In May 2023, the Management Board carried out a deep dive of the ECE principal risk. See page 60 and 106 for more detail on processes relating to the FCDO's principal risks and Management Board's responsibilities in relation to principal risks.

### Metrics and Targets

The FCDO continues to apply Greening Government Commitment (GGC) emissions methodology for Metrics and Targets, in line with TCFD implementation for Phase 1.

## Overall strategy for sustainability

In support of our work internationally, we aim to lead by example by reducing the environmental impact of our own operations, both to protect our environment and to create a sustainable FCDO workplace. In 2023-24 the FCDO continued its work to achieve the UK GGCs that mainstream climate change and sustainability themes into our business practices and operations in the UK.

Underpinning our efforts, the FCDO maintains an ISO 14001 Environmental Management System (EMS), with externally certified accreditation since 2006. The certification covers our offices in King Charles Street, London, and Hanslope Park, Milton Keynes, driving continual improvement in environmental performance and ensuring that the FCDO complies with its statutory environmental obligations.

We have also worked in the past year to understand in greater detail the environmental impacts of our global estate of embassies, high commissions and consulates, to enable us to take data-driven actions to improve our global sustainability and assist with the FCDO's transition to net zero.

We are actively embedding sustainability into the FCDO's ways of working, our internal strategies and our policies in order to:

» Ensure our progress and ambition reflects the FCDO's desire to be a leader in sustainability;

» Align our operations with our diplomacy and development work on climate change, in order to contribute to the achievement of the UN's Sustainable Development Goals (SDGs), of which we are a leading advocate.

## Greening Government Commitments

The FCDO measures its annual performance against the GGC targets for its core UK estate. The GGCs demonstrate how the UK government is working to improve the environmental performance of its estate and operations. We are actively engaged in embedding sustainability metrics into our ways of working, operations, policy, design, and procurement of our goods and services.

The 2021-25 GGC framework reflects the current scope of the FCDO's UK estate. From 2021-22, the FCDO's GGC targets cover the FCDO's two joint headquarters: King Charles Street in London and Abercrombie House in East Kilbride, in addition to sites in:

» Lancaster House and Carlton Gardens in London;

» Hanslope Park in Milton Keynes;

» Wilton Park in Sussex;

» British Council sites throughout the UK.

Although FCDO Services, Wilton Park and the British Council are executive agencies with their own annual reports and accounts, all their related impacts are included in the environmental figures in this report and the FCDO baseline, in line with our GGC scope[1].

Post-pandemic, there has been an increase in office occupancy in these buildings as staff move from remote to hybrid working. Performance against some GGC 2021-25 targets remains on track, however progress has stalled in some areas. All GGC performance can be observed in the following section.

1 Direction from the GGC exemption panel in 2021-22 has resulted in FCDO Services' wider market work and British Council being included from 2021-22 within the FCDO's reported impacts, when they had previously been exempt. The environmental performance data for 2017-18, 2021-22, 2022-23 and 2023-24 reflects the new adjusted reporting scope. Performance data for 2018-19, 2019-20 and 2020-21 reflects the FCDO's scope based on the previous GGC framework and therefore do not include FCDO Services wider market or British Council.

Below: 2PUS and FCDO colleagues meet some of the community managing the Sungai Wain Protected Forest.

## Mitigating climate change – working toward towards net zero by 2050

Greenhouse gas (GHG) emissions in the UK estate fell by 50% in 2023-24 compared to the baseline year of 2017-18. This is a slight increase on the previous year. Electricity consumption (kWh) is similar to last year, however we have seen increases in usage of natural gas and Whitehall district heating.

To reduce carbon emissions in the UK estate, we have focused on estate rationalisation by exiting 22 Whitehall and consolidating staff into King Charles Street, as well as installing energy efficient lighting and introducing renewable energy.

Staff engagement on sustainability, colder weather resulting in increased heating and changes to occupancy of our buildings are all risks which could potentially impact our ability to further reduce our GHG emissions in future. Decarbonisation of the Whitehall district heating system through investment in renewable heat sources is required to help reduce this area of impact on FCDO operations.

Table 1 provides headline GHG emissions consumption and carbon emission figures associated with the FCDO's in-scope UK operations (aligned with GGC scope as detailed above) for 2023-24. GHG emissions are calculated following GGC guidance and using greenhouse gas reporting conversion factors published on gov.uk.

*Table 1: FCDO UK greenhouse gas emissions consumption*

| Greenhouse gas emissions consumption 2023-24 | | KWh-km | $tCO_2e$ | GBP (£)[2] |
|---|---|---|---|---|
| **Greenhouse gases:** | Electricity | 20,148,021 | 4,533 | £4,992,027 |
| | Self generated renewable electricity | 112,679 | – | |
| | Gas | 3,201,615 | 586 | £151,172 |
| | Heating oil | 1,194,005 | 307 | £56,988 |
| | Biodiesel | 1,694,304 | 25 | £218,497 |
| | Biomass | 67,305 | 1 | |
| | Whitehall district heating | 2,766,100 | 735 | £677,446 |
| | District heating | 458,468 | 82 | |
| | Fugitive[3] | | 102 | |
| | Domestic flights | 1,123,296 | 181 | £228,512 |
| | UK rail | 5,506,791 | 195 | £599,277 |
| | Private mileage, car services & car hire | 1,180,175 | 217 | £289,446 |
| | Fleet | 661,409 | 101 | |
| | Taxi | 62,447 | 13 | £169,911 |
| **TOTALS:** | | | | |
| **Emissions by scope:** | **Scope 1 (Energy direct)** | **–** | 1,122 | **–** |
| | **Scope 2 (Energy indirect)** | **–** | 4,989 | **–** |
| | **Scope 3 (Official business travel only)** | **–** | 972 | **–** |

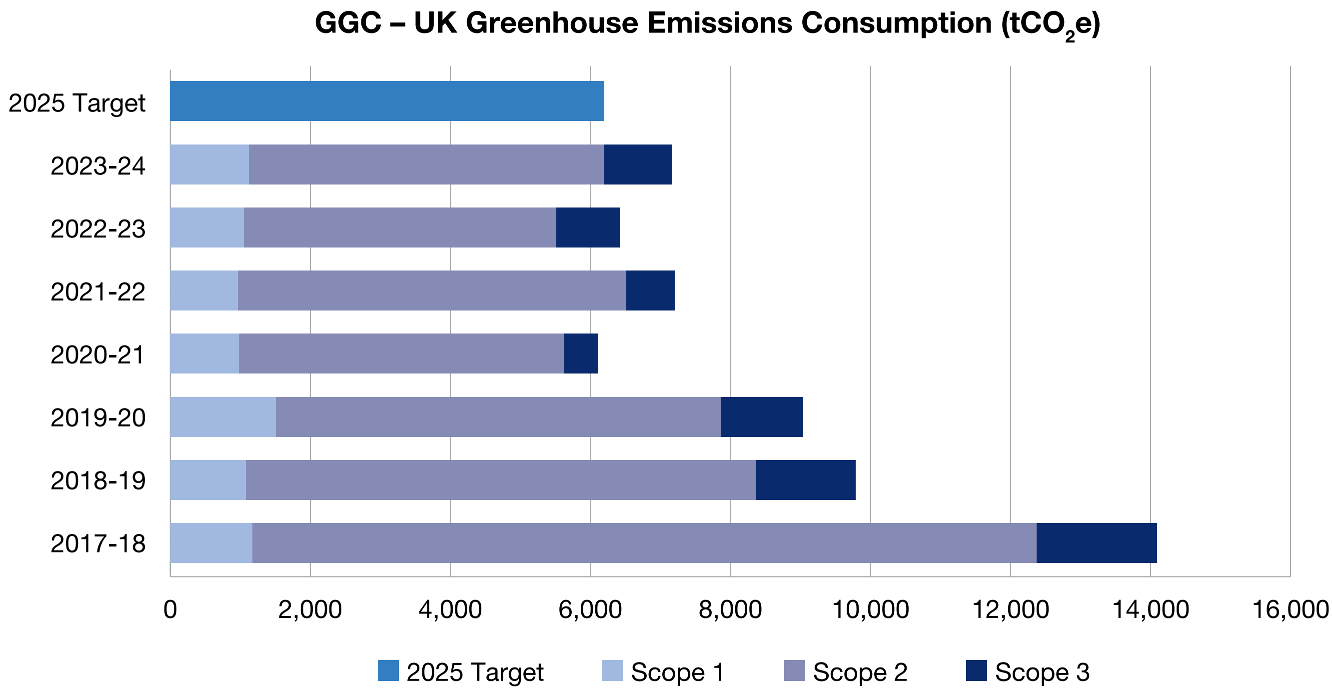
## Greening Government Commitments: progress against direct greenhouse gas emissions

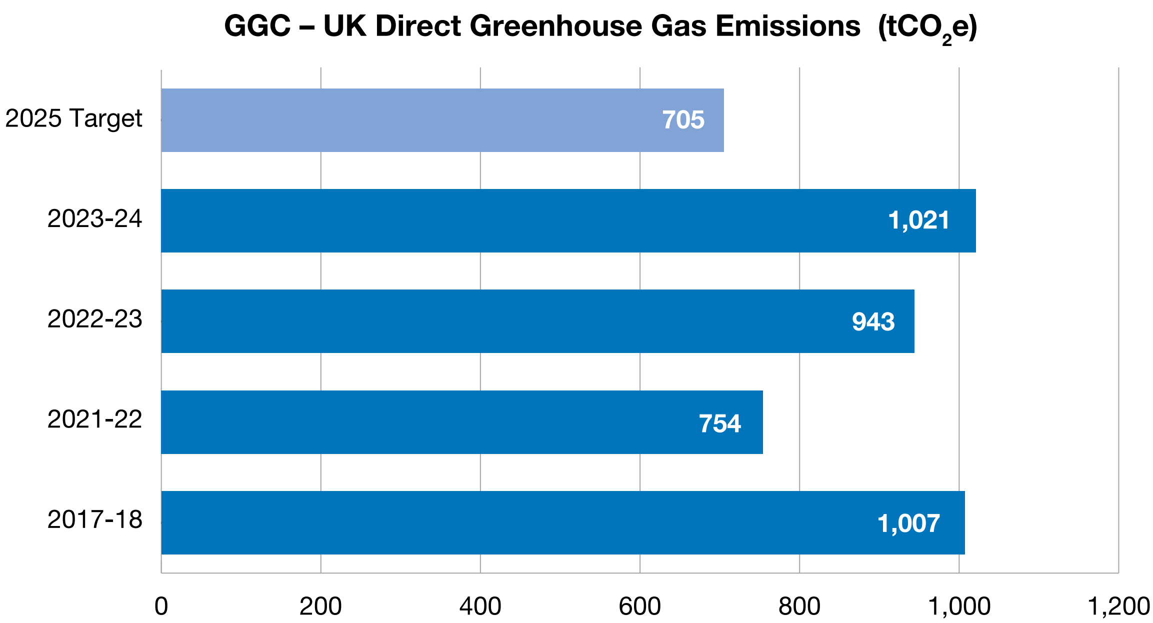
In 2023-24, our direct emissions increased by 1% since the baseline year of 2017-18. We aim to reduce direct emissions by 30% by 2025 compared to our 2017-18 baseline. In line with the GGCs, this target comprises direct emissions from the UK estate and operations. This includes emissions arising from fuel use and fugitive emissions across the estate and on sites. This target does not include transport emissions or emissions arising from grid electricity use – these are still captured under the overall emissions target above (table 1).

2 Financial values reported cover the FCDO's central government estate only (King Charles Street, Lancaster House, Carlton Gardens, Hanslope Park and Abercrombie House).

3 Fugitive emission can be defined as the "release of pollutants into the free atmosphere after they have escaped an attempt to capture them with a hood, seal or any other means for ensuring the capture and retention of these pollutants". The GGC's requires emissions from refrigeration and AC equipment to be reported.

*Greening Government Commitments: progress against greenhouse gas emissions consumption*[4]




4 $tCO_2e$ stands for tonnes of carbon dioxide equivalent. The GGC's definition for reporting requirements for $CO_2e$ is: "a universal unit of measurement used to indicate the global warming potential of a greenhouse gas, expressed in terms of global warming potential of one unit of carbon dioxide."

## Domestic flights[5]

In 2023-24, our emissions from domestic flights decreased by 62% since the baseline year of 2017-18. However, emissions have increased marginally on last year (2022-23).

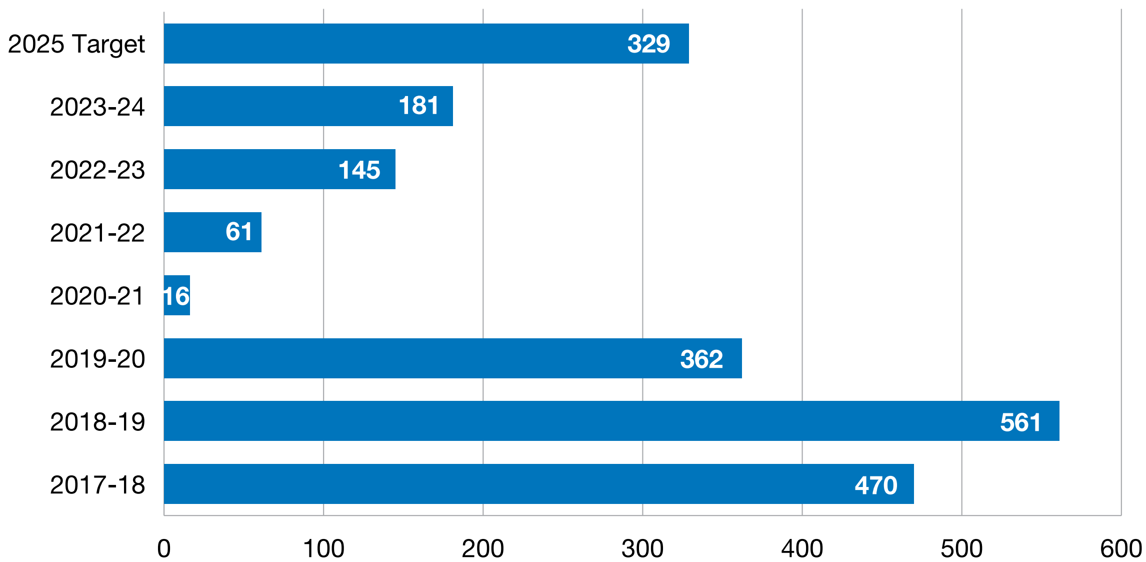
Table 2 below provides headline domestic UK flight data for 2023-24.

*Table 2: domestic flights*

| Domestic flights | | 2023-24 number of flights |
|---|---|---|
| **Total domestic flights** | | 1,739 |
| Non-financial indicator | Domestic UK Km travelled | 1,123,296 Km |
| | Carbon ($tCO_2e$) | 181 tonnes $CO_2e$ |

***Greening Government Commitments: progress against domestic flights target***

**GGC – UK Domestic Flights by Emissions ($tCO_2e$)**




The FCDO is committed to reducing the number of UK domestic flights and increasing sustainable travel options as operations embed hybrid working practices. In January 2022, we updated our duty travel policy to require all staff travelling within the UK and between England and Eurostar destinations to travel by train by default. Domestic travel by air is now only authorised in exceptional cases by senior management. This policy change and increased use of technology to collaborate without the need for travel will help the FCDO to reduce emissions further.

5 The number of domestic and international flights, distance travelled by domestic and international rail and flights and associated emissions and expenditure relate only to flights and train travel booked with the FCDO's travel provider. Flights and train travel booked by other means are not readily identifiable.

## International travel

Table 3 below provides headline official duty international travel data for staff in the UK[6], covering flights and rail booked through our official travel provider for 2023-24. International travel is categorised as other travel under GGCs framework and not included in the emissions target.

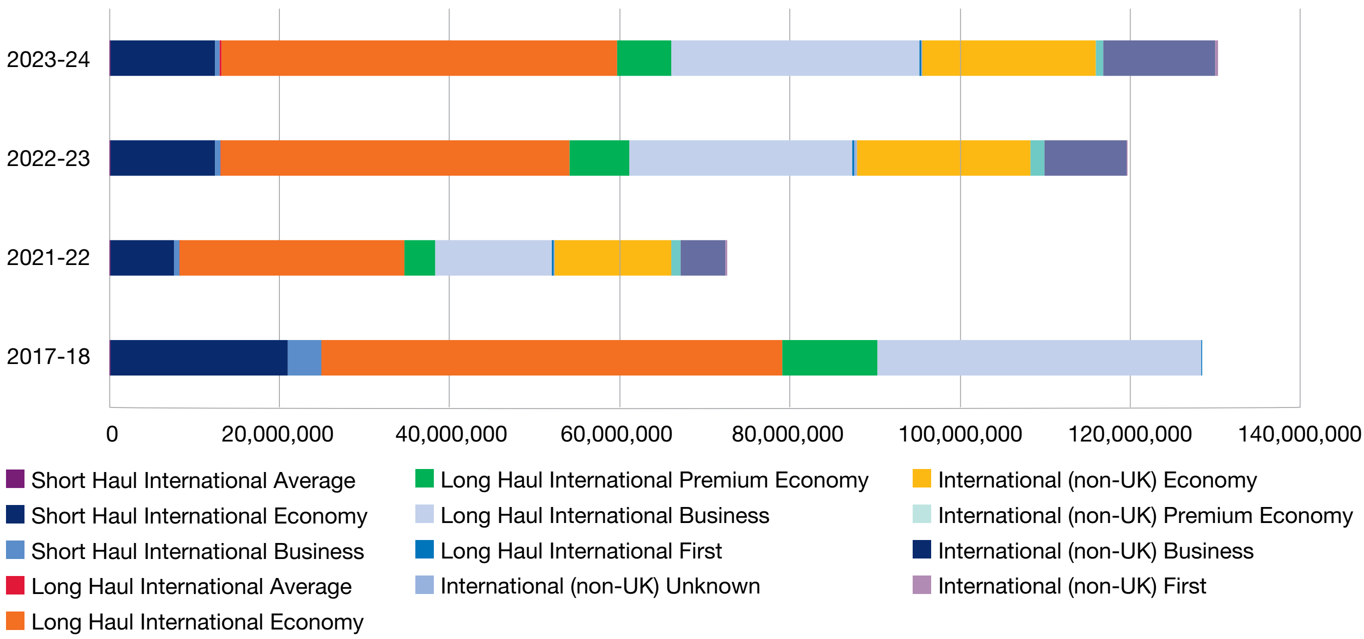
***Table 3: International travel for staff in the UK***

| International travel | | |
|---|---|---|
| International Air Travel | Distance travelled (km) | 130,473,338 Km |
| | Carbon ($tCO_2e$) | 23,129 tonnes $CO_2e$ |
| International Rail (Eurostar) | Distance travelled (km) | 158,103 Km |
| | Carbon ($tCO_2e$) | 0.7 tonnes $CO_2e$ |

In line with the 2021-25 GGC framework, the FCDO reports on the distance travelled by international flights and Eurostar with a view to better understand and reduce related emissions where possible in the future. We plan to review available data for these metrics to ensure we have captured as much as possible of the picture of staff travel impact.

We have retrospectively identified an error with the international flight figures reported in 2022-23 published previously and have corrected them in the below graph.

**International Flight (Km) – Staff in the UK**




6 International travel data relates to business work travel booked by staff who are based in the UK, booked with the FCDO's travel provider.

### Government Fleet Commitment

The FCDO is committed to the Government Fleet Commitment (GFC) as set out in the Department for Transport's Road to Zero strategy. The Office for Zero Emission Vehicles (OZEV) required all UK Departments to transition 25% of their car and small van fleets to Ultra Low Emission Vehicles (ULEV) by the end of 2022.

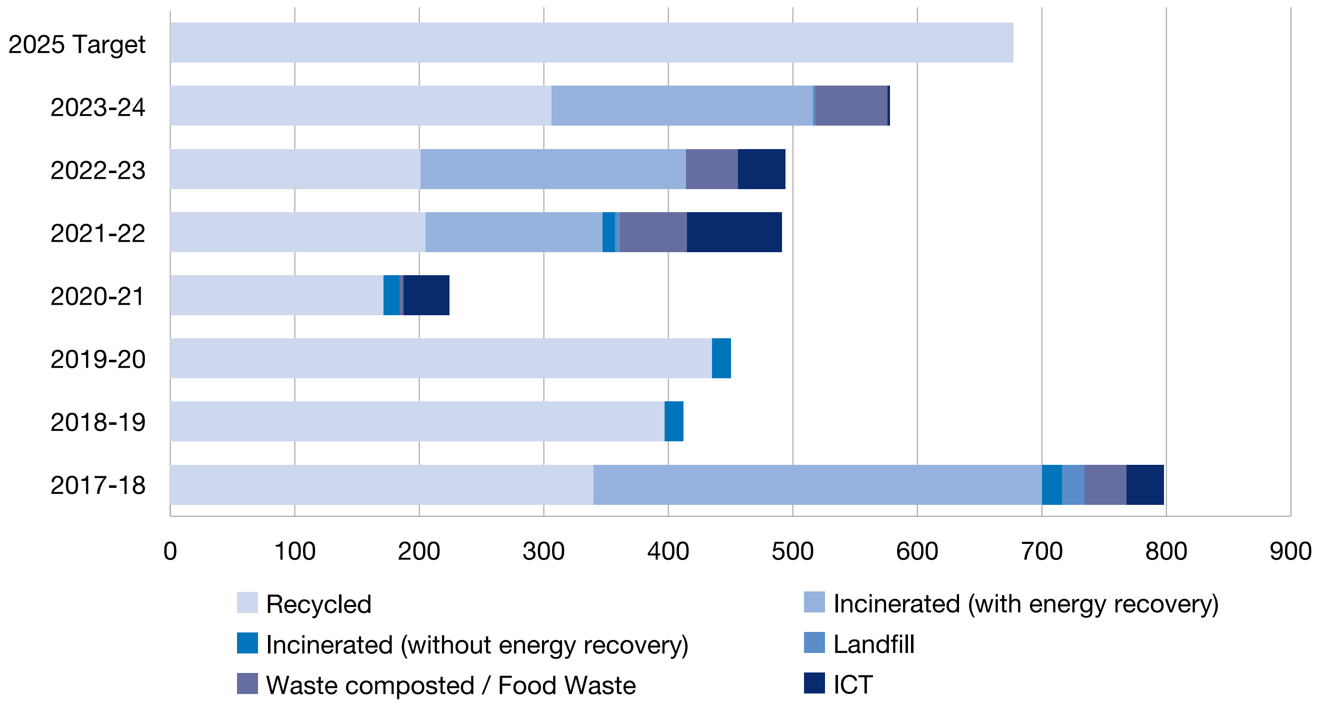
The FCDO's UK fleet requirements are supplied and managed by FCDO Services, who acquired 8 ULEV vehicles in 2022. This results in 18% ULEV in the fleet[7]. We are now jointly focused on transitioning to electric vehicles and aim to meet the GFC's 2027 commitment for the UK fleet to be 100% vehicles with zero tail-pipe emissions.

## Minimising waste and promoting resource efficiency

The FCDO's overall waste tonnage has decreased by 28% since the 2017-18 baseline, remaining on track to meet the GGC target to improve our waste management by reducing the overall amount of waste generated. However, waste has increased marginally on last year (2022-23). The FCDO continues to aim for zero waste to landfill, increase recycling rates and reducing overall waste produced from FCDO operations.

Table 4 below provides headline waste disposal figures and costs across the FCDO's UK operations for 2023-24.

**GGC – UK Waste Volumes (tonnes)**




7 Correction identified since last year's report was published, 2 vehicles have been reclassified to a non-ULEV category, affecting the percentage ULEV in fleet.

*Table 4: waste disposal*

| Waste tonnes | | 2023-24 | Financial indicator[8] |
|---|---|---|---|
| **Total waste** | | **578** | £265,252 |
| Total waste by method of disposal | Recycled/reused | 306 | |
| | Landfill | 2 | |
| | Waste incinerated with energy recovery | 210 | |
| | Waste incinerated without energy recovery | 0 | |
| | Waste composted/food waste | 58 | |
| | ICT waste recycled, reused and recovered (externally) | 2 | |

## Greening Government Commitments: progress against waste target

In 2023-24, the FCDO recycled 63% of waste – an increase compared to waste recycled in 2022-23. Our ambitious target is to increase the proportion of waste which is recycled to at least 70% of overall waste. We continue to work to improve the way we stream, segregate and recycle waste, including continuing to increase food waste recycling across our full UK estate. We will continue to undertake communications campaigns to educate and inform staff on the importance of good waste management practices.

## Consumer single use plastic usage and reuse schemes

In line with the government's 25 Year Environment Plan, the FCDO continues to work to remove consumer single-use plastic from across the UK estate and achieve zero avoidable plastic waste by the end of 2042. We continue to work with supply chains to identify alternatives to single use plastic, including promoting the use of reusable cups in FCDO cafes and using Vegware compostable items where single-use items are necessary. Globally, FCDO Green Teams at post continue to embed lessons learned from the 2018-2020 #BeyondPlastic campaign, to eliminate avoidable single-use plastic.

## Paper

The FCDO's overall paper usage has decreased by 84% in 2023-24 compared to the 2017-18 baseline. This has been achieved due to increased use of new technology, including Office 365. We are exceeding the GGC target to reduce paper usage by 50% from our 2017-18 baseline by 2025, however, paper usage has increased marginally on last year (2022-23).

Table 5 provides headline paper consumption figures across the FCDO's operations for 2023-24.

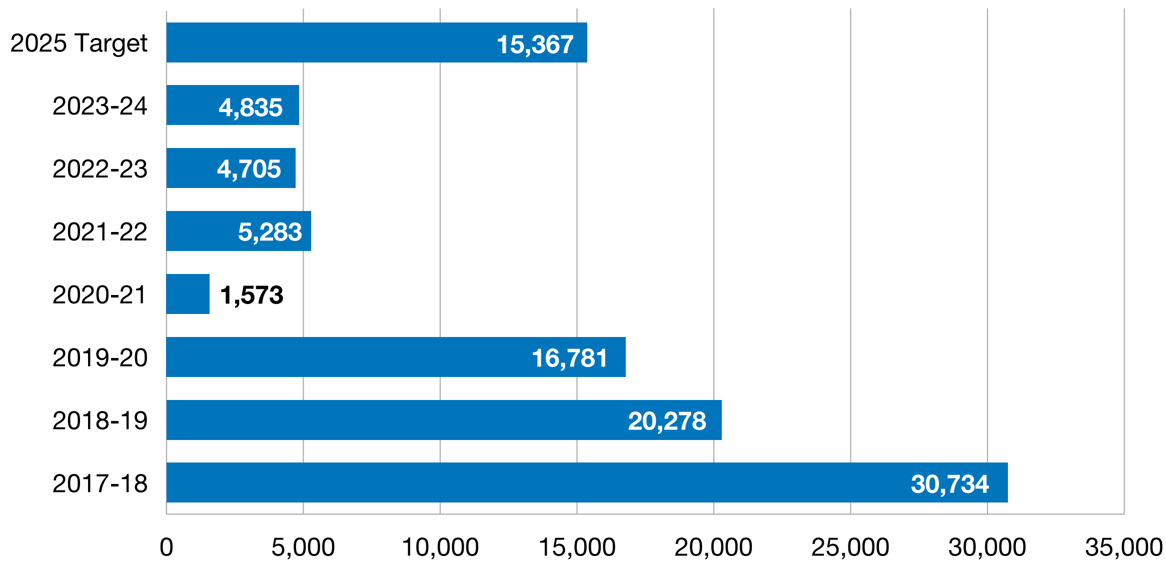
8 Financial values reported cover the FCDO's central government estate only (King Charles Street, Lancaster House, Carlton Gardens, Hanslope Park and Abercrombie House).

*Table 5: paper consumption*

| Paper consumption | 2023-24 Reams A4 equivalent |
|---|---|
| **Total paper consumption** | 4,835 |

## Greening Government Commitments: progress against paper consumption

**GGC – UK Paper Consumption (reams of A4 equivalent)**



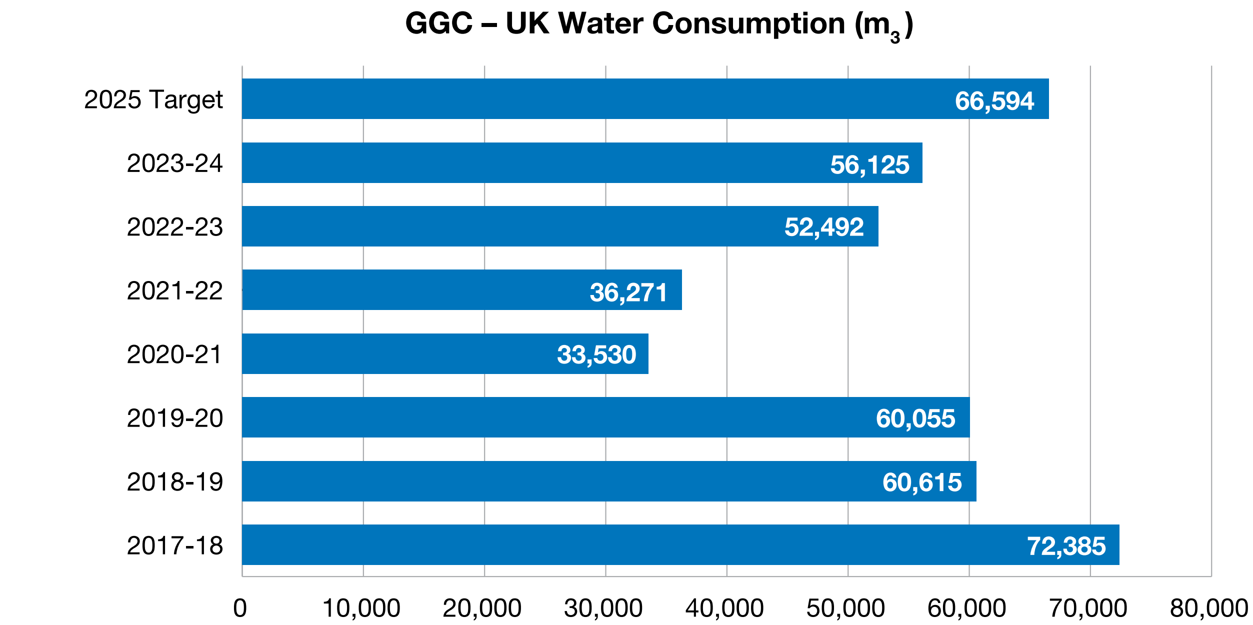
## Finite resource consumption and reducing our water consumption

The FCDO's overall water usage in the UK decreased by 22% in 2023-24 compared to the 2017-18 baseline. However, it has increased compared with the previous year. We continue to encourage the efficient use of water in UK offices and seek to repair and replace water devices with efficient alternatives when required.

Table 6 below provides headline water consumption figures and costs across the FCDO's UK operations for 2023-24.

| Finite resource consumption – water | | 2023-24 cubic metres | Financial indicator[9] |
|---|---|---|---|
| **Total consumption** | Supplied | 56,125 | £122,838 |

*Greening Government Commitments: progress against water target*




Indirect water usage, including water embodied in products and services is part of our water footprint, and we will incorporate this into future conversations and plans to reduce our overall environmental impacts.

9 Financial values reported cover the FCDO's central government estate only (King Charles Street, Lancaster House, Carlton Gardens, Hanslope Park and Abercrombie House).

# Normalised performance

## Overview

To allow for comparison between years and organisations, the following table normalises sustainability impacts by staff numbers. Due to the impacts of COVID-19 and hybrid working, our 2021-22 and 2022-23 full-time equivalent (FTE) number does not reflect typical office use.

As we continue to develop hybrid ways of working, we will work with other departments to develop an accurate approach to normalise performance in the future. For the purposes of GGC reporting, the FTE covers both FCDO and in scope Arm's Length Bodies (ALBs). The UK estate occupancy FTE is 8,956 in 2023-24.

| Impact per FTE | 2023-24 | 2022-23 | 2021-22 | 2020-21 |
|---|---|---|---|---|
| **Greenhouse gas emissions** | 0.80 tonnes of $CO_2e$ per FTE | 0.78 tonnes of $CO_2e$ per FTE | 0.82 tonnes of $CO_2e$ per FTE | 0.72 tonnes of $CO_2e$ per FTE |
| **Direct emissions**[10] | 0.11 tonnes of $CO_2e$ per FTE | 0.11 tonnes of $CO_2e$ per FTE | 0.08 tonnes of $CO_2e$ per FTE | - |
| **Waste arising** | 65 Kg per FTE | 60 kg per FTE | 56 kg per FTE | 37kg per FTE |
| **Paper consumption** | 0.54 reams per FTE | 0.57 reams per FTE | 0.60 reams of A4e per FTE | 0.19 reams of A4e per FTE |
| **Water consumption** | 6.27 cubic meters per FTE | 8.08 cubic meters per FTE | 4.13 cubic meters per FTE | 4.10 cubic meters per FTE |

10 2021-22 is the first year of FCDO reporting on direct greenhouse gas emissions.

## The FCDO's global operations

Carbon emissions arising in the FCDO global estate present a significant challenge for the organisation. To ensure our global operations are managed towards becoming net zero by 2050 or earlier, we have an interim target, aiming by March 2025 to reduce worldwide energy use by at least 20% from an estimated 2019-20 baseline. Modernising our overseas estate through replacing end-of-life infrastructure, rationalisation, moving to modern offices, and investing in cleaner energy has reduced our carbon emissions as well as driving down costs.

In 2023-24, we have updated our overseas carbon footprint dashboard with the latest data and re-designed the dashboard to provide increased functionality and ease of use. It provides a baseline of our global energy consumption and carbon generation, which will enable the FCDO to track changes in emissions against target and build our ability to manage our global path to net zero.

This year we have continued to develop our global net zero estate pathway, targets and investment requirements for the overseas estate. Our purpose is to align with the UK domestic aim to achieve net zero by 2050 and other UK Greening Government Commitment targets. This focus allows us to reduce our carbon emissions progressively, maximise opportunities to significantly reduce energy costs and increase our energy resilience in overseas locations. Investment in overseas solar and battery storage during this reporting year has demonstrated a clear ability for the FCDO to reduce carbon emissions and achieve a return on financial investment for the UK Government.

The FCDO has also committed to transitioning as much of our non-armoured overseas vehicle fleet as possible to fully electric vehicles by 2030. Since 2018, the FCDO has mandated low emission vehicles (LEVs) as the default option when replacing overseas non-armoured fleet vehicles except where local conditions make an electric or hybrid vehicle impractical or costs are excessive. The FCDO currently has 125 electric or hybrid vehicles across overseas posts.

# Sustainable procurement

The FCDO Commercial department continued in 2023-2024 to implement supportive structures to leverage its procurement to deliver sustainable benefit and implement its sustainable procurement policy.

### Sustainable procurement policy

The Sustainable Operations and Programme Board (SOPB) provides oversight and assurance for successful delivery of the FCDO environmental policy and sustainable operations agenda. This includes developing and delivering the FCDO net zero goal and overseeing the Environmental Management System (EMS). SOPB membership includes FCDO Commercial representation, and the board has endorsed Commercial's Sustainable Procurement Policy.

### Carbon reduction plans

The FCDO takes account of carbon reduction plans in the procurement process for our contracts valued at £5 million or over per annum. This means that as part of assessing supplier technical and professional ability, we include, as a selection criterion, a requirement for bidding suppliers to provide a carbon reduction plan. This confirms the supplier's commitment to achieving net zero by 2050 in the UK as well as setting out the environmental management measures which will be in effect and utilised during the performance of the contract.

### Social value

The FCDO takes account of social value in the procurement of our contracts valued at £115k excluding VAT or over, by including within the supplier technical and professional assessment, a requirement for bidding suppliers to provide plans to address the social benefits the FCDO has selected from the range of Cabinet Office prescribed Social Value thematic outcomes, having selected those most relevant to the requirement.

For example, the FCDO asked prospective bidders for contracts to support the AI Safety Summit 2023 to demonstrate how they would support the FCDO's commitments and aspirations and commit to more sustainable ways of working themselves.

Engaging stakeholders supporting event delivery on the FCDO Sustainability Guiding Principles helped to identify opportunities to deliver social value, including the use of local staff, local suppliers and engagement with local charities, small and mid-size enterprises (SMEs) and donations of excess material (e.g. wood and panelling, carpet, furniture, and household items) to charities.

### Supply partner code of conduct

The FCDO Supply Partner Code of Conduct included within programme contracts is an integral and binding part of standard contract terms and conditions. The inclusion of the Code in contracts means that high but realistic standards for ethical and safeguarding behaviour are set out and measured against organisational level KPIs. The Code of Conduct is applied to the lead contractor plus the entire delivery chain. Compliance to Code KPIs is reviewed on an annual basis. This allows for a focus on our supply partners' social and environmental sustainability commitments over time.

The FCDO Commercial Supply Chain Ethics and Risk Team monitors compliance with the Code and this year has introduced more automation by embedding the monitoring process without the FCDO's e-procurement platform. This has improved the efficiency of the process for both the organisation and the supply chain.

### Supply partners and delivery chains

Supply partners and their delivery chains act on behalf of the government and interact globally with:

- Other country governments
- Other aid donors and their delivery partners
- Many stakeholders—including citizens
- Directly and indirectly with aid beneficiaries

These interactions must therefore meet the highest standards of ethical and professional behaviour to uphold the reputation of the government. To further strengthen the FCDO's approach to managing important relationships and risks within its supply chain, a new team was formed this year: Supply Chain Management. This brings together strategic relationship managers, supply chain risk analysts and market creation leads responsible for important work such as engagement with SMEs in the implementation of FCDO policies, and ensures a comprehensive approach to market management and one voice to the supply chain on priority matters.

Supply partners and their delivery chains must demonstrate they are pursuing continuous improvement and applying stringent financial management and governance to reduce waste and improve efficiency in their internal operations and within the delivery chain.

Supply partners and their delivery chains must be committed to high environmental standards, recognising that FCDO activities may change the way people use and rely on the environment, or may affect or be affected by environmental conditions. They must demonstrate they have taken sufficient steps to protect the local environment and community they work in. They must also identify environmental risks that are imminent, significant or could cause harm or reputational damage to the FCDO or the communities we work in.

Commitment to environmental sustainability may be demonstrated by the following, among others:

- Formal environmental safeguard policies
- Publication of environmental performance reports
- Signatory level membership of the UN Global Compact and further relevant codes—both directly and within the supply chain, such as conventions, standards, or certification bodies

The above are checked and monitored as part of compliance to the Supply Partner Code of Conduct.

## Reducing environmental impacts from ICT and digital

The FCDO remains committed to improving the sustainability of its technology platforms and digital products, as well as being a strong advocate for the potential for digital, data and technological solutions to reduce its carbon footprint.

Continuing on from the merger of two departments and the consolidation onto a single platform we are continuing to streamline and update old technologies such as our on-going Global IT Network Infrastructure and our End User Computing device and smartphone refresh.

Several on-going transitions are also set to help with the continued removal of physical hardware on the estate. These transitions include, but are not limited to, the Microsoft 365 upgrade, the transition to ROSA services from SECVIEW services and the planned workplace initiatives to reduce the amount of redundant hardware across the estate.

The move to a cloud based service under Microsoft 365 will bring a reduction to the requirements to host physical hardware in data centres. This is then to be followed by the removal of servers globally (including distributed server network) and the requirements to hold stock levels of the servers will cease to exist.

A ROSA deployment uses less devices than that of a SECVIEW deployment in terms of switches (reduction of 475 in total) and endpoint (reduction of 230 in total).

The FCDO continues to overhaul its digital, data and technology function to ensure it has the structures, processes and skills to meet the needs of the FCDO now and into the future. Some processes which are actively being discussed and improved are:

- Ensuring IT recycling options are known to any and all Projects.
- Targets and requirements for sustainability data to be outlined at the start of all Projects as part of the Operational Readiness Reviews.
- Improvement of our data capture and management.

Below: The King Charles Street Quad.

# Broader impacts and reporting requirements

## Nature recovery and biodiversity action planning

The FCDO UK estate does not hold significant landholdings or natural capital. We continue to explore our potential to improve nature recovery and biodiversity across our UK estate. By 2025, we will develop and deliver nature recovery and biodiversity action plans for the estate and operations, considering a natural capital approach where appropriate.

Our offices in Abercrombie House and Hanslope Park offer the opportunity for the FCDO to maintain biodiversity and encourage habitats and local plant species. Continuous management is undertaken in Hanslope Park to plant trees and maintain the pond and wildflower meadow. Refurbishments in the Quad in King Charles Street have been completed, making the Quad a more sustainable environment in central London. Trees and planting provide a pleasant environment; existing drainage issues will partly be resolved through the use of soft landscaping to absorb runoff water.

## Adapting to climate change

The FCDO has robust business continuity plans in place to manage occurrences of extreme weather events. We have engaged across government and with the Government Property Agency to better understand the requirement for 2025, align the FCDO's organisational strategy with best practice and inform our development of a Climate Change Plan. In the next year we will develop a climate change adaptation plan, to ensure climate change adaption is embedded in estates operations and projects. The FCDO's Sustainable Operations and Programme Board will be accountable for this strategy.

## Procurement of food and catering services

The FCDO's in-house catering provision works through the contract arrangements to meet and embed the Government Buying Standards (GBS) for food and catering services.

## Sustainable construction

The FCDO adheres to sustainable construction standards, follows the GBS and continues to support the government's timber procurement policy. In 2023-24, as part of FCDO UK Facilities Management projects, 99% of construction and demolition waste was recycled.

**Sir Philip Barton KCMG OBE**

Accounting Officer for the Foreign, Commonwealth & Development Office

23 July 2024

NATO flags fly down The Mall.

SECTION 2

# Accountability report

## SECTION 2.1 CORPORATE GOVERNANCE REPORT

This section of the annual report and accounts sets out the FCDO's corporate governance structures in 2023-24, including membership and attendance of the top-level boards and committees during the financial year. Detail on the roles and responsibilities of each board and committee is also provided, as well as how risk is managed by these structures. The section concludes with an outline of the FCDO's internal control and assurance process, how the FCDO manages interests and business appointments and a summary of the department's Arm's Length Bodies.

Below: Small Island Developing States Coronation Event

## Ministers during the financial year:

- **Secretary of State for Foreign, Commonwealth & Development Affairs:** The Rt Hon Lord David Cameron (13 November 2023 to 4 July 2024)
- **Secretary of State for Foreign, Commonwealth & Development Affairs:** The Rt Hon James Cleverly MP (to 12 November 2023)
- **Deputy Foreign Secretary and Minister of State (Development and Africa):** The Rt Hon Andrew Mitchell MP (to 4 July 2024)
- **Minister of State (Middle East, North Africa, South Asia, UN and the Commonwealth):** Lord Ahmad (to 4 July 2024)
- **Minister of State (Indo-Pacific):** The Rt Hon Anne-Marie Trevelyan (to 4 July 2024)
- **Parliamentary Under Secretary of State (Americas, Caribbean and Overseas Territories):** David Rutley MP (to 4 July 2024)
- **Minister of State (Europe):** Nusrat Ghani MP (26 March 2024 to 4 July 2024)
- **Minister of State (Climate, Environment and Energy – joint with FCDO and Defra):** The Rt Hon Lord Benyon (14 November 2023 to 4 July 2024)
- **Parliamentary Under Secretary of State (Europe):** Leo Docherty MP (to 25 March 2024)
- **Minister of State (Overseas Territories, Commonwealth, Energy, Climate and Environment):** The Rt Hon Lord Goldsmith (to 30 June 2023)

## FCDO special advisers

Special Advisors during the financial year: Baroness Liz Sugg, Laurence Mann, Alan Sendorek and Daniel Cohen.

Previous Special Advisers (until 13 November 2023): Giles Dilnot, Victoria Hewson, Alice Hopkin, Jock McMillan and Hudson Roe.

# Directors' report

Elements of the statutory requirements of the Directors' report are detailed in the governance statement from page 103. These include:

» details of the senior official board members
» names of the Non-Executive Directors
» composition of the Management Board
» details of company directorships and other significant interests held by senior management
» information on personal data related incidents where these have been formally reported to the Information Commissioner's Office (ICO).

## Statement of Accounting Officer's responsibilities

Under the Government Resources and Accounts Act 2000 (the GRAA), HM Treasury has directed the FCDO to prepare, for each financial year, consolidated resource accounts detailing the resources acquired, held or disposed of, and the use of resources, during the year by the department (inclusive of its executive agencies) and its sponsored non-departmental public bodies designated by order made under the GRAA by Statutory Instrument 2023 no 1360 (together known as the 'departmental group', consisting of the department and sponsored bodies listed at note 20 to the accounts). The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the department and the departmental group and of the income and expenditure, Statement of Financial Position and cash flows of the departmental group for the financial year.

In preparing the accounts, the Accounting Officer of the Department is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

» observe the Accounts Direction issued by the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
» ensure that the department has in place appropriate and reliable systems and procedures to carry out the consolidation process;
» make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the accounting information provided by non-departmental public bodies;
» state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;
» prepare the accounts on a going concern basis; and
» confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

HM Treasury has appointed the permanent head of the department as Accounting Officer of the Foreign, Commonwealth and Development Office. The permanent head of the department has appointed the Second Permanent Under-Secretary as Additional Accounting Officer for the Foreign, Commonwealth and Development Office, effective from 3 July 2023, with responsibility for the activities and expenditure related to Official Development Assistance programmes and allocations and development finance instruments. The Additional Accounting

Officer is personally accountable to Parliament and at the same time supports the permanent head of the department in their role as Principal Accounting Officer for the Department as a whole. This appointment does not detract from the head of department's overall responsibility as Accounting Officer for the department's accounts.

The Principal Accounting Officer of the department has also appointed the Chief Executives or equivalents of its sponsored Arm's Length Bodies (ALB) as Accounting Officers of those bodies. The Principal Accounting Officer of the department is responsible for ensuring that appropriate systems and controls are in place. This is to ensure that any grants that the department makes to its sponsored bodies are applied for the purposes intended and that such expenditure and the other income and expenditure of the sponsored bodies are properly accounted for, for the purposes of consolidation within the resource accounts. Under their terms of appointment, the Accounting Officers of the sponsored bodies are responsible for safeguarding the public funds for which they have charge; for ensuring propriety, regularity, value for money and feasibility in the handling of those public funds; and for the day-to-day operations and management of the body.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the assets of the department or non-departmental public body for which the Accounting Officer is responsible, are set out in 'Managing Public Money' published by HM Treasury.

## Statement on the disclosure of relevant audit information

As the FCDO Accounting Officer, I am responsible for ensuring that the department has an effective governance framework that provides strategic direction and management of the organisation. In particular, I am responsible for overseeing delivery of ministerial strategic and policy priorities, ensuring accountability and delivery of efficient and effective organisational performance and ensuring that the supporting governance systems function as they are designed to – securing value for money and managing risk. I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the FCDO's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware. I also confirm that this annual report and accounts as a whole is fair, balanced, and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced, and understandable.

# Governance statement

## FCDO Non-Executive Directors (NEDs)

**Beverley Tew, Lead Non-Executive Director**

Beverley sits on the Supervisory Board. She attends the Management Board, the Audit and Risk Assurance Committee, People & Operations Committee, Development Committee and the Strategy Committee. Beverley is a chartered accountant and is an experienced chief financial officer and commercial leader in the public and private sectors. Her executive roles have included Finance Vice President at Burberry PLC and Group CFO at the BBC. Her current roles include Trustee and Chair of the Audit Committee of Plan International (UK), Crown Representative in the Government Commercial Function (Cabinet Office), Non-Executive Director and Audit Committee Chair of Circle Health Group, and Audit Committee member at the British Academy of Film and Television Arts (BAFTA).

Beverley served as interim Lead NED during the 2023-24 reporting period and was appointed to role on a permanent basis in April 2024.

**John Coffey, Non-Executive Director**

John sits on the Supervisory Board. He is Chair of the FCDO Audit and Risk Assurance Committee and attends the Management Board, Investment and Delivery Committee and Health and Safety Committee. John is also a Non-Executive Director of Turkish Bank UK Ltd where he is Chair of the Audit and Risk Committee, in addition to being a Loan Book Management Advisor to Sports England. John has four decades' experience in the financial services sector.

**Ann Cormack, Non-Executive Director**

Ann served on the Supervisory Board Management Board, Senior Leadership Board and People Committee.

Ann established her career in front-line business executive roles at Shell International, latterly running Shell's global internal consultancy B2B team and the European Fleet Fuel Cards business. Ann's current Non-Executive Director roles include NED and Remco Chair at National Nuclear Laboratory and NED Envipco, a reverse vending machine manufacturer aiming to improve recycling of liquids containers. Ann was also recently elected to the Business Committee of the General Council of Edinburgh University, her alma mater. Previous executive roles include Executive Head of Human Resources at De Beers Group, Director International at Rolls-Royce plc, CEO D1-BP Fuel Crops Ltd, Managing Director of the Small Business Service (UK Department of Trade and Industry) and she served as Council member and Trustee of Chatham House (Royal Institute of International Affairs) for 6 years.

Ann stepped down from her role as NED at the end of her term in November 2023.

James Bilefield was appointed as an FCDO NED in April 2024. Full details will be included in the 2024-2025 Annual Report.

## FCDO Non-Executive Members (NEMs)

### Julia Grant

Julia Grant was a NEM of the FCDO's Investment and Delivery Committee from April until November 2023. Julia has a portfolio of Non-Executive Director roles in the public and charity sector. She has held leadership roles in global consulting firms, insurance, and the not-for-profit sector. Julia currently works with Collington Capital Partners LLP in the impact investment sector and is a trustee at the Education Development Trust and a Forestry Commissioner.

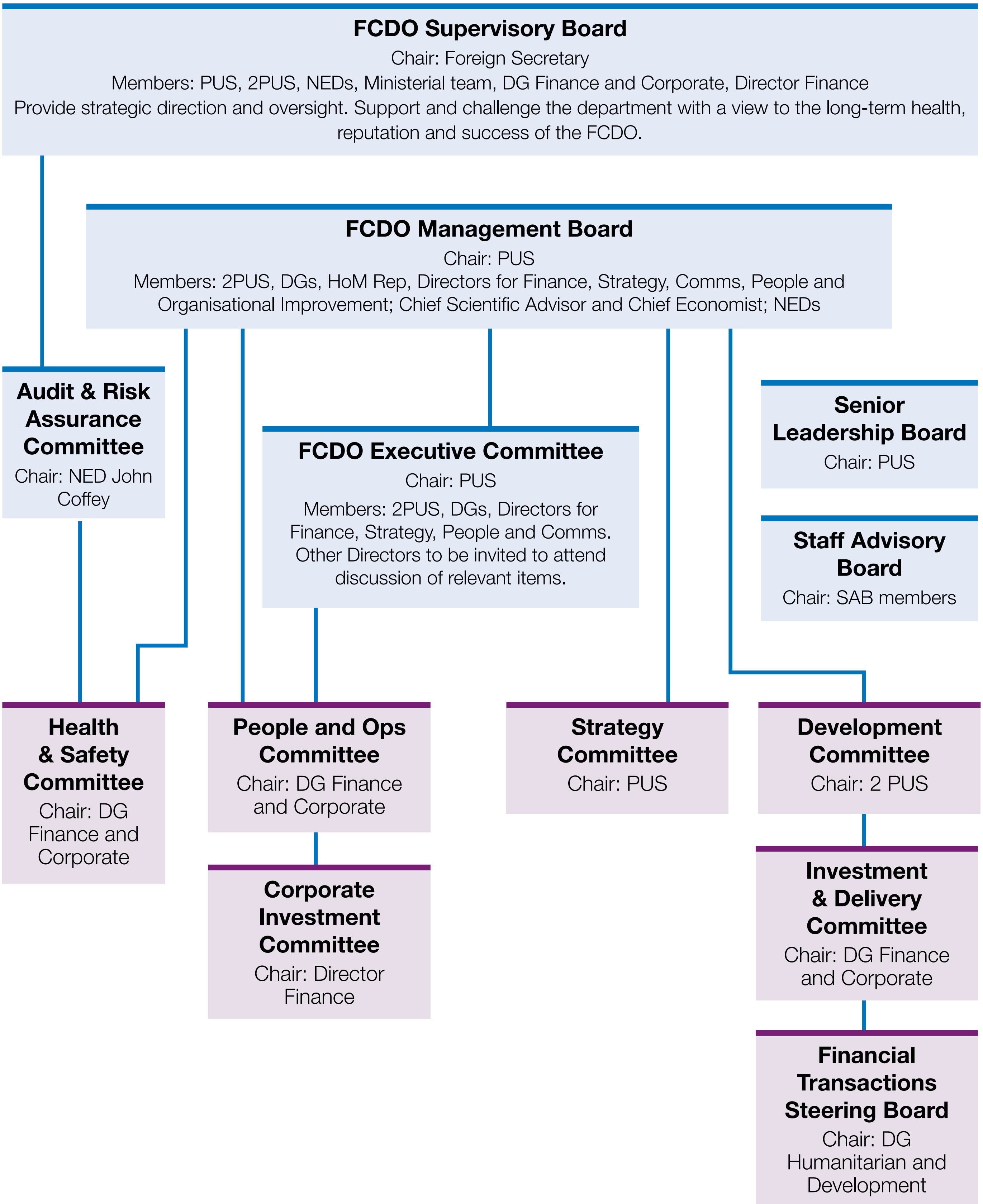
### Chris Wood

Chris Wood is a NEM of the FCDO's Audit and Risk Assurance Committee. Chris is a Fellow of the Institute of Chartered Accountants in England and Wales and is currently a Fellow and Bursar of St Hilda's College, Oxford. He is also a Non-Executive Director and Chair of the Audit Committees for Navitas University Partnerships Europe and Publica Group; and serves on the Audit Committees for the House of Lords and the Valuation Office Agency.

### Fiona Thompson

Fiona Thompson is a NEM of the FCDO's Audit and Risk Assurance Committee. She is a UK chartered accountant and is currently Chair of Transparency International UK and the London Sinfonietta and serves on the board of the Overseas Development Institute.

# Diagram: FCDO top-level boards and committees



# FCDO top-level boards and committees

**FCDO Supervisory Board**

*Chair: Foreign, Commonwealth and Development Secretary*

*Members: Permanent Under-Secretary, Second Permanent Under-Secretary, NEDs, all FCDO Ministers, DG Finance and Corporate, Finance Director*

The Supervisory Board provides strategic direction and oversight. Supports and challenges the department with a view to the long-term health, reputation and success of the FCDO.

The Supervisory Board seeks assurance of the department's risk management framework and risk appetite.

The Supervisory Board met once in 2023-24.

**FCDO Management Board**

*Chair: Permanent Under-Secretary*

*Members: Second Permanent Under-Secretary, DGs, Overseas Network Representative, Directors Communications, Strategy, Finance, HR, Organisational Improvement, Chief Scientific Adviser and Chief Economist.[11] All NEDs are invited.*

The Management Board provides corporate leadership to the FCDO in the delivery of policies, services and objectives decided by Ministers.

The Management Board is responsible for continually assessing the FCDO's risk appetite, monitoring our identification of and response to principal risks (the most significant risks to our performance and reputation) and promoting a sound risk management culture and approach.

The Management Board met nine times in 2023-24. Discussions included:

- Corporate Management information
- Risk reporting and the FCDO risk appetite statement
- The FCDO Outcome Delivery Plan
- Global Asset Management Plan
- Arm's Length Bodies
- Safeguarding
- Health and Safety
- Staff Counsellor update

**Audit and Risk Assurance Committee (ARAC)**

*Chair: NED John Coffey*

*Members: NED Beverley Tew, NEMs Fiona Thompson and Chris Wood*

*Also in attendance: Representatives from Second Permanent Under-Secretary, DG Finance and Corporate, Finance Director, Audit Director, Head of Centre for Delivery, National Audit Office*

ARAC supports the Supervisory Board and the Accounting Officer to review decisions and processes designed to ensure sound systems of internal control, including the overarching control framework and related assurance mechanisms, risk management, financial accounting and reporting including internal and external audit, counter-fraud and safeguarding.

ARAC advises the Management Board and the Accounting Officer on the strategic processes for risk, control and governance. The Committee also provides assurances relating to the management of risk and corporate governance.

11 The Chief Scientific Advisor and Chief Economist were invited to join the Management Board in January 2024.

ARAC met six times in 2023-24. NEDs also accompanied Internal Audit on a visit to France. ARAC discussed:

» updates from the Internal Audit and Investigations Directorate, including reviews of progress against the Internal Audit Department's annual audit plans
» discussion of significant audits
» progress on the proposed merger of FCDO Internal Audit with the Government Internal Audit Agency
» updates on Fraud and Safeguarding
» the National Audit Office external audit plans, audit completion report and management response
» updates on the FCDO's risk management approach and risk policy, including review of the FCDO's risk maturity

### Executive Committee (ExCo)

*Chair: Permanent Under-Secretary*

*Members: Second Permanent Under-Secretary, DGs, Directors Communications, Strategy, Finance, HR*[12]

ExCo takes decisions on strategic choices or challenges relating to emerging, sensitive or time-bound issues, day-to-day running of the department, risks or crises. It considers issues where a cross-departmental view, impact or action is required and provides early steers on major changes in policy or process. ExCo reports and escalates to the Management Board where formal decisions on long term organisational change are made.

ExCo ensures risk is integrated in strategic decision-making, reviews significant risks and considers risk as part of resource allocation.

ExCo met 24 times in 2023-24. Discussions included:

» Organisational prioritisation and agility
» Resource allocations
» Capability and career paths
» Dignity and respect at work policy
» Staff pay award
» Pandemic preparedness

### Staff Advisory Board

*Chair: SAB Members, on rotation*

*Members: 21 staff from across the FCDO, representing major networks and groups*

The Staff Advisory Board (SAB) operates as a shadow board of the Management Board and the People & Operations Committee. It provides constructive challenge, feedback and input from staff to the Management Board and the People & Operations Committee decision-making.

In 2023-24, agendas mirrored those of the Management Board and the People & Operations Committee.

12 Director Organisational Improvement, Chief Scientific Advisor, and Chief Economist were ExCo members until end of December 2023.

**Senior Leadership Board (SLB)**

*Chair: Permanent Under-Secretary*

*Members: NEDs Ann Cormack and Beverley Tew, Second Permanent Under-Secretary and DGs*

The SLB reviews and advises on recommendations for appointments at SCS2 and above. The Board takes a strategic approach to ensure the FCDO is making best use of, and building diversity in, the senior leadership cadre.

The SLB met 10 times in 2023-24. Discussions in 2023-24 included:

» Recommendations for appointments at SCS2 both in the UK and overseas and for SCS3 appointments overseas
» Oversight of senior restructuring within the FCDO
» Formal sign-off for upgrades and downgrades of SCS roles and new SCS roles
» Agreement to the FCDO approach to talent management and performance for SCS
» Policy issues relating to SCS cadre management, including succession planning, management of Directorate Flexible Resource and SCS assignment durations
» Building diversity and continued use of existing diversity in the senior leadership cadre

## Top-level board membership and attendance in 2023-24

| Board or Committee member | Date of In-Year Appointment / Departure | Supervisory Board Attendance Record | Management Board Attendance Record |
|---|---|---|---|
| Rt Hon Lord David Cameron | Appointed 13 November 2023. | 1/1 | |
| Lord Ahmad of Wimbledon | | 1/1 | |
| Rt Hon Andrew Mitchell MP | | 1/1 | |
| Rt Hon Anne–Marie Trevelyan MP | | 0/1 | |
| Nusrat Ghani MP | Appointed 26 March 2024. | 0/0 | |
| David Rutley MP | | 0/1 | |
| Rt Hon Lord Benyon | Appointed 14 November 2023. | 1/1 | |
| Leo Docherty MP | Departed 25 March 2024. | 0/1 | |
| Rt Hon James Cleverly MP | Departed 12 November 2023. | 0/0 | |
| The Rt Hon Lord Goldsmith | Departed 30 June 2023. | 0/0 | |
| **Non–Executives** | | | |
| Beverley Tew, Interim Lead Non–Executive Director | Appointed interim Lead Non–Executive Director 29 June 2022. | 1/1 | 9/9 |
| John Coffey | | 1/1 | 8/9 |
| Ann Cormack | Departed 30 November 2023. | – | 7/7 |
| **Executives** | | | |
| Philip Barton, Permanent Under–Secretary | | 1/1 | 9/9 |
| Nick Dyer, Second Permanent Under–Secretary | Appointed Second Permanent Under–Secretary 3 July 2023. Previously attended as DG Humanitarian and Development. | 1/1 | 6/9 |
| Jonathan Allen, DG Defence and Intelligence | Appointed 19 February 2024. | – | 1/1 |

| Board or Committee member | Date of In-Year Appointment / Departure | Supervisory Board Attendance Record | Management Board Attendance Record |
|---|---|---|---|
| Melinda Bohannon, DG Humanitarian and Development | Appointed substantively 8 January 2024. Previously attended as Interim DG Humanitarian and Development and Strategy Director. | – | 8/9 |
| Owen Jenkins, Interim DG Indo-Pacific, Middle East and North Africa | Appointed 12 February 2024. | – | 1/1 |
| Jenny Bates, DG Economics, Climate and Global Issues | Appointed 20 January 2024. Previously attended as DG Indo–Pacific. | – | 9/9 |
| Peter Wilson, DG Europe | | – | 7/9 |
| Harriet Mathews, DG Africa, Americas and Overseas Territories | Appointed 17 July 2023. | – | 3/6 |
| Christian Turner, DG Geopolitics | | – | 5/9 |
| Corin Robertson, DG Finance and Corporate | Appointed 17 July 2023. Previously attended as Interim DG Africa and Latin America. | 1/1 | 9/9 |
| Sally Langrish, DG Legal (Legal Adviser) | | – | 5/9 |
| Laure Beaufils (Overseas Network Representative), His Majesty's Ambassador to the Philippines and Palau[13] | Appointed 1 June 2023. | – | 4/4 |
| Joanna Roper (Overseas Network Representative), British Ambassador to the Netherlands and Permanent Representative of the United Kingdom to the Organisation for the Prohibition of Chemical Weapons | | – | 3/3 |
| Melanie Robinson (Overseas Network Representative), His Majesty's Ambassador to the Republic of Zimbabwe | Departed 1 June 2023. | – | 2/2 |

13 Overseas representatives (Laure Beaufils and Joanna Roper) attend on an alternating basis.

| Board or Committee member | Date of In-Year Appointment / Departure | Supervisory Board Attendance Record | Management Board Attendance Record |
|---|---|---|---|
| Janine Lloyd–Jones, Director Communications | Appointed 11 June 2023. Previously attended as Interim Director Communications. | – | 8/9 |
| Tim Jones, Director Finance | Attended as Interim DG Finance and Corporate 9 May – 16 July 2023. | 1/1 | 9/9 |
| Mervyn Thomas, Chief People Officer | | – | 7/9 |
| Colin Martin–Reynolds, Director Organisational Improvement | Appointed 10 July 2023. | – | 6/6 |
| Charlotte Watts, Chief Scientist | | – | 1/2 |
| Adnan Khan, Chief Economist | | – | 2/2 |
| Will Hines, Interim Director Strategy | Appointed 20 July 2023. | – | 5/6 |
| Vijay Rangarajan, DG Indo–Pacific, Middle East and North Africa | Departed 3 March 2023. | – | 3/8 |
| Kate White, Interim DG Economics, Science and Technology | Appointed 6 November, departed 21 January 2024. | – | 1/1 |
| Chris Rampling, Interim DG Defence and Intelligence | Appointed 8 December 2023, departed 16 February 2024. | – | 1/1 |
| Kumar Iyer, DG Economics, Science and Technology | Departed 19 November 2023. | – | 5/6 |
| Tom Drew, DG Defence and Intelligence | Departed 8 December 2023. | – | 4/7 |
| Juliet Chua, DG Finance and Corporate | Departed 21 May 2023. | – | 0/1 |
| Carmel Thornton, Interim Director Finance | Appointed 9 May 2023, departed 16 July 2023. | – | 2/2 |
| Pete Vowles, Director Transformation | Departed 1 May 2023. | – | 1/1 |
| Gareth Nugent, Interim Director Organisational Improvement | Appointed 1 May 2023, departed 1 July 2023. | – | 1/1 |

## Sub-committees of the Management Board

| | |
|---|---|
| **Strategy Committee**<br>*Chair: Permanent Under-Secretary* | The Strategy Committee is responsible for making sure the department is fit for the future. It focuses on challenge and strategic oversight, recommending changes to the FCDO's strategic direction, building strategic capability, and assessing coherence and links into HMG strategy.<br>The Strategy Committee met three times between 1 April 2023 and 31 March 2024 and discussed issues including:<br>» 2024 major global elections and events<br>» Horizon Scanning and major policy questions<br>» Trans-Atlantic unity<br>» International order emerging after Russia's invasion of Ukraine |
| **Development Committee**<br>*Chair: Second Permanent Under-Secretary* | The Development Committee was launched in October 2023 to provide strategic leadership and systematic oversight and accountability for the FCDO's development agenda. The Committee drives coherence and effective delivery across the department's development portfolio.<br>The Development Committee met twice between 1 April 2023 and 31 March 2024 and discussed issues including:<br>» Development White Paper<br>» ODA management information<br>» White Paper implementation<br>» Africa portfolio review |
| **Oversight Board**<br>*Chair: DG Finance and Corporate* | The Oversight Board was a temporary structure, accountable to the Management Board and set up to oversee the delivery of the portfolio necessary to ensure the FCDO could operate as a single entity effectively and efficiently following the integration of the FCO and DFID.<br>As planned, the Board was disbanded in April 2023 and met for the last time on 20 April 2023. |

| | |
|---|---|
| **Investment and Delivery Committee**<br>*Chair: DG Finance and Corporate* | The Investment and Delivery Committee is responsible for assessing whether the FCDO is spending on the right things for the best Value for Money (VFM). It focuses on oversight, assurance, and decisions about whether major/high-risk programmes (programme business cases over £40 million or classed as novel or contentious) should proceed, ensuring FCDO investments and policies achieves VFM and maximises impact. The Investment and Delivery Committee is now a sub-committee of the Development Committee, following the latter's creation in October 2023.<br><br>The Investment and Delivery Committee met 10 times between 1 April 2023 and 31 March 2024 and assessed 27 business cases. The Committee also discussed 13 policy and thematic portfolio reviews:<br>» Quarterly programme delivery reports: updates on the pipeline of new programmes, PrOF (Programme Operating Framework) compliance, programme management capacity, the Major Programmes Portfolio (MPP) and spotlighting risk or issues escalated by the Committee<br>» Annual updates by sub-committees (the Programme Cycle and Guarantees Portfolio and Finance Transaction Steering Board)<br>» Key corporate policy areas including equalities and inclusion update, evaluation strategy and policy update and counter fraud policy<br>» A review of the Committee's terms of reference and its fit with FCDO corporate governance<br>» Annual updates by sub-committees: the Programme Cycle Panel (PCP) and Finance Transaction Steering Board (FTSB). Prior to handing over of thematic reviews to the Development Committee, the IADC discussed the thematic portfolio reviews on financial guarantees (Financial Transactions Steering Board) and international climate finance |

| | |
|---|---|
| **People & Operations Committee**<br>*Chair: DG Finance and Corporate* | The FCDO People Committee was disbanded in December 2023 and re-integrated into a new FCDO People & Operations Committee. This new Committee has a broader remit across a wide range of corporate policy issues in the FCDO, including estates, security, IT, and organisational improvement.  The change was implemented to bring greater clarity to the FCDO governance structures. ExCo and the Management Board are now able to delegate more decision-making on corporate matters to the committee, formed of those more closely involved in their design and implementation, reserving more of their agenda time to focus on a smaller set of strategic issues. Decision-making on people issues has been improved by being linked to relevant decisions on other corporate policy issues.<br>The People & Operations Committee met three times between its creation in January 2024 and 31 March 2024. Topics discussed include:<br>» 'Where We Work' (the FCDO's hybrid working policy)<br>» Performance management<br>» People survey follow-up<br>» Prioritised portfolio dashboard<br>» Talent<br>» Agility<br>» Capability programme<br>» FCDO Services corporate plan<br>» Staff Awards |
| **People Committee**<br>*Chair: DG Finance and Corporate* | As set out above, the People Committee was disbanded in December 2023 and re-integrated into a new FCDO People & Operations Committee.<br>The FCDO People Committee's purpose was to provide governance and support by promoting and assessing prioritisation and collective ownership of the development and implementation of people change initiatives as set out in the HR Delivery Plan. The People Committee met 3 times between 1 April 2023 and 31 December 2023 and discussed issues including:<br>» Updates to the resourcing model<br>» Development of career pathways<br>» Monitoring network resilience<br>» Reviewing the Performance Management Policy |

| | |
|---|---|
| **Health and Safety Committee**<br>*Chair: DG Finance and Corporate* | The Health and Safety Committee supports the Management Board in ensuring the FCDO's health and safety commitments in the UK and overseas are being delivered. The Health and Safety Committee reviews the strategic, policy and operational approaches on health and safety in relation to all staff, dependants, contractors/ suppliers and members of the public.<br>The Health and Safety Committee met three times between 1 April 2023 and 31 March 2024 and reviewed the following:<br>» Risk appetite, and the risk register<br>» Governance structure<br>» Health and safety management information data<br>» The health and safety maturity model<br>» Health and safety systems<br>» Medium/long term strategy for health and safety<br>» Health and safety performance and assurance<br>» Incident investigations and lessons learned |

## Board effectiveness evaluation

Following the external review of FCDO Board Effectiveness in 2022-23, the 2023-24 review was internally led by the lead Non-Executive Director and the Corporate Governance team. The evaluation had the following objectives: to assess progress against the findings of the 2022-23 BEE; to evaluate the performance of the Management Board, including how the board works together, use of data and evidence to inform decision-making, inclusion, and efficiency; and to identify recommendations to support continuous improvement in 2024-25. As in previous years, the review focused on the FCDO Management Board, as the Supervisory Board met only once in 2023-24. Methods included a questionnaire to board members and contributors, and desk research to consider the efficacy of agenda setting, information flows between the board and sub-committees and the content and format of management information.

The 2023-24 Board Effectiveness Evaluation found that the FCDO's corporate governance structures were functioning well. Members' responses to the questionnaire showed that they felt positive about the effectiveness of the board, including that the board was well-chaired, that there were positive and performance-enhancing relationships between members, and that the frequency of the meetings is appropriate. Members reported a good understanding of risk management responsibilities, and use of the Outcome Delivery Plan. More broadly, across the FCDO's supporting boards and committees, meetings took place regularly in 2023-24 with high levels of attendance. Further, top-level governance architecture was modified to reflect the maturation of the department, including the creation of the Development and People & Operations Committees.

The review highlighted areas where further progress could be made. In 2023-24, the Corporate Governance team will take forward recommendations to strengthen board member induction further, to improve the quality of papers, and increase the board's focus on future needs and challenges for the department. The arrival of new NEDs, will allow for a review of NED portfolios to ensure the department is utilising their expertise effectively.

## Risk management and internal control

The FCDO's board framework includes the following complementary risk roles:

**The Management Board** is responsible for continually assessing the FCDO's risk appetite, monitoring our identification of and response to principal risks (the most significant risks to our performance and reputation) and promoting a sound risk management culture and approach.

**The Executive Committee** ensures risk is integrated in strategic decision-making, reviews significant risks and considers risk as part of resource allocation.

**The Supervisory Board** seeks assurance of the department's risk management framework and risk appetite.

**The Audit and Risk Assurance Committee** advises the Management Board and the Accounting Officer on the strategic processes for risk, control and governance. The Committee also provides assurances relating to the management of risk and corporate governance.

**Sub-committees of the Management Board** (Strategy, Development, People & Operations, and Health and Safety) consider risk within the scope of their remit.

The Management Board monitors risk exposure in seven categories of risk, set out in a Risk Appetite Statement:

- **Strategy and context**
  Risk arising from pursuing diplomatic and development objectives which are undermined by a changing context, a lack of clarity or a weak evidence base. These risks undermine our delivery, influence, and impact.
- **Policy and programme delivery**
  Risk arising from implementation of our core business of diplomacy and development, due to weaknesses in influence and engagement, programme delivery, commercial management, resourcing and/or operational support. These risks undermine our impact and influence.
- **Public service delivery and operations**
  Risk arising from weaknesses in the delivery of consular services or the delivery of internal operations which support our core business and wider government. This includes security, legal, technology and information and property risks that impact delivery, our people and British citizens.
- **People**
  Risk arising from weaknesses in leadership and engagement, culture and behaviours and/or workforce capacity and capability, impacting on performance.
- **Safeguarding**
  Risk arising from failure to establish and maintain strong safeguards to prevent harm to beneficiaries of our programmes, staff and those implementing our programmes, the communities where we work, or the environment, resulting in ethical violations, reputational damage and legal challenge.
- **Financial and fiduciary**
  Risk arising from our funds being used for unintended purposes or not managed in accordance with requirements and constraints, or poor management of assets/liabilities,

resulting in weak value for money, compliance and delivery failures and reputational damage.

» **Reputational**
Risk arising from political or adverse events, including delivery failures and ethical violations, damaging the FCDO's reputation, within the organisation and/or externally, and/or the UK's reputation.

The FCDO's approach to risk is summarised in our Risk Appetite Statement, which is regularly reviewed by the Management Board. The FCDO's risk appetite sets out the nature and extent of the risks that the FCDO is willing to take in order to achieve its objectives. We accept higher risk when it is justified by the context we work in or the expected contribution to our mission. For example, we will accept risk to:

» address national security threats
» deliver humanitarian support
» support long-term change to foster open societies and reduce fragility and conflict
» influence entrenched situations
» innovate to tackle global challenges.

We accept only limited risks to public service delivery and operations, including consular services for UK citizens, prioritising stability. We are committed to reducing risks of fraud and sexual exploitation, abuse and harassment, and we show zero tolerance for inaction or mishandling. We accept that the risks we take to achieve our mission could impact our reputation, but we limit our exposure through:

» escalating reputational risks swiftly
» investing in good risk management
» learning and communicating effectively about our global priorities and impact.

Our organisational risk appetite does not set a ceiling for the risk we are willing to take for each activity, programme, country or theme. Directorates, posts and programmes set independent risk appetites based on their goals and delivery context, consulting with senior managers when these exceed our organisational risk appetite in any category.

The FCDO's risk appetite supports conversations between teams, senior leaders and Ministers about when to accept high risk and how we mitigate and manage this. Risks are escalated, including to Ministers, when teams judge this appropriate, particularly where there are significant risks to delivery or reputational risks.

More information on the FCDO's risk profile during 2023-24 and how the Management Board reviews the principal risks can be found in the FCDO performance report. The risk management rules for our portfolio of policy programmes are set out in the FCDO's Programme Operating Framework.

The HMT Orange Book requires each government organisation to disclose compliance with its five principles or to explain reasons for departure. The FCDO risk management approach was designed with the Orange Book five principles at its core. The risk policy was launched in 2021 as part of establishing the FCDO following the merger and we have been embedding it across the organisation since then.

While we assess that we fully comply with the majority of the principles, the FCDO does not yet in practice fully comply with principles one and two (i.e. that risk management is an essential part of governance and that it is integral to decision-making at all levels). We think this is appropriate at this stage, given our ongoing journey to improve risk maturity and the resources available. The FCDO has a central risk management policy and approach with common minimum standards. Beyond these, there is flexibility for different areas to apply the approach in a way that fits the wide spectrum of external and operational contexts and risk exposures that we need to manage given our global operations.

We continue working to embed the risk approach as an intrinsic part of decision-making and delivery, driving up maturity at all levels and improving the gathering and use of risk information across the organisation.

The FCDO Internal Control Framework outlines our system of internal control. This includes an FCDO governance structure that provides a clear direction for effective decision making. It also outlines the relationship between risk, control, and assurance, and is designed to support the Permanent Under-Secretaries as Accounting Officers, by providing reasonable assurance that FCDO goals and objectives are being met through robust control and assurance.

Built on the foundations of the Civil Service Values, the framework has five basic principles: Proportionality, Transparency, being Responsible and Accountable, being Coherent and providing Effective Evidence. It uses the Orange Book three lines model to manage risk. Both first and second line manage risk, while the third line provides independent scrutiny on both first and second-line activity. Collectively, they are responsible for setting the FCDO's objectives, defining strategies, establishing roles, structures, and processes to best manage risk in achieving objectives. Additional independent scrutiny is provided externally by the National Audit Office, the Independent Commission for Aid Impact, the Infrastructure and Projects Authority and Parliamentary bodies (such as the Foreign Affairs Committee, Public Accounts Committee and International Development Committee).

## Management assurance process

The Management Assurance Process (MAP) is an annual exercise that requires heads of mission and Directors to self-assess at year-end whether key controls operating in their area of responsibility, are either effective or require some improvement. Improvement actions for local issues are managed and implemented by individual Directorates/Posts. Aggregated responses are reviewed centrally by functional leads, with improvement actions managed and implemented by individual functional areas. The results of the MAP are included in the Annual Assurance Report which is presented to the Audit and Assurance Committee (ARAC) annually in June. An evidence verification exercise straddles the period from when the results are derived from the first-and-second line respondents until the autumn.

## FCDO assurance process on management of interests and business appointment rules

All staff are required to comply with the Civil Service Code and the principles of the Civil Service Management Code. The FCDO launched new guidance in 2023 to support staff to comply with secondary employment and business appointment rules and to manage conflicts of interest, including control and compliance. This ensures the three lines of defence are in place through operational management, monitoring of policies and processes, and robust audit processes. Transparency data for grades SCS1, SCS2, Special Advisers, Supervisory Board and Management Board are published on gov.uk in line with Cabinet Office guidelines.

Special Advisers, Supervisory Board and Management Board members in the FCDO must declare any relevant interests or confirm they do not consider they have any. In compliance with Business Appointment rules, the department is transparent in the advice given to individual applications for senior staff. Advice regarding specific business appointments has been published on gov.uk here. The Accounting Officer considers these returns and relevant interests are published on gov.uk here.

## Personal data losses

The FCDO recorded 96 personal data related incidents in 2023-24, of which 85 were found to involve a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data. Two incidents were considered serious enough to be reported to the Information Commissioner's Office.

The table below shows the breakdown of personal data breaches reported between 1 April 2023 and 31 March 2024.

| Nature of Incident | Number of breaches 2023-24 | 2022-23 |
|---|---|---|
| Unauthorised disclosures | 77 | 74 |
| Insecure disposal/ Inadequate protection | 2 | 10 |
| Loss of or poor protection of data inside FCDO premises | 2 | 1 |
| Loss of or poor protection of data outside FCDO premises | 0 | 1 |
| Other | 4 | 4 |

The FCDO takes the protection of personal data seriously. Every personal data related incident reported is investigated by the Office of the Data Protection Officer who advise on mitigations and improvements to reduce the likelihood of a re-occurrence. A new document labelling tool, which forces users to correctly label emails and documents has been being rolled out across the FCDO network. This should significantly reduce the number of unauthorised disclosures. Training and awareness activities also help ensure the principles and processes for handling personal data are embedded across the network.

These figures do not include incidents involving visa or passport section information, as these are handled and reported on by the Home Office.

## Internal audit annual assurance opinion

For the period 1 April 2023 to 31 March 2024 the Director of Internal Audit and Investigations provided a limited assurance opinion over the FCDO's governance, risk management and control framework. Since the creation of the FCDO three years ago, the FCDO's risk exposure has been higher than its risk appetite across some policy areas because of both contextual and operational factors.

Since the merger, the FCDO has designed governance, risk management and a control framework, while continuing to deliver against its objectives. Operationally, the FCDO has created a single control framework for most policies and rolled out a joint finance and HR system across the organisation. Some policies are still to be merged and the FCDO aims to conclude the roll out of a single IT platform this year. The work of Internal Audit this financial year indicates challenges implementing and embedding new FCDO policies and systems. Some of these challenges relate to the design and communication of policies, including the clarity of roles and responsibilities, as well as awareness of new policies and system functionality.

To address the limited assurance opinion the FCDO's Internal Audit Department is supporting Senior Management to design a DG-led action plan that aims to mitigate the challenges identified. This action plan includes communications across the organisation on the limited assurance opinion, the key areas that need to be addressed, and work to increase cooperation and coordination of the FCDO oversight functions. Internal Audit will follow-up on progress with the action plan and provide more regular updates to management and the ARAC on the progress of implementing management actions for risks outside of appetite.

Looking ahead we expect the corporate control environment to continue its positive trajectory of improvement in 2023-24. We expect the onus of implementation of effective frameworks to shift onto frontline delivery departments and as such anticipate risk judgements in relation to people and fiduciary risk to improve. Corporate controls will continue to be a priority for further audit work in 2023-24, and we will follow up on agreed management actions in all corporate reports issued this year.

## Whistleblowing

The FCDO is committed to the highest standards of integrity, probity, and accountability. Our Raising a Concern and Whistleblowing policy meets the UK's legislative framework, as set out in the Public Interest Disclosure Act. The policy supports the raising of concerns about any wrongdoing, breaches of the Civil Service Code, fraud, safeguarding, health and safety and other risks to be reported confidentially and outside line management chains. A confidential hotline and e-mail address for reporting concerns is managed by a specialist team in our internal audit and investigations directorate, alongside other routes including through our Staff Counsellors. Ways to report are promoted internally through our intranet and, externally, on gov.uk, the latter being particularly helpful for those wishing to raise concerns about any of our aid delivery partners. The Audit and Risk Assurance Committee receive reports regularly and monitor the whistleblowing policy to ensure the appropriate operation and investigation of all matters reported under the policy.

## Complaints

The Parliamentary and Health Service Ombudsman (PHSO) investigates complaints about a central government department and/or its agencies, when referred to them by a Member of Parliament on behalf of a complainant. The PHSO share their findings with Parliament, to help it to scrutinise public service providers. Findings are also shared more widely to help drive improvements in public services and complaint handling. In 2023-24, one complaint, under investigation from previous years, was closed. The FCDO were aware of six further referrals to PHSO relating to complaints about provision of consular support. Of these, two were not investigated further and four are pending a decision.

## Corporate governance code

The FCDO has sound governance arrangements in place and is compliant with the Corporate Governance in Central Government Departments: Code of Good Practice 2017, with the following exceptions.

First, the FCDO does not have a nominations and governance committee but instead has a Senior Leadership Board, chaired by the Permanent Under-Secretary. This carries out a similar role to a nominations committee, overseeing the performance, talent, and broader aspects of management of the senior Civil Service within the FCDO. Ann Cormack was the

Non-Executive Director on this board until the end of her term as Non-Executive Director in November 2023. Since then Beverley Tew has attended the Senior Leadership Board.

Second, the Supervisory Board met only once during the reporting period. Other meetings were scheduled but had to be postponed. The good governance of the department is instead maintained through the Management Board, which is chaired by the Permanent Under-Secretary and meets on a monthly basis. The Management Board conducts its business according to the principles and guidance in the Code of Good Practice, including the four recognised precepts of good corporate governance and the adherence of members to the Nolan principles. The Management Board provides leadership to the department, reviews strategic and operational issues, and ensures the department delivers against its priorities and objectives. The Management Board also discharges the Supervisory Board's responsibility, outlined in the code, to provide oversight to the department's ALBs.

Third, during this reporting period the FCDO had only three and, from 30 November 2023, two Non-Executive Directors. This was due to delays in the recruitment process for new Non-Executive Directors. James Bilefield was appointed as a NED in April 2024 and an additional recruitment process is in progress, meaning the FCDO is on track to return to compliance with at least four Non-Executive Directors in the next reporting period.

## Independent Commission for Aid Impact and National Audit Office audit reports

The Accounting Officer takes account of findings from the work of the Independent Commission for Aid Impact (ICAI), an ALB which is detailed below and the National Audit Office (NAO). During the financial year 2023-24, ICAI examined and reported on a range of subjects across ODA spending departments. It conducted full reviews of:

- Tackling fraud in UK aid: country case studies
- The UK's aid relationship with China up to 2023-24
- The UK Department of Health and Social Care (DHSC)'s aid-funded global health research and innovation
- UK aid's international climate finance (ICF) commitments
- UK aid to Ukraine
- The Blue Planet Fund
- UK aid to agriculture in a time of climate change
- UK aid for trade

ICAI conducted a rapid review which examined the FCDO's Programme Operating Framework (PrOF), and produced an information note on UK humanitarian aid to Afghanistan since 2021. ICAI also produced a wide-ranging report "UK aid under pressure: a synthesis of ICAI findings from 2019 to 2023" as well as its annual follow up review of 2022-23 reports to assess what progress has been made on implementing the agreed actions. The FCDO publishes its response to ICAI reports and gives evidence on them to the House of Commons International Development Select Committee.

In March 2024, the NAO published its report "progress with the merger of the FCO and DFID". More details of the report can be found in the One FCDO section on page 63.

The NAO publishes other reports and studies which the FCDO contributes to and recommendations from these reports since 2019 are published on the NAO's recommendation tracker. During the year to 31 March 2024, the

FCDO has been working on its recommendations and updates to these recommendations are published on the recommendations tracker. All NAO reports are also published on its website.

## Arm's Length Bodies (ALBs)

The Permanent Under-Secretary is the FCDO's Accounting Officer and responsible for:

- one executive agency: Wilton Park
- four executive non-departmental public bodies (NDPB): the Commonwealth Scholarship Commission; Westminster Foundation for Democracy; Great Britain-China Centre; and the Marshall Aid Commemoration Commission
- two advisory NDPBs: Independent Commission for Aid Impact; and the UK India Round Table

In addition, the FCDO sponsors the British Council – a public corporation, NDPB and charity, and FCDO Services, a trading fund and an executive agency. Both bodies are outside the FCDO accounting boundary. The FCDO is also a 100% shareholder in the public limited company British International Investment (BII). The FCDO operates an arm's-length relationship for its shareholding, meaning that day-to-day operations and investment decisions are independent of government. The FCDO's relationship with each ALB is agreed and set out in a published Framework Document. This includes sections on funding levels, jointly agreed priorities, performance measures, engagement, financial controls and the governance framework. The FCDO has also consolidated the results of UK Climate Investments (UKCI) for the period 1 April to 5 October 2023 after which UKCI was transferred to BII (see Note 18 to the financial statements). Information on each of the FCDO's ALBs is outlined below. Further summary information is provided in Note 6, and at Annex D outlining core income and expenditure for each entity alongside staffing numbers.

| | |
|---|---|
| **British Council** | The British Council is the UK's international organisation for cultural relations and educational opportunities. It is a charity governed by Royal Charter, a public corporation and a non-departmental public body sponsored by the FCDO. The FCDO provides the British Council with grant-in-aid in regular amounts not related to a specific contract. In 2023-24, the British Council received £161.5 million grant-in-aid of which £126.5 million was ODA. The Council also received £11.5 million Restructuring Grant of which £7 million was ODA. Volatility in key markets, the impact of geopolitical events and international relations, as well as the ongoing recovery from COVID-19, continue to present challenges to the British Council's activities and income. The British Council has taken steps to secure its financial position, including agreeing a £200 million loan facility with the FCDO in 2021. This loan is being used to support its minimum financial commitments and to fund its transformation programme. As of 31 March 2024, the British Council had drawn down £197 million (£138.1 million in 2022-23). No further drawdowns can now be made, and the Council is due to start repaying the loan in 2025-26. The British Council publishes its own annual report and accounts. |

| | |
|---|---|
| **Wilton Park** | Wilton Park is an executive agency of the FCDO, and administratively distinct from the department. It provides a platform for policy dialogue on international and strategic affairs, that brings together heads of state, government ministers, business leaders and civil society.<br><br>Between April 2023 and March 2024, Wilton Park hosted 79 dialogues and events. Topics for discussion included climate change, the global economy, global human rights, conflict prevention, resolution and state building, health, defence and security and sustainable development.<br><br>Wilton Park has coped well financially despite a difficult economic environment with inflationary pressures. In 2023-24, Wilton Park's total operating expenditure was £9.49 million and total operating income (including FCDO funding) was £8.35 million. Wilton Park produces its own annual report and accounts. |
| **Great Britain-China Centre (GBCC)** | The Great Britain-China Centre advances the UK's interests with China. They work to: improve the UK's China capabilities, a key priority of the Integrated Review Refresh; organise senior strategic dialogues between parliamentarians, legal experts and policymakers in China and the UK, which are used to deliver tough messages on Xinjiang, Tibet and Hong Kong; and deliver projects which support legal and judicial reform in China. In 2023-24, the GBCC received £350,000 grant-in-aid from the FCDO. GBCC produces its own annual report and accounts. |
| **Marshall Aid Commemoration Commission (MACC)** | The Marshall Aid Commemoration Commission was established under the 1953 Marshall Aid Commemoration Commission Act as an Executive Non-Departmental Public Body. The Commission awards up to 50 postgraduate scholarships to exceptional American scholars for study at leading UK universities. The FCDO provided the MACC with grant-in-aid of £2.7 million in 2023-24. The FCDO Scholarships Unit represents the FCDO at MACC board meetings. The Foreign Secretary signs off the MACC annual report and appointments to the MACC Board, including the Chair. The annual report and accounts can be found on the MACC website. |
| **Independent Commission for Aid Impact (ICAI)** | ICAI scrutinises UK aid spending. ICAI operates independently of government and reports to Parliament through the House of Commons International Development Committee or their ICAI Sub-committee. ICAI's formal remit is to provide independent evaluation and scrutiny of the impact and value for money of all UK government ODA. This involves carrying out several evidence-based reviews on strategic issues faced by the UK government's aid spending, informing and supporting Parliament in its role of holding the UK government to account and ensuring ICAI's work is made available to the public. ICAI's mandate covers all ODA, whichever department it is spent by. The total expenditure by ICAI in 2023-24 was £2,964,463. |

| | |
|---|---|
| **Westminster Foundation for Democracy (WFD)** | Westminster Foundation for Democracy (WFD) is the UK public body dedicated to strengthening democracy around the world. FCDO provided £6.5 million in 2023-24 to WFD in Grant-in-Aid. The Foreign Secretary is accountable to Parliament for the activities of WFD and has responsibility for approving their strategic objectives, the appointment of the CEO, the board, and laying of the WFD accounts before Parliament. The Democratic and Media Freedom Department is the sponsoring team in the FCDO and is the principal source of advice to the Foreign Secretary and the PUS on these matters. Officials report regularly to Ministers on WFD-related issues, in particular on funding, corporate planning and review-related issues. The annual report and accounts can be found on their website. |
| **Commonwealth Scholarship Commission (CSC)** | The Commonwealth Scholarship Commission in the UK awards scholarships and fellowships to Commonwealth citizens for postgraduate study and professional development and provides the UK government's scholarship scheme led by international development objectives. The CSC was established by an Act of Parliament in 1959 to manage the UK contribution to the Commonwealth Scholarship and Fellowship Plan, and it is an executive non-departmental public body. The FCDO is the lead department and main sponsor and provided the CSC with grant-in-aid in 2023-24 of £28.2 million. The CSC's annual report can be read online. |

## Closing statement

I am satisfied with the FCDO's governance arrangements in terms of safeguarding public funds. I am assured that the FCDO's corporate governance structures have adapted and functioned well to support the delivery of FCDO priorities in 2023-24.

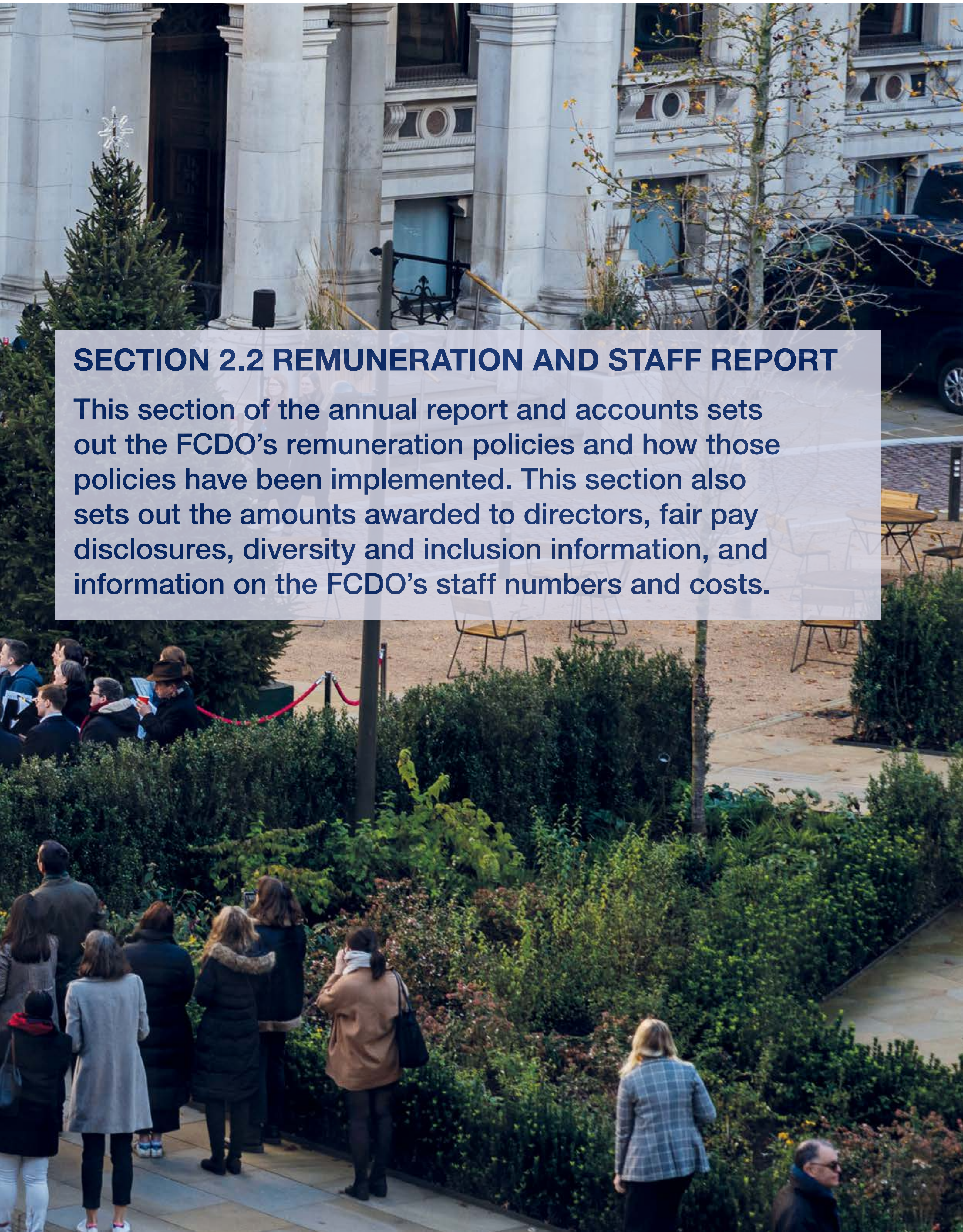
There were no ministerial directions during the reporting period 2023-24.

**Sir Philip Barton KCMG OBE**

Accounting Officer for the Foreign, Commonwealth and Development Office

23 July 2024

The FCDO joint headquarters at King Charles Street officially lights its Christmas tree gifted by Norway.



# SECTION 2.2 REMUNERATION AND STAFF REPORT

This section of the annual report and accounts sets out the FCDO's remuneration policies and how those policies have been implemented. This section also sets out the amounts awarded to directors, fair pay disclosures, diversity and inclusion information, and information on the FCDO's staff numbers and costs.

# Remuneration Report

## Service Contracts

The constitutional Reform and Governance Act 2010 requires Civil Service and Diplomatic Service appointments to be made on merit, on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold contracts which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at www.CivilServiceCommission.org.uk.

## Remuneration Policy

The pay of Senior Civil Servants (SCS) is set by the Prime Minister following independent advice from the Senior Salaries Review Body (SSRB). The SSRB takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. From time to time, the Review Body advises the Prime Minister on the pay, pensions and allowances of ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

In making its recommendations, the Review Body considers:

- The need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities.
- Regional and local variations in labour markets and their effects on the recruitment and retention of staff.
- Government policies for improving public services, including the requirement on departments to meet the output targets for the delivery of departmental services.
- The funds available to departments, as set out in the government's departmental expenditure limits.
- The government's inflation target, wider economic considerations, and the affordability of its recommendations.

Further information about the work of the SSRB body can be found at www.ome.uk.com.

In line with the government's transparency commitments, the FCDO publishes salary details of its SCS, in the format agreed with the Cabinet Office, on the government's website, www.gov.uk.

For the Permanent Under-Secretaries, remuneration is set by the Prime Minister on the recommendation of the Permanent Secretaries' Remuneration Committee.

## Remuneration (including salary) and Pension Entitlements

The following sections provide details of the remuneration and pension interests of the Ministers and most senior management (i.e. Management Board members) of the department.

### Remuneration for Ministers

| Ministers | Salary[14] 23-24 | Salary[14] 22-23 | Benefits in Kind (to nearest £100) 23-24 | Benefits in Kind (to nearest £100) 22-23 | Pension benefits[15] (to nearest £1,000) 23-24 | Pension benefits[15] (to nearest £1,000) 22-23 | Total (to nearest £1,000) 23-24 | Total (to nearest £1,000) 22-23 |
|---|---|---|---|---|---|---|---|---|
| Lord David Cameron *Secretary of State* (from 13/11/23)[16] | 40,006 | – | – | – | 11,000 | – | 51,000 | – |
| The Rt Hon James Cleverly *Secretary of State* (to 12/11/23)[17] | 45,003 | 46,871 | – | – | 10,000 | 10,000 | 55,000 | 57,000 |
| The Rt Hon Andrew Mitchell *Minister of State*[18] | 31,680 | 13,796 | – | – | 9,000 | – | 41,000 | 14,000 |
| The Rt Hon Anne-Marie Trevelyan *Minister of State* | 31,680 | 13,711 | – | – | 8,000 | 3,000 | 40,000 | 17,000 |
| Lord Ahmad of Wimbledon *Minister of State*[19] | – | 48,912 | – | – | – | 13,000 | – | 62,000 |
| The Rt Hon Lord Goldsmith *Minister of State* (to 30/06/23)[20] | – | – | – | – | – | – | – | – |
| Lord Benyon *Minister of State* (from 14/11/23)[21] | – | – | – | – | – | – | – | – |
| David Rutley *Parliamentary Under-Secretary of State*[22] | 22,375 | 9,624 | – | – | 6,000 | – | 28,000 | 10,000 |
| Leo Docherty *Parliamentary Under-Secretary of State* (to 25/03/24)[23] | 22,375 | 11,838 | – | – | 6,000 | 4,000 | 28,000 | 16,000 |
| Nusrat Ghani *Parliamentary Under-Secretary of State* (from 26/03/24)[24] | – | – | – | – | – | – | – | – |

14 'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private offices allowances and any other allowance to the extent that it is subject to UK taxation.
15 The value of pension benefits accrued during the year are calculated as the real increase in pension multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual; the real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.
16 Lord David Cameron Secretary of State full year equivalent salary was £104,363 for 2023-24.
17 The Rt Hon James Cleverly Secretary of State full year equivalent salary was £67,505 for 2023-24. The Rt Hon James Cleverly Secretary of State was paid £8,431 as Minister of State to 06/07/22, and the full year equivalent for that role was £31,680 and received pension benefits of £2,000 (to the nearest £1,000) as Minister of State in 2022-23. Total pension benefits for 2022-23 have been restated following a change in calculation methodology of the pension provider, which has also resulted in a restated total for 2022-23.
18 Ministerial pension scheme opt out in 2022-23.
19 This role became unpaid from 28/10/22.
20 Lord Goldsmith post was unpaid in 2022-23 and 2023-24.
21 Lord Benyon post is a joint role paid by the Department for Environment, Food and Rural Affairs.
22 David Rutley full year equivalent salary was £22,375 for 2022-23. Ministerial Pension Scheme opt out in 2022-23.
23 Leo Doherty full year equivalent salary was £22,375 for 2022-23.
24 Nusrat Ghani full year equivalent salary was £31,680 for 2023-24. This was not paid by the FCDO until 2024-25.

### Compensation for loss of office (subject to audit)

The Rt Hon James Cleverly left on 12 November 2023. The Rt Hon Lord Goldsmith left on 30 June 2023. Leo Docherty left on 25 March 2024. None left under severance terms or received compensation payments.

### Remuneration for senior managers (subject to audit)

Accrued pension benefits for directors are not included in this table for 2023-24 due to an exceptional delay in the calculation of these figures following the application of the public service pension remedy.

| | Salary (£000)[25] | | Benefits in Kind (to nearest £100) | | Bonus Payments (£000) | | Pension benefits (to nearest £1,000)[26] | | Total (£000)[27] | |
|---|---|---|---|---|---|---|---|---|---|---|
| Senior officials | 23-24 | 22-23 | 23-24 | 22-23 | 23-24 | 22-23 | 23-24 | 22-23 | 23-24 | 22-23 |
| Sir Philip Barton *Permanent Under-Secretary* [28] | 195-200 | 185-190 | – | – | 5-10 | – | 30 | 4 | 235-240 | 190-195 |
| Nick Dyer *Director General Humanitarian and Development* (to 02/07/23), *then Second Permanent Under-Secretary* | 150-155 | 125-130 | – | – | 5-10 | – | – | -72 | 160-165 | 55-60 |

25 'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.

26 The value of MyCSP pension benefits accrued during the year 2022-23 are calculated as the real increase in pension multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual; the real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights. Accrued MyCSP pension benefits for directors are not included in this table for 2023-24 due to an exceptional delay in the calculation of these figures following the application of the public service pension remedy: https://www.gov.uk/government/collections/how-the-public-service-pension-remedy-affects-your-pension. Some individuals have a Partnership pension scheme in addition to a MyCSP pension scheme. Where that is the case, pension benefits have been added together. Partnership pension benefits are calculated as the total employer pension contributions for the individual for the year.

27 Total remuneration for 2022-23 includes pension benefits for 2022-23.

28 Sir Philip Barton 2022-23 pension benefit was reported as -£19k and total 2022-23 remuneration was reported as £185-190k in the 2022-23 Annual report and Accounts. They have been restated to £4k and £190-195k respectively. Sir Philip Barton had a Partnership pension in 2022-23 and 2023-24.

| Senior officials | Salary (£000)[25] | | Benefits in Kind (to nearest £100) | | Bonus Payments (£000) | | Pension benefits (to nearest £1,000)[26] | | Total (£000)[27] | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 23-24 | 22-23 | 23-24 | 22-23 | 23-24 | 22-23 | 23-24 | 22-23 | 23-24 | 22-23 |
| Jenny Bates *Director General Indo-Pacific, then Director General Economics, Climate and Global Issues* (from 20/01/24) | 155-160 | 140-145 | – | – | 0-5 | – | – | 10 | 155-160 | 150-155 |
| Juliet Chua *Director General Finance and Corporate* (to 21/05/23)[29] | 25-30 | 140-145 | – | – | 5-10 | 5-10 | – | 17 | 30-35 | 165-170 |
| Thomas Drew *Director General Defence and Intelligence* (to 08/12/23)[30] | 95-100 | 140-145 | – | – | 5-10 | 5-10 | – | -11 | 105-110 | 140-145 |
| Chris Rampling *Interim Director General Defence and Intelligence* (from 08/12/23 to 16/02/24)[31] | 25-30 | – | – | – | – | – | – | – | 25-30 | – |
| Jonathan Allen *Director General Defence and Intelligence* (from 19/02/24)[32] | 15-20 | – | – | – | – | – | – | – | 15-20 | – |

29 Juliet Chua full year equivalent salary was £150-155k in 2023-24.
30 Thomas Drew full year equivalent salary was £145-150k in 2023-24.
31 Chris Rampling full year equivalent salary was £130-135k in 2023-24.
32 Jonathan Allen full year equivalent salary was £135-140k in 2023-24.

| Senior officials | Salary (£000)[25] 23-24 | 22-23 | Benefits in Kind (to nearest £100) 23-24 | 22-23 | Bonus Payments (£000) 23-24 | 22-23 | Pension benefits (to nearest £1,000)[26] 23-24 | 22-23 | Total (£000)[27] 23-24 | 22-23 |
|---|---|---|---|---|---|---|---|---|---|---|
| Kumar Iyer *Director General Economics, Science and Technology* (to 19/11/23)[33] | 90-95 | 130-135 | – | – | 5-10 | 5-10 | – | 50 | 95-100 | 190-195 |
| Vijay Rangarajan *Director General Americas, Middle East, and India* (to 03/03/24)[34] | 140-145 | 145-150 | – | – | 0-5 | 0-5 | – | 3 | 145-150 | 150-155 |
| Melinda Bohannon *Director Strategy* (to 08/07/23) then *Director General Humanitarian and Development* (interim to 31/12/23, and substantive from 08/01/24) | 125-130 | 105-110 | – | – | 0-5 | 0-5 | – | -6 | 130-135 | 100-105 |
| Tim Jones *Director Finance* [35] | 130-135 | 110-115 | – | – | 5-10 | 5-10 | – | 43 | 135-140 | 160-165 |
| Corin Robertson *Acting Director General – Africa and Latin America* (to 16/07/23), *Director General Finance and Corporate* (from 17/07/23) | 135-140 | 125-130 | – | – | 0-5 | 5-10 | – | 143 | 135-140 | 275-280 |

33 Kumar Iyer full year equivalent salary was £140-145k in 2023-24.
34 Vijay Rangarajan full year equivalent salary was £155-160k in 2023-24.
35 Tim Jones was interim DG Finance and Corporate from 09/05/23 to 16/07/23.

| Senior officials | Salary (£000)[25] 23-24 | 22-23 | Benefits in Kind (to nearest £100) 23-24 | 22-23 | Bonus Payments (£000) 23-24 | 22-23 | Pension benefits (to nearest £1,000)[26] 23-24 | 22-23 | Total (£000)[27] 23-24 | 22-23 |
|---|---|---|---|---|---|---|---|---|---|---|
| Mervyn Thomas[36] *Chief People Officer* | 150-155 | 140-145 | – | – | 5-10 | 0-5 | 26 | 24 | 180-185 | 165-170 |
| Sally Langrish *Director General Legal (Legal Adviser)*[37] | 135-140 | 115-120 | – | – | 0-5 | – | – | 45 | 135-140 | 160-165 |
| Peter Wilson *Director General Europe*[38] | 140-145 | – | – | – | 0-5 | – | – | – | 140-145 | – |
| Janine Lloyd-Jones *Director of Communication* (from 11/09/23)[39] | 70-75 | – | – | – | – | – | – | 1 | 70-75 | 0-5 |
| Colin Martin-Reynolds *Director Organisational Improvement* (from 10/07/23)[40] | 75-80 | – | – | – | 0-5 | – | – | – | 80-85 | – |
| Harriet Mathews *Director General Africa, Americas and Overseas Territories* (from 17/07/23)[41] | 95-100 | 105-110 | – | – | 0-5 | 5-10 | – | 116 | 95-100 | 225-230 |

36 Mervyn Thomas salary figure includes value from leave trading. Mervyn Thomas 2022-23 pension benefit was reported as 0 and total 2022-23 remuneration was reported as £140-145k in the 2022-23 Annual Report and Accounts. They have been restated to £24k and £165-170k respectively. Mervyn Thomas had a Partnership pension in 2022-23 and 2023-24.

37 Sally Langrish full year equivalent salary was £125-130k in 2022-23.

38 Peter Wilson commenced his role from 27/02/23, but did not transfer onto FCDO payroll until 1 April 2023.

39 Janine Lloyd-Jones previously attended the board as interim Director of Communication. She was on loan from Cabinet Office and not on FCDO payroll in 2022-23 and until September 2023. Her full year equivalent salary was £115-120k in 2023-24.

40 Colin Martin-Reynolds full year equivalent salary was £100-105k in 2023-24.

41 Harriet Mathews full year equivalent salary was £130-135k in 2023-24. Harriet Matthews held the role of Director General Geopolitics and Security to 01/02/23. The full year equivalent salary was £130-135k for 2022-23.

| Senior officials | Salary (£000)[25] 23-24 | 22-23 | Benefits in Kind (to nearest £100) 23-24 | 22-23 | Bonus Payments (£000) 23-24 | 22-23 | Pension benefits (to nearest £1,000)[26] 23-24 | 22-23 | Total (£000)[27] 23-24 | 22-23 |
|---|---|---|---|---|---|---|---|---|---|---|
| Dr Christian Turner *Director General Geopolitics and Political Director* [42] | 160-165 | 25-30 | – | – | 0-5 | – | – | 2 | 165-170 | 25-30 |
| Adnan Khan *Chief Economist* (from 01/01/24)[43] | 30-35 | – | – | – | – | – | – | – | 30-35 | – |
| Charlotte Watts Chief Scientific Advisor (from 01/01/24)[44] | – | – | – | – | – | – | – | – | – | – |
| Gareth Nugent *Interim Organisational Improvement Director* (from 01/05/23 to 01/07/23)[45] | – | – | – | – | – | – | – | – | – | – |
| Will Hines *Interim Director Strategy* (from 20/07/23)[46] | 70-75 | – | – | – | 0-5 | – | – | – | 75-80 | – |
| Pete Vowles *Director Transformation* (to 01/05/23)[47] | 10-15 | 50-55 | – | – | 0-5 | 5-10 | – | 4 | 10-15 | 60-65 |

42 Dr Christian Turner full year equivalent salary was £125-130k in 2022-23. His 2023-24 salary includes values for leave trading, increases in salary and allowances and backpayment of allowances that should have been paid in 2022-23.
43 Adnan Khan full year equivalent salary was £120-125k in 2023-24.
44 Charlotte Watts is on secondment from the London School of Hygiene and Tropical Medicine and is not on FCDO payroll.
45 Gareth Nugent is not on FCDO payroll and is paid by Cabinet Office.
46 Will Hines full year equivalent salary was £100-105k in 2023-24.
47 Pete Vowles full year equivalent salary was £100-105k in 2023-24 and 2022-23.

| Senior officials | Salary (£000)[25] 23-24 | 22-23 | Benefits in Kind (to nearest £100) 23-24 | 22-23 | Bonus Payments (£000) 23-24 | 22-23 | Pension benefits (to nearest £1,000)[26] 23-24 | 22-23 | Total (£000)[27] 23-24 | 22-23 |
|---|---|---|---|---|---|---|---|---|---|---|
| Joanna Roper *Overseas Network Representative* (from 01/06/23)[48] | 85-90 | – | – | – | 0-5 | – | – | – | 90-95 | – |
| Laure Beaufils *Overseas Network Representative* (from 01/06/23)[49] | 85-90 | – | – | – | 0-5 | – | – | – | 90-95 | – |
| Melanie Robinson *Overseas Network Representative* (to 01/06/23)[50] | 15-20 | 95-100 | – | – | 0-5 | 5-10 | – | 4 | 15-20 | 105-110 |
| Owen Jenkins *Interim Director General Indo-Pacific, Middle East and North Africa* (from 12/02/24)[51] | 15-20 | – | – | – | – | – | – | – | 15-20 | – |
| Kate White *Interim Director General Economics, Science and Technology* (from 06/11/23 to 21/01/24)[52] | 25-30 | – | – | – | – | – | – | – | 25-30 | – |
| Carmel Thornton *Interim Finance Director* (from 09/05/23 to 16/07/23)[53] | 15-20 | – | – | – | – | – | – | – | 15-20 | – |

48 Joanna Roper full year equivalent salary was £100-105k in 2023-24.
49 Laure Beaufils full year equivalent salary was £100-105k in 2023-24.
50 Melanie Robinson full year equivalent salary was £105-110k in 2023-24.
51 Owen Jenkins full year equivalent salary was £115-120k in 2023-24.
52 Kate White full year equivalent salary was £130-135k in 2023-24.
53 Carmel Thornton full year equivalent salary was £100-105k in 2023-24.

## Fees paid to non-executive board and committee members (subject to audit)

During 2023-24, the following fees and taxable expenses were paid to Non-Executive Directors of the Board and Committee Members:

| | Fees & Taxable Expenses paid | |
|---|---|---|
| **Non-Executive Directors of the Board** | **2023-24** | **2022-23** |
| Beverley Tew<br>*Interim Lead Non-Executive Director FCDO*[54] | £15,000-£20,000 | £15,000-£20,000 |
| John Coffey<br>*Non-Executive Director, Chair FCDO Audit and Risk Assurance Committee* | £15,000-£20,000 | £15,000-£20,000 |
| Ann Cormack<br>*Non-Executive Director FCDO* (until 30/11/23)[55] | £10,000-£15,000 | £15,000-£20,000 |
| Julia Grant<br>*Non-Executive Member, FCDO Investment and Delivery Committee* (until 30/11/23)[56] | £0-£5,000 | £5,000-£10,000 |
| Fiona Thompson<br>*Non-Executive Member, FCDO Audit and Risk Assurance Committee* | £5,000-£10,000 | £5,000-£10,000 |
| Chris Wood<br>*Non-Executive Member, FCDO Audit and Risk Assurance Committee* | £5,000-£10,000 | £5,000-£10,000 |

54 Beverley Tew was appointed Lead Non-Executive Director on 15 April 2024.
55 Ann Cormack full year equivalent fee was £15-20k in 2023-24.
56 Julia Grant full year equivalent fee was £5-10k in 2023-24.

## Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the department and thus recorded in these accounts. In respect of Ministers in the House of Commons, departments bear only the cost of the additional ministerial remuneration; the salary for their services as an MP and various allowances to which they are entitled are borne centrally. However, the arrangement for Ministers in the House of Lords is different in that they do not receive a salary but rather an additional remuneration, which cannot be quantified separately from their ministerial salaries. This total remuneration, as well as the allowances to which they are entitled, is paid by the department and is therefore shown in full in the figures above.

## Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the department and treated by HM Revenue and Customs as a taxable emolument. No benefits in kind have been paid in the current or prior year by the FCDO.

## Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. The bonuses reported in 2023-24 relate to performance in 2022-23 and the comparative bonuses reported for 2022-23 relate to performance in 2021-22.

## Pension benefits for ministers

| Ministers | Accrued pension at age 65 at 31/03/23 (£000) | Real increase in pension at age 65 (£000) | CETV at 31/03/24 or end date whichever is earlier (£000)[57] | CETV at 31/03/23 or start date whichever is earlier (£000)[58] | Real increase in CETV[59] (£000) |
|---|---|---|---|---|---|
| Lord David Cameron *Secretary of State* (from 13/11/23) | 0-5 | 0-2.5 | 13 | 0 | 9 |
| The Rt Hon James Cleverly *Secretary of State* (to 12/11/23) | 0-5 | 0-2.5 | 56 | 42 | 7 |
| The Rt Hon Andrew Mitchell *Minister of State* | 0-5 | 0-2.5 | 11 | 0 | 8 |
| The Rt Hon Anne-Marie Trevelyan *Minister of State* | 0-5 | 0-2.5 | 65 | 51 | 6 |
| Lord Ahmad of Wimbledon *Minister of State*[60] | n/a | n/a | n/a | n/a | n/a |
| The Rt Hon Lord Goldsmith *Minister of State* (to 30/06/23)[61] | n/a | n/a | n/a | n/a | n/a |
| Lord Benyon *Minister of State* (from 14/11/23)[62] | n/a | n/a | n/a | n/a | n/a |
| David Rutley *Parliamentary Under-Secretary of State* | 0-5 | 0-2.5 | 11 | 3 | 5 |
| Leo Docherty *Parliamentary Under-Secretary of State* (to 25/03/24) | 0-5 | 0-2.5 | 29 | 22 | 4 |
| Nusrat Ghani *Parliamentary Under-Secretary of State* (from 26/03/24) | 0-5 | 0-2.5 | 29 | 29 | 0 |

57 Remuneration reports show the CETVs of senior staff at the start and end of the reporting year, together with the real increase during that period. The real increase is the increase due to additional benefit accrual (i.e. as a result of salary changes and service) that is funded by the employer. It will be smaller than the difference between the start and end CETVs because it does not include any increase in the value of the pension due to inflation or due to the contributions paid by the employee or the value of any benefits transferred from another pension scheme. Nor does it include any increases (or decreases) because of any changes during the year in the actuarial factors used to calculate CETVs.

58 CETV at start date may differ from CETV at end date published in the 2022-23 Annual Report and Accounts following a change in calculations used by the pension provider.

59 CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2024.

60 This post was unpaid.

61 This post was unpaid.

62 Lord Benyon post is a joint role paid by the Department for Environment, Food and Rural Affairs.

## Ministerial Pensions

Pension benefits for Ministers are provided by the Parliamentary Contributory Pension Fund (PCPF). The scheme is made under statute and the rules are set out in the Ministers' etc. Pension Scheme 2015, available at https://mypcpfpension.co.uk/wp-content/uploads/2019/09/ministerial-pension-scheme-rules.pdf.

Those Ministers who are Members of Parliament may also accrue an MP's pension under the PCPF (details of which are not included in this report).

Benefits for Ministers are payable from State Pension age under the 2015 scheme. Pensions are revalued annually in line with Pensions Increase legislation both before and after retirement. The contribution rate from May 2015 is 11.1% and the accrual rate is 1.775% of pensionable earnings. The figure shown for pension value includes the total pension payable to the member under both the pre- and post-2015 ministerial pension schemes.

## Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement, when the member leaves a scheme and chooses to transfer the pension benefits, they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total ministerial service, not just their current appointment as a Minister. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax, which may be due when pension benefits are taken.

## Real increase in the value of CETV

This is the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the Minister. It is worked out using common market valuation factors for the start and end of the period.

## Civil Service Pensions

Accrued pension benefits for directors are not included for 2023-24 due to an exceptional delay in the calculation of these figures following the application of the public service pension remedy.

### Pension contributions

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as alpha – are unfunded multi-employer defined benefit schemes but the FCDO is unable to identify its share of the underlying assets and liabilities.

The scheme actuary valued the PCSPS at 31 March 2020. Details can be found at https://www.civilservicepensionscheme.org.uk/about-us/scheme-valuations/.

For 2023-24, employers' contributions of £102,303,739 were payable to the PCSPS (2022-23: £73,463,542) at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2023-24 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £709,073 were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age related and ranged from 8% to 14.75%.

Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £24,408, 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were £0. Contributions prepaid at that date were £0.

The total employer pension contributions detailed above will not cross reference to the staff costs table pension cost due to payments made for overseas pension contributions which are not detailed above but are included within the staff costs table.

# Staff Report

## Our Workforce

The FCDO had 17,532 employees at 31 March 2024 comprising 8,167 (47%) UK-Based (UKB) staff and 9,365 (53%) Country Based Staff. The UKB full-time equivalent was 8,034.4. At the 31 March 2024, 73% of UKB staff were working in the UK and 27% were based overseas.

### FCDO Staff Headcount

| Type of staff | Employees at 31/03/2024 | Employees at 31/03/2023 |
|---|---|---|
| UK Based Staff | 8,167 | 7,601 |
| Country Based Staff | 9,365 | 9,432 |
| Ministers | 7 | 7 |
| Special Advisors | 4 | 5 |

### Our Workforce Structure

The FCDO has a Senior Civil Servants (SCS) structure comprising four pay bands.

***Number of SCS employed by the FCDO***

| Grade | FCDO SCS at 31/03/2024 | FCDO SCS at 31/03/2023 |
|---|---|---|
| Permanent Under-Secretary | 2 | 1 |
| SCS4 | 1 | 1 |
| SCS3 | 36 | 34 |
| SCS2 | 136 | 137 |
| SCS1 | 414 | 404 |
| **Total** | **589** | **577** |

*Salary for SCS Pay Bands*

| SCS Pay Band | Cabinet Office minimum | Cabinet Office maximum |
|---|---|---|
| Permanent Under-Secretary / SCS4 | £150,000 | £200,000 |
| Director General | £127,000 | £208,100 |
| Director / SCS2 | £97,000 | £162,500 |
| Deputy Director SCS1 | £75,000 | £117,800 |

Staffing levels have increased since March 2023 to enable us to deliver the FCDO's commitments and priorities. Staffing levels will be managed in line with our existing spending review settlement. The turnover rate for UKB staff in 2023-24 was 7.2%.

## Staff Loans

Career experience outside of the FCDO helps to build expertise and organisational agility.

*Number of staff loaned to the FCDO at 31 March 2024 from Other Government Departments*

| Grade | Loaned in total | Loaned in for <6 months | Loaned in for 6+ months | Average Loan length (in years) |
|---|---|---|---|---|
| AO | 2 | 0 | 2 | 1 |
| EO | 31 | 5 | 26 | 1 |
| HEO | 163 | 36 | 127 | 1 |
| SEO | 113 | 35 | 78 | 1 |
| G7 | 207 | 39 | 168 | 2 |
| G6 | 49 | 7 | 42 | 1 |
| SCS | 56 | 8 | 48 | 2 |
| **Total** | **621** | **130** | **491** | **1** |

*Number of staff loaned from the FCDO at 31 March 2024 to Other Government Departments*

| Grade | Loaned out total | Loaned out for <6 months | Loaned out for 6+ months | Average Loan length (in years) |
|---|---|---|---|---|
| AO | 0 | 0 | 0 | 0 |
| EO | 1 | 0 | 1 | 2 |
| HEO | 9 | 0 | 9 | 2 |
| SEO | 5 | 1 | 4 | 1 |
| G7 | 34 | 3 | 31 | 2 |
| G6 | 41 | 5 | 36 | 1 |
| SCS | 28 | 3 | 25 | 1 |
| **Total** | **118** | **12** | **106** | **1** |

## Average Number of Persons Employed (subject to audit)

The average number of UK-Based full-time equivalent persons (FTE) employed by the FCDO during 2023-24 was 7,809.8. The number of FTE FCDO UK-Based for 2022-23 was 7,178.2.

| | Permanently employed staff | Others | Ministers | Special Advisors | Total |
|---|---|---|---|---|---|
| Total staff | 7,980 | – | 6 | 4 | 7,990 |
| Of which: | | | | | |
| Core department | 7,810 | – | 6 | 4 | 7,820 |
| Agencies | 156 | – | – | – | 156 |
| Other designated bodies | 14 | – | – | – | 14 |

## Staff costs (subject to audit)

All staff costs relate to the staff of the FCDO. The numbers in the table below are included in 'Staff costs' within the Consolidated Statement of Comprehensive Net Expenditure and in note 3 Expenditure, which also include costs for the Departmental Group.

| FCDO | Permanently employed staff (£000) | Others (£000) | Ministers[63] (£000) | Special Advisors (£000) | 2023-24 Total (£000) | 2022-23 Total (£000) |
|---|---|---|---|---|---|---|
| Wages and salaries | 747,648 | – | 195 | – | 747,843 | 666,574 |
| Social security costs | 43,034 | – | 19 | – | 43,053 | 36,025 |
| Other pension costs | 120,617 | – | – | – | 120,617 | 105,185 |
| Sub total | 911,299 | – | 214 | – | 911,513 | 807,784 |
| Recoveries in respect of outward secondments | (2,071) | – | – | – | (2,071) | (1,369) |
| Total net costs | 909,228 | – | 214 | – | 909,442 | 806,415 |

## Fair Pay Disclosures (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the lower, median and upper quartiles remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in the FCDO in the financial year 2023-24 was £205-210k (2022-23: £185-190k). This was 3.88 times (2022-23: 3.75) the median remuneration of the workforce, which was £53,451 (2022-23: £49,955), 5.06 times (2022-23: 5.18) the 25th percentile remuneration of the workforce, which was £41,000 (2022-23:

63 Total Ministerial costs include £1,500 for previous minister The Rt Hon Gillian Keegan, relating to her role in 2022-23.

£36,212) and 3.14 times (2022-23: 3.06) the 75th percentile remuneration of the workforce, which was £66,169 (2022-23: £61,369). In 2023-24, no employee received remuneration in excess of the highest-paid director. Remuneration ranged from £26,500-£210,000 (2022-23: £20,948-£190,000). For the purpose of fair pay disclosures, Directors are members of the board of management.

Remuneration includes gross salary, non-consolidated performance-related pay, overtime, reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Changes in pay ratios are attributed to changes in remuneration of the highest paid director and the pay and benefits of employees taken as a whole; increases in remuneration are in line with approved pay policies.

| Total Remuneration | 2023-24 | 2022-23 | % Change |
|---|---|---|---|
| Band of highest paid director's total remuneration | £205-210k | £185-190k | 10.67 |
| 25th percentile remuneration of all UK Based Staff | £41,000 | £36,212 | 13.22 |
| Ratio | 5.06 | 5.18 | -2.32 |
| Median remuneration of all UK Based Staff | £53,451 | £49,955 | 7.00 |
| Ratio | 3.88 | 3.75 | 3.47 |
| 75th percentile remuneration of all UK Based Staff | £66,169 | £61,369 | 7.82 |
| Ratio | 3.14 | 3.06 | 2.61 |

| Total Salary | 2023-24 | 2022-23 | % Change |
|---|---|---|---|
| Band of highest paid director's total salary[64] | £190-195k | £180-185k | 5.50 |
| 25th percentile total salary of all UK Based Staff | £36,038 | £34,000 | 5.99 |
| Ratio | 5.34 | 5.37 | -0.56 |
| Median total salary of all UK Based Staff | £45,961 | £46,000 | -0.08 |
| Ratio | 4.19 | 3.97 | 5.54 |
| 75th percentile total salary of all UK Based Staff | £60,486 | £58,714 | 3.02 |
| Ratio | 3.18 | 3.11 | 2.25 |

***Percentage change in total salary and bonuses for the highest paid Director and the staff average***

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| Total Salary | Total Salary | Bonus | Total Salary | Bonus |
| Highest Paid Director | 5.50% | 100.00% | 0.00% | 0.00% |
| Staff Average | 3.75% | 245.22% | -0.23% | -9.52% |

64 Band of highest paid director's total salary in 2022-23 was reported as £185-190k in the 2022-23 Annual Report and Accounts. It has been restated to £180-185k.

Country-based staff remuneration and salaries are excluded from the fair pay disclosure calculations. Their salaries are paid in local currency, based on local market conditions and subject to individual countries taxation and social security arrangements. The variation of arrangements plus differences in rates of pay and local purchasing power would distort the calculation and would make comparisons with other organisations impossible.

## Diversity and Inclusion

Our aspiration is to be a truly inclusive organisation which delivers better outcomes for the citizens we serve. Diversity, inclusion and belonging matter because people perform better when they feel valued and respected at work. In line with the Civil Service Diversity and Inclusion Strategy we aim to attract, retain, and invest in talent wherever it is found.

We aim to reflect the diversity of the UK economically active population. Overall, this aspiration is met and the FCDO is becoming more diverse: FCDO UKB staff are 51.3% women, 19.8% Ethnic Minorities, 19.8% have disabilities and 9.6% are LGBO. However, we want to make sustained progress in increasing diversity at more senior grades particularly in the SCS.

The FCDO uses an evidence-based, data-led approach to improve diversity of representation, as well as promoting inclusion for all staff, putting into place targeted interventions, and measuring the impact of these.

***Gender split of employees***

| FCDO | Women | Men |
|---|---|---|
| UKB SCS | 45.3% | 54.7% |
| UKB Delegated Grades | 51.7% | 48.3% |
| Country Based Staff | 45.6% | 54.4% |

| FCDO – Directors | Women | Men |
|---|---|---|
| UKB SCS | 37% | 63% |

For the purpose of diversity and inclusion reporting, we have defined Directors as all staff at SCS2 level.

***Declared Diversity of FCDO UK-Based Staff at 31 March 2024***

| Demographic | Total UKB Staff | SCS | Total Delegated Grades | G6 | G7 | SEO | HEO | EO | AO and AA |
|---|---|---|---|---|---|---|---|---|---|
| Female | 51.3% | 45.3% | 51.7% | 47.5% | 52.1% | 52.9% | 51.1% | 56.0% | 57.3% |
| Ethnic Minority Background | 19.8% | 11.4% | 20.5% | 13.2% | 16.0% | 17.4% | 25.3% | 29.6% | 31.4% |
| Disabled | 19.8% | 11.9% | – | 20.8% | – | – | 18.4% | 25.1% | – |
| LGBO[65] | 9.6% | 8.3% | 9.7% | 8.4% | 9.4% | 8.3% | 10.7% | 8.5% | 10.7% |

65 LGBO – Lesbian, Gay, Bi-Sexual and Other

The FCDO encourages staff to supply diversity data, but it is not mandatory and reporting rates vary by characteristic. We are working to increase diversity data reporting rates. To protect the privacy of staff who do not wish to record any of this personal information, individuals can record on the database that they do not wish to declare. Data for AA and AO grades and all SCS grades have been merged due to the small numbers in these grades. Reporting of disability in some grades has dropped below 50% so the numbers have been withheld; we are working to increase reporting in these grades. These figures exclude all staff working from other Whitehall Partners on the FCDO platform overseas, including Wilton Park and FCDO Services.

The FCDO aims to employ a diverse range of talented people capable of delivering to a high standard, often under pressure and sometimes in difficult places. We want the FCDO to reflect the very best of 21st century Britain. We encourage applications from applicants irrespective of background or gender, ethnicity, disability, sexual orientation, socio-economic background or any other protected characteristic.

Recruitment into the FCDO is based on merit and fair and open competition, adhering to the Civil Service Recruitment Principles. Internal appointments and promotions are also based on the same principles of fair and open competition.

The FCDO applies the Disability Confident Scheme (DCS) to internal as well as external job recruitment processes. Hiring managers are required to ensure that candidates with disabilities are not discriminated against and apply the Disability Confident Guaranteed interview criteria. The Guaranteed Interview Scheme commits to offering an interview to any person with a disability as defined by the Equality Act 2010 provided they can demonstrate that they meet the minimum requirements for the role. Before interviews, candidates are also consulted about reasonable adjustments required, to ensure a fair and transparent process for all.

Since 2021, the FCDO has been an accredited ‘Disability Confident Level 3 Leader’ under the government’s Disability Confident Scheme, which denotes organisations that have a positive commitment towards disabled people. Disability support for UK based staff complies with the Equality Act 2010, which requires employers to make “reasonable adjustments” in the workplace when a member of staff has a disability or long-term health condition which places them at a substantial disadvantage compared to an employee without a disability. We have a dedicated HR team which supports disability related workplace adjustments for hundreds of FCDO staff. Terms and conditions for Country Based Staff working at FCDO Posts overseas are governed by local law, which means there is no legal duty to comply with the terms of the Equality Act 2010 in respect of Country Based Staff. Nevertheless, the FCDO encourages Posts to adopt a best practice approach and observe the spirit of UK legislation.

Disabilities and long-term conditions disclosed by UK-based staff cover a broad range of conditions, including neuro-diverse conditions (e.g. dyslexia, dyspraxia and autism), mobility issues and hearing or visual impairments. Reasonable adjustments for staff with disabilities can include the supply of specialised office equipment and/or provision of Assistive Technology software and hardware and appropriate training. Awareness training and support is also available to staff with disabilities, their managers and (where appropriate) team colleagues. Additionally, staff who are profoundly deaf or with a significant hearing impairment can request the support of qualified British Sign Language interpreters and lip speakers.

We are also keen to understand the socio-economic diversity of our workforce. Over the last year we have expanded our diversity data to collect information of the socio-economic background of staff for the first time in the FCDO, based on best practice from the Social Mobility Commission. This data will form our baseline and we will regularly monitor changes in representation and reviewing outcomes in the employee lifecycle.

## Health, Safety and Wellbeing

### FCDO Health and Safety

The FCDO's health and safety (H&S) performance has improved over 2023-24, following a period of transformative work. New assurance processes have resulted in a more visible and supportive centralised function, and a more engaged workforce. The FCDO is now operating at a maturity level commensurate with that which was targeted in the FCDO 2022-2025 H&S Strategy. We have embedded and strengthened our governance structures for the effective management and oversight of H&S, making progress against the aims set out in our 2022-25 H&S Strategy. Our H&S Operating Model, H&S Vision and H&S Assurance Framework also continue to provide a mechanism to assure compliance.

As part of our ongoing digital improvement work, we have continued to see an increased volume of reporting, a positive indication of wider engagement on risk management. From 2021 to 2024, our engagement rate is up 2600%. It is expected that the rate of incidents seen this year will start to plateau across 2024-25 as we better understand the norms across the FCDO with respect to incidents and reporting rates.

Work has continued across our global network to ensure that all Posts are applying the standards of safety and health expected of them, against both FCDO standards and local law. This year we completed the first FCDO H&S Assurance Framework and self-assurance exercise. With an engagement rate of over 90%, this level of compliance and network involvement has moved the FCDO from a 'Developing' level of H&S maturity to 'Integrated'.

In supporting our colleagues and global network, the H&S Function have prioritised greater visibility this year, supporting Posts on-the-ground with their management of safety and health.

Proactive and reactive (investigation related) visits have taken place to our Missions in: Riyadh, Sydney, Canberra, Nairobi, Accra, New Delhi, Panama City, Berlin and Paris.

We have developed and launched new, immersive mandatory health and safety training, which will provide colleagues with an awareness of key safety and health matters in an interactive learning environment.

### FCDO Wellbeing

The FCDO faces exceptional wellbeing challenges. The majority of our staff work overseas, and many work in hostile or challenging environments far from home, family, and friends. We are responding with a range of interventions. Our home welfare and overseas welfare teams assist colleagues and managers in the UK and overseas, drawing on advice from our Mental Health Experts Advisory Group. We have recently launched a welfare strategy to our staff, as well as guidance about exposure to potentially distressing material. Staff can receive support from our refreshed global network of over 355 Mental Health First Aiders, and an active Mental Health, Wellbeing and Listening Network. During 2023, we conducted around 60 Trauma Risk Management assessments in places like Tel Aviv and Jerusalem. All staff (and adult dependants posted overseas) have 24/7 access to the FCDO's Employee Assistance Programme whose provider also arranges bespoke support for priority posts.

## Staff Engagement

The annual Civil Service People Survey looks at civil servants' experience of working in government departments and is a helpful way to measure year on year progress. This was the fourth survey since the FCDO was formed in 2020.

Staff completed the survey during September and October 2023 with an increased response rate of 71%, compared with 70% in 2022. The FCDO's overall Employee Engagement Index (the measure of employee commitment to organisational goals and values) was up five points to 66% (compared to 61% in 2022 and the Civil Service 2023 benchmark of 64%).

In January 2024, the FCDO People and Operations Committee endorsed a set of initiatives to continue the multi-year response to the results.

## Sickness Absence Rates

The FCDO measures the average number of days lost to sickness absence, known as the average working days lost (AWDL) for our UKB staff, based on the number of full-time equivalent employees.

In 2023, the FCDO had an AWDL of 3.7, which is an increase of 0.6 when compared to the 2022 figure of 3.1.

| Sickness Absence in FCDO | 2023 | 2022 |
|---|---|---|
| Working days lost (short-term absence) | 11,957 | 9,983 |
| Working days lost (long-term absence) | 16,165 | 11,500 |
| Total working days lost | 28,122 | 21,483 |
| AWDL | 3.7 | 3.1 |
| Number of staff absent as a result of sickness | 2,437 | 1,999 |
| Percentage of staff with no sickness absence | 72% | 76% |

## Ill Health Retirement

Two individuals retired early on ill-health grounds.

## Expenditure on Consultancy and Temporary Staff

Professional services and external resources can generally be split into two broad categories. Temporary staff includes temporary workers, interim managers and specialist contractors who are used to cover business as usual or service delivery activity, within an organisation. Consultancy includes staff who provide objective advice relating to strategy, structure, management, or operations of an organisation and may include the identification of options with recommendations.

Spend on consultancy and the need for temporary staff within the FCDO is largely driven by the nature of the projects being undertaken and the expertise required. At a high level, consultancy spend and costs for temporary staff are associated to IT and digital activity which includes supporting the implementation of the Hera programme, priority programmes and merger activity where temporary and specialist expertise has been needed to ensure delivery.

*Consultancy costs and spend on temporary staff for the FCDO*

| Costs | 2023-24 | 2022-23 |
|---|---|---|
| Consultancy costs[66] | 3,502,503 | 4,259,979 |
| Temporary staff costs | 34,872,426 | 49,105,281 |

*Consultancy costs and spend on temporary staff for ALBs*

| | GBCC | | WFD | | WP | | Total | |
|---|---|---|---|---|---|---|---|---|
| ALB[67] | 2023–24 | 2022–23 | 2023-24 | 2022–23 | 2023–24 | 2022–23 | 2023-24 | 2022-23 |
| Total spend on Consultancy staff | 301,307 | 284,905 | 0 | 0 | 49,093 | 23,497 | 350,400 | 308,402 |
| Total spend on Temporary staff | 75,744 | 78,853 | 141,273 | 178,899 | 92,929 | 70,951 | 309,946 | 328,703 |

66 Consultancy services are defined by the Cabinet Office and Financial Reporting Manual.
67 GBCC – Great Britain China Centre, WFD – Westminster Foundation for Democracy, WP – Wilton Park.

## Off-Payroll Engagements

For all off-payroll engagements at 31 March 2024 earning £245 per day or greater:

| Type | Core Dept | ALBs | Group |
|---|---|---|---|
| Number of existing engagements as of 31 March 2024 | 365 | 2 | 367 |
| *Of which* | | | |
| less than 1 year | 123 | 1 | 124 |
| between 1 and 2 years | 91 | 0 | 91 |
| between 2 and 3 years | 52 | 1 | 53 |
| between 3 and 4 years | 48 | 0 | 48 |
| for 4 or more years | 51 | 0 | 51 |

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2024, earning £245 or greater:

| Type | Core Dept | ALBs | Group |
|---|---|---|---|
| No. of temp off-payroll workers engaged at any point during the year ended 31 March 2024 | 517 | 4 | 521 |
| *Of which* | | | |
| Not subject to off-payroll legislation | 0 | 1 | 1 |
| Subject to off-payroll legislation and determined as in-scope of IR35 | 270 | 3 | 273 |
| Subject to off-payroll legislation and determined as not in-scope of IR35 | 247 | 0 | 247 |
| No. of engagements reassessed for compliance or assurance purposes during the year | 330 | 0 | 330 |
| *Of which* | | | |
| No. of engagements that saw a change to IR35 status following the consistency review | 2 | 0 | 2 |

For any off-payroll engagement of board members, and/or senior officials with a significant finance responsibility between 1 April 2023 and 31 March 2024 for the FCDO:

| Type | Main Department | Agencies | ALBs | Departmental group |
|---|---|---|---|---|
| Number of off-payroll engagements of Board members and/or senior officials with significant financial responsibility during the financial year | 0 | 0 | 0 | 0 |
| Total number of individuals on payroll and off payroll that have been deemed "board members and/or senior officials with significant financial responsibility" during the financial year. This figure includes both on payroll and off-payroll engagements. | 30 | 18 | 27 | 75 |

## Reporting of Civil Service and Other Compensation Schemes – Exit Packages

### UK Based staff exits (subject to audit)

*FCDO 2023-24 (Comparative data for previous year 2022-23 shown in brackets)*

| | *Core Department FCDO UK Based* | | | *Core Department and Agencies FCDO UK Based* | | |
|---|---|---|---|---|---|---|
| Exit package cost band[68,69,70] | Number of compulsory redundancies | Number of other departures agreed | Total number of exit packages by cost band | Number of compulsory redundancies | Number of other departures agreed | Total number of exit packages by cost band |
| <£10,000 | 0 (0) | 0 (0) | 0 (0) | 0 (0) | 0 (0) | 0 (0) |
| £10,000 – £25,000 | 0 (0) | 1 (25) | 0 (25) | 0 (0) | 1 (25) | 1 (25) |
| £25,000 – £50,000 | 0 (0) | 3 (15) | 3 (15) | 0( 0) | 3 (15) | 3 (15) |
| £50,000 – £100,000 | 0 (0) | 58 (2) | 59 (2) | 0 (0) | 58 (2) | 58 (2) |
| £100,000 – £150,000 | 0 (0) | 0 (1) | 0 (1) | 0 (0) | 0 (1) | 0 (1) |
| £150,000 – £200,000 | 0 (0) | 0 (0) | 0 (0) | 0 (0) | 0 (0) | 0 (0) |
| Total number of exit packages | 0 (0) | 62 (43) | 62 (43) | 0 (0) | 62 (43) | 62 (43) |
| **Total cost £000** | | | **5,507 (1,177)** | | | **5,207 (1,177)** |

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs have been accounted for on an accruals basis.

68 Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and not included in the table.
69 Payments attributed to the financial year the exit occurred rather than payment occurred.
70 Payments of standard contractual CILON/PILON excluded. Payments for Dismissal with compensation included. Payment of redundancy to Fixed Term Employees included.

## Country Based Staff Exits (subject to audit)

***FCDO 2023-24 (Comparative merged data for previous year 2022-23 shown in brackets)***

| Exit package cost band | Number of compulsory redundancies | Number of other departures agreed | Total number of exit packages by cost band |
|---|---|---|---|
| <£10,000 | 223 (59) | 206 (194) | 429 (253) |
| £10,000–£25,000 | 42 (28) | 75 (49) | 117 (77) |
| £25,000–£50,000 | 17 (4) | 27 (15) | 44 (19) |
| £50,000–£100,000 | 9 (5) | 17 (8) | 26 (13) |
| £100,000–£150,000 | 3 (0) | 3 (3) | 6 (3) |
| £150,000–£200,000 | 2 (1) | 0 (2) | 2 (3) |
| Total number of exit packages | 296 (97) | 328 (271) | 624 (368) |
| **Total cost £000** | **3,615 (1,301)** | **4,242 (3,087)** | **7,857 (4,388)** |

## Trade Union Disclosures

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisations. The FCDO Trade Union (TU) Facility time includes FCDO Services and Wilton Park; the TU officials represent members from the 3 organisations.

The total number of employees who were relevant union officials during the period 1 April 2023 to 31 March 2024 was:

***Number of employees who were relevant union officials during the relevant period***

| Number of employees | FTE employee number |
|---|---|
| 40 | 39.6 |

### Percentage of time spent on facility time

Employees who were relevant union officials employed during the period 1 April 2023 to 31 March 2024 spent the following percentage of their working hours on facility time:

| Percentage of time | Number of employees |
|---|---|
| 0% | 33 |
| 1-50% | 7 |
| 51-99% | 0 |
| 100% | 0 |

### Percentage of pay bill spend on facility time

The percentage of pay bill spent on paying employees who were relevant union officials for facility time during the period of 1 April 2023 to 31 March 2024 was:

| Description | Figures |
|---|---|
| Total cost of facility time | £137,068 |
| Total pay bill | £746,408,000 |
| Percentage of the total pay bill spend on facility time, calculated as (total cost of facility time ÷ total pay bill) x 100 | 0.02% |

### Paid trade union activities

Of the total facility time hours available to employees who were relevant union officials, the table below represents the percentage of that time spend on union activities during the period 1 April 2023 to 31 March 2024:

| Description | Figures |
|---|---|
| Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100 | 0 |

State opening of Parliament 2023. Credit: Copyright House of Lords 2023 / Photography by Roger Harris.

# SECTION 2.3 PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

This section of the annual report and accounts brings together key parliamentary accountability documents including the Statement of Outturn against Parliamentary Supply and supporting notes, regularity of expenditure, all other requirements as set out in Managing Public Money and the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

# Statement of Outturn against Parliamentary Supply

## Summary of Resource and Capital Outturn 2023-24

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires the FCDO to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes.

The SOPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SOPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. The Supply Estimate is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund), that Parliament gives statutory authority for entities to utilise. The Estimate details Supply and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SOPS mirrors the Supply Estimates, published on gov.uk, to enable comparability between what Parliament approves and the final outturn.

The SOPS contain a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn won't exactly tie to cash spent) and administration costs.

The supporting notes detail the following: Outturn by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the CSoCNE, to tie the SOPS to the financial statements (note 2); a reconciliation of outturn to net cash requirement (note 3); and, an analysis of income payable to the Consolidated Fund (note 4).

Figures in the areas outlined in thick line cover the voted control limits voted by Parliament. Refer to the Supply Estimates guidance manual, available on gov.uk, for detail on the control limits voted by Parliament.

Parliamentary control of FCDO spending applies to:

- The net resource DEL requirement;
- The net capital DEL requirement;
- The net resource AME requirement; and,
- The net cash requirement for the Estimate as a whole

The SOPS provides a detailed view of financial performance, in a form that is voted on and recognised by Parliament. Explanations of variances between estimate and outturn are given in the Financial Review (page 68).

## Summary tables – mirrors part 1 of the Estimates

*Summary Table 2023-24*

| | | | | 2023-24 | | | | | | 2022-23 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Outturn | | | Estimate | Saving / (Excess) | | Outturn |
| | Note | Voted | Non-Voted | Total | Voted | Non-Voted | Total | Voted | Total | Total |
| | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| **Departmental Expenditure Limit** | | | | | | | | | | |
| Resource | SOPS 1.1 | 7,576,212 | 432,000 | 8,008,212 | 7,747,815 | 434,000 | 8,181,815 | 171,603 | 173,603 | 7,428,318 |
| Capital | SOPS 1.2 | 3,448,985 | – | 3,448,985 | 3,588,237 | – | 3,588,237 | 139,252 | 139,252 | 2,151,635 |
| **Total** | | **11,025,197** | **432,000** | **11,457,197** | **11,336,052** | **434,000** | **11,770,052** | **310,855** | **312,855** | **9,579,953** |
| **Annually Managed Expenditure** | | | | | | | | | | |
| Resource | SOPS 1.1 | 202,607 | – | 202,607 | 852,733 | – | 852,733 | 650,126 | 650,126 | 485,362 |
| Capital | SOPS 1.2 | 433,000 | – | 433,000 | 433,000 | – | 433,000 | – | – | 289,500 |
| **Total** | | **635,607** | **–** | **635,607** | **1,285,733** | **–** | **1,285,733** | **650,126** | **650,126** | **774,862** |
| **Total Budget** | | | | | | | | | | |
| Resource | SOPS 1.1 | 7,778,819 | 432,000 | 8,210,819 | 8,600,548 | 434,000 | 9,034,548 | 821,729 | 823,729 | 7,913,680 |
| Capital | SOPS 1.2 | 3,881,985 | – | 3,881,985 | 4,021,237 | – | 4,021,237 | 139,252 | 139,252 | 2,441,135 |
| **Total Budget Expenditure** | | 11,660,804 | 432,000 | 12,092,804 | 12,621,785 | 434,000 | 13,055,785 | 960,981 | 962,981 | 10,354,815 |
| **Non-Budget** | | – | – | – | – | – | – | – | – | – |
| **Total Budget and Non Budget** | | 11,660,804 | 432,000 | 12,092,804 | 12,621,785 | 434,000 | 13,055,785 | 960,981 | 962,981 | 10,354,815 |

## Summary of Net Cash Requirement

| | | | | 2023-24 | 2022-23 |
|---|---|---|---|---|---|
| | Note | Outturn | Estimate | Saving/(Excess) | Outturn |
| | | £000 | £000 | £000 | £000 |
| Net cash requirement | SOPS 3 | 10,238,223 | 10,465,944 | 227,721 | 9,635,371 |

## Summary of Administration Costs

| | | | | 2023-24 | 2022-23 |
|---|---|---|---|---|---|
| | Note | Outturn | Estimate | Saving/(Excess) | Outturn |
| | | £000 | £000 | £000 | £000 |
| Administration Costs | | 301,269 | 326,261 | 24,992 | 305,073 |

The SOPS and Estimates are compiled against the budgeting framework, which is similar to, but different to IFRS. An understanding of the budgeting framework and an explanation of key terms is provided on page 68 in the financial review section of the performance report. Further information on the Public Spending Framework and the reasons why budgeting rules are different to IFRS can also be found in Chapter 1 of Consolidated Budgeting Guidance, available on gov.uk.

Although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

## SOPS 1 Outturn detail, by Estimate line

### SOPS 1.1 Analysis of net resource outturn by Estimate line

| | | | | | | | | | | | 2023-24 | 2022-23 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Resource Outturn | | | | | | | Estimate | | | Outturn vs estimate saving/ (excess) £000 | Prior Year Outturn Total £000 |
| | Administration | | | Programme | | | | | | | | |
| | Gross £000 | Income £000 | Net £000 | Gross £000 | Income £000 | Net £000 | Total £000 | Total £000 | Vire-ments £000 | Total inc. Virements £000 | | |
| **Spending in Departmental Expenditure Limits (DEL)** | | | | | | | | | | | | |
| **Voted expenditure** | | | | | | | | | | | | |
| A: Operating costs, frontline diplomacy and overseas network | 326,483 | (25,214) | 301,269 | 1,744,198 | (268,382) | 1,475,816 | 1,777,085 | 1,812,221 | – | 1,812,221 | 35,136 | 1,595,687 |
| B: Funding for NDPBs within Departmental Group (Net) | – | – | – | 39,607 | – | 39,607 | 39,607 | 41,938 | – | 41,938 | 2,331 | 41,383 |
| C: British Council | – | – | – | 176,606 | – | 176,606 | 176,606 | 176,606 | – | 176,606 | – | 164,709 |
| D: Regional bilateral programmes | – | – | – | 1,580,882 | – | 1,580,882 | 1,580,882 | 1,911,897 | (331,015) | 1,580,882 | – | 1,732,174 |
| E: Core multilateral programmes | – | – | – | 2,493,442 | – | 2,493,442 | 2,493,442 | 1,803,660 | 689,782 | 2,493,442 | – | 1,747,696 |
| F: Centrally managed programmes | – | – | – | 428,984 | – | 428,984 | 428,984 | 893,536 | (358,767) | 534,769 | 105,785 | 613,075 |
| G: International subscriptions, scholarships and BBC World Service | – | – | – | 359,929 | – | 359,929 | 359,929 | 367,708 | – | 367,708 | 7,779 | 336,954 |
| H: UK Integrated Security Fund | – | – | – | 719,677 | – | 719,677 | 719,677 | 740,249 | – | 740,249 | 20,572 | 664,640 |
| **Total voted DEL** | **326,483** | **(25,214)** | **301,269** | **7,543,325** | **(268,382)** | **7,274,943** | **7,576,212** | **7,747,815** | **–** | **7,747,815** | **171,603** | **6,896,318** |
| **Non-Voted Expenditure** | | | | | | | | | | | | |
| I: European Union Attributed Aid | – | – | – | 432,000 | – | 432,000 | 432,000 | 434,000 | – | 434,000 | 2,000 | 532,000 |
| **Total non-voted DEL** | **–** | **–** | **–** | **432,000** | **–** | **432,000** | **432,000** | **434,000** | **–** | **434,000** | **2,000** | **532,000** |
| **Total spending DEL** | **326,483** | **(25,214)** | **301,269** | **7,975,325** | **(268,382)** | **7,706,943** | **8,008,212** | **8,181,815** | **–** | **8,181,815** | **173,603** | **7,428,318** |

| | | | | | | | | | | | 2023-24 | 2022-23 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Resource Outturn | | | | | | | Estimate | | | Outturn vs estimate saving/ (excess) £000 | Prior Year Outturn Total £000 |
| | Administration | | | Programme | | | | | | | | |
| | Gross £000 | Income £000 | Net £000 | Gross £000 | Income £000 | Net £000 | Total £000 | Total £000 | Vire-ments £000 | Total inc. Virements £000 | | |
| **Spending in Annually Managed Expenditure (AME)** | | | | | | | | | | | | |
| **Voted expenditure** | | | | | | | | | | | | |
| J: Other central programme and technical costs | – | – | – | 202,607 | – | 202,607 | 202,607 | 852,733 | – | 852,733 | 650,126 | 485,362 |
| K: BII | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total voted AME** | – | – | – | 202,607 | - | 202,607 | 202,607 | 852,733 | - | 852,733 | 650,126 | 485,362 |
| **Non-Voted Expenditure** | | | | | | | | | | | | |
| Total non-voted AME | – | – | – | – | – | – | – | – | – | – | – | – |
| **Total spending AME** | – | – | – | 202,607 | – | 202,607 | 202,607 | 852,733 | – | 852,733 | 650,126 | 485,362 |
| Total resource | 326,483 | (25,214) | 301,269 | 8,177,932 | (268,382) | 7,909,550 | 8,210,819 | 9,034,548 | – | 9,034,548 | 823,729 | 7,913,680 |

Non-voted expenditure relates to spend by the European Union on development related activities which have been funded by the UK.

## SOPS 1.2 Analysis of capital outturn by Estimate line

| | | | | | | | | 2023-24 | 2022-23 |
|---|---|---|---|---|---|---|---|---|---|
| | Capital Outturn | | | | Estimate | | | Outturn vs estimate saving/ (excess) | Prior Year Outturn Total |
| | Programme | | | | | | | | |
| | Gross | Income | Net | Total | Total | Vire-ments | Total inc. Virements | | |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| **Type of Spend (Capital)** | | | | | | | | | |
| **Spending in Departmental Expenditure Limits (DEL)** | | | | | | | | | |
| **Voted expenditure** | | | | | | | | | |
| A: Operating costs, frontline diplomacy and overseas network | 296,294 | – | 296,294 | 296,294 | 398,414 | – | 398,414 | 102,120 | 348,260 |
| B: Funding for NDPBs within Departmental Group (Net) | – | – | – | – | – | – | – | – | – |
| C: British Council | 58,000 | – | 58,000 | 58,000 | 54,000 | 4,000 | 58,000 | – | 81,290 |
| D: Regional bilateral programmes | 164,086 | – | 164,086 | 164,086 | 545,434 | (381,348) | 164,086 | – | 151,744 |
| E: Core multilateral programmes | 2,440,853 | – | 2,440,853 | 2,440,853 | 1,986,000 | 454,853 | 2,440,853 | – | 1,006,458 |
| F: Centrally managed programmes | 488,015 | – | 488,015 | 488,015 | 603,824 | (78,677) | 525,147 | 37,132 | 558,364 |
| G: International subscriptions, scholarships and BBC World Service | 1,173 | – | 1,173 | 1,173 | 565 | 608 | 1,173 | – | 379 |
| H: UK Integrated Security Fund | 564 | – | 564 | 564 | – | 564 | 564 | – | 5,140 |
| **Total voted DEL** | **3,448,985** | **–** | **3,448,985** | **3,448,985** | **3,588,237** | **–** | **3,588,237** | **139,252** | **2,151,635** |
| **Non-Voted expenditure** | | | | | | | | | |
| I: European Union Attributed Aid | – | – | – | – | – | – | – | – | – |
| **Total non-voted DEL** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total spending in DEL** | **3,448,985** | **–** | **3,448,985** | **3,448,985** | **3,588,237** | **–** | **3,588,237** | **139,252** | **2,151,635** |
| **Spending in Annually Managed Expenditure (AME)** | | | | | | | | | |
| **Voted expenditure** | | | | | | | | | |
| J: Other central programme and technical costs | – | – | – | – | – | – | – | – | – |
| K: BII | 433,000 | – | 433,000 | 433,000 | 433,000 | – | 433,000 | – | 289,500 |
| **Total voted AME** | 433,000 | – | 433,000 | 433,000 | 433,000 | – | 433,000 | – | 289,500 |
| **Non-Voted expenditure** | | | | | | | | | |
| **Total non-voted AME** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Total spending AME** | **433,000** | **–** | **433,000** | **433,000** | **433,000** | **–** | **433,000** | **–** | **289,500** |
| Total capital | 3,881,985 | – | 3,881,985 | 3,881,985 | 4,021,237 | – | 4,021,237 | 139,252 | 2,441,135 |

The total estimate columns in both charts include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements are provided in the Supply Estimates Manual, available on gov.uk.

The outturn vs estimate column is based on the total including virements. The estimate total before virements have been made is included so that users can tie the estimate back to the Estimates laid before Parliament. Explanations of variances between Estimate and outturn are given in the Financial Review on pages 70-72.

## SOPS 2 Reconciliation of outturn to net operating expenditure

### SOPS 2.1 Reconciliation of net resource outturn to net operating expenditure

| | | 2023-24 | 2022-23 |
|---|---|---|---|
| | | FCDO | FCDO |
| | | Outturn Total | Outturn Total |
| | SOPS note | £000 | £000 |
| **Total Resource Outturn** | SOPS 1.1 | **8,210,819** | **7,913,680** |
| Capital Grants | | 2,974,260 | 1,606,806 |
| Research and Development | | 8,246 | 2,203 |
| Finance Income | | 40,835 | 44,366 |
| **Total** | | **3,023,341** | **1,653,375** |
| Non-voted EU attribution | SOPS 1.1 | (432,000) | (532,000) |
| Net Profit/Loss on Disposal | | 4,910 | 6,912 |
| **Total** | | **(427,090)** | **(525,088)** |
| **Net Operating Expenditure in CSoCNE** | | **10,807,070** | **9,041,967** |

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework which is similar to, but different from, IFRS. Therefore, this reconciliation bridges the resource outturn to net operating expenditure, linking the SOPS to the financial statements.

Capital grants are budgeted for as CDEL but accounted for as spend on the face of the CSoCNE, and therefore function as a reconciling item between Resource and Net Operating Expenditure.

Research and development expenditure that meets the criteria laid down by ESA 10 for National Accounts are recorded as capital in budgets. Where this differs from the treatment in the accounts, where research expenditure is usually expensed in the CSoCNE, then a reconciling item as shown in SOPS 2.

## SOPS 3 Reconciliation of net resource outturn to net cash requirement

| | | 2023-24 | | | 2022-23 |
|---|---|---|---|---|---|
| | | Outturn Total | Estimate | Saving / (Excess) | Outturn Total |
| | Note | £000 | £000 | £000 | £000 |
| **Resource Outturn** | SOPS 1.1 | **8,210,819** | **9,034,548** | **823,729** | **7,913,680** |
| **Capital Outturn** | SOPS 1.2 | **3,881,985** | **4,021,237** | **139,252** | **2,441,135** |
| **Accruals to Cash Adjustments** | | | | | |
| Adjustments for designated ALBs: | | | | | |
| Remove voted resource and capital | | (39,607) | (41,938) | (2,331) | (41,383) |
| Add cash grant-in-aid | | 37,774 | 41,938 | 4,164 | 38,030 |
| Adjustments to remove non-cash items: | | | | | |
| Depreciation/Amortisation | 3 | (346,726) | (535,589) | (188,863) | (287,946) |
| New impairments and adjustments to previous impairments DEL | 3 | 18,756 | – | (18,756) | (5,441) |
| New impairments and adjustments to previous impairments AME | 3 | (92,588) | – | 92,588 | (6,563) |
| New provisions and adjustments to previous provisions | 11 | (56,150) | (833,963) | (777,813) | (361,152) |
| Other non-cash items (except profit on disposal of PPE) | | (437,341) | (44,808) | 392,533 | (266,181) |
| Adjustments to reflect movements in working balances | | | | | |
| Increase/(decrease) in inventory | CSoCF | (7) | – | 7 | 7 |
| Increase/(decrease) in receivables | CSoCF | (6,331) | – | 6,331 | (8,275) |
| (Increase)/decrease in payables | CSoCF | (695,815) | (932,519) | (236,704) | 516,540 |
| Use of provisions | 11 | 203,596 | 191,038 | (12,558) | 235,271 |
| Adjustments re pension schemes | CSoCF | (1,192) | – | 1,192 | (351) |
| **Total** | | **10,677,167** | **10,899,944** | **222,777** | **10,167,371** |
| **Removal of Non-Voted Budget Items** | | | | | |
| Consolidated Fund Standing Services | | (432,000) | (434,000) | (2,000) | (532,000) |
| **Total** | | **(432,000)** | **(434,000)** | **(2,000)** | **(532,000)** |
| **Net Cash Requirement** | | **10,245,167** | **10,465,944** | **220,777** | **9,635,371** |

As noted in the introduction to the SOPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement.

## SOPS 4 Income payable to the Consolidated Fund

In addition to income retained by the Department, the following income relates to the Department and is payable to the Consolidated Fund. The disclosure splits the total payable to the Consolidated Fund by a) income received that is either outside the ambit of the Estimate or which cannot be retained as it is outside the FCDO's settlement limit and b) other excess cash that has not been spent and which must be returned to the Consolidated Fund.

### SOPS 4.1 Analysis of income payable to the Consolidated Fund

| | | 2023-24 | | 2022-23 | |
|---|---|---|---|---|---|
| | | | Outturn Total | | Outturn Total |
| | | Accruals basis | Cash basis | Accruals basis | Cash basis |
| | Note | £000 | £000 | £000 | £000 |
| Operating income outside the ambit of the Estimate | 4 | (98) | (98) | (17) | (17) |
| Interest payments for the British Council loan | 4 | (9,329) | (7,273) | (3,419) | (1,871) |
| Receipts in respect of capital sales proceeds | 4 | (6,846) | (6,846) | (681,177) | (678,920) |
| **Total amount payable to the Consolidated Fund** | | **(16,273)** | **(14,217)** | **(684,613)** | **(680,808)** |

Income can be included as part of the Estimate (detailed in Note 1) and used to fund expenditure. However, where the type of income is not one which an entity can retain (i.e. if it is not included in its ambit as part of the Estimate) or where income received exceeds settlement limits (or the amount of income an entity can retain to offset spend), then the income is payable to the Consolidated Fund.

Income due to the Consolidated Fund is therefore, shown as a reconciling item in SOPS note 2. The total Consolidated Fund Extra Receipts (CFERs) payable to the Consolidated Fund are disclosed as part of the Consolidated Statement of Changes in Taxpayers' Equity CSoCTE in the Financial Statements.

The disclosure shows cash payable both on an accruals basis and on a cash basis (which may differ given budgets are compiled on an accruals basis and not a cash basis).

### SOPS 4.2 Consolidated Fund income

Consolidated Fund income shown in note SOPS 4.1 above does not include any amounts collected by the FCDO where it was acting as agent for the Consolidated Fund rather than as principal. Of the various types of Consular Fees, only one is surrendered to the Consolidated Fund, this is the Notarial & Documentary Services line in the Consular Fees table on page 169. Fees are set by Statutory Instrument under the Consular Fees Act 1980.

The amounts collected as agent for the Consolidated Fund (which are excluded from the FCDO's income) were:

| | 2023-24 | 2022-23 |
|---|---|---|
| | Outturn Total | Outturn Total |
| | £000 | £000 |
| Consular fees | 1,621 | 2,672 |
| Miscellaneous income | – | 30 |
| Amount payable to the Consolidated Fund | 1,621 | 2,702 |
| Balance held at the start of the year | 1,187 | 964 |
| | **2,808** | **3,666** |
| Payments into Consolidated Fund | (2,542) | (2,479) |
| **Balance held on trust at the end of the year** | **266** | **1,187** |

# Parliamentary Accountability Disclosures

## Losses and special payments (subject to audit)

### Losses statement

| | 2023-24 | 2022-23 |
|---|---|---|
| Total number of losses | 71 | 50 |
| Total value of losses (£000) | 237 | 2,064 |

All figures above relate to the FCDO. No additional losses were reported within the wider Departmental Group

There were no losses greater than £300,000 during the year.

The cases related to a variety of losses and fruitless payments in relation to lost IT and mobile equipment, missed travel, unrecoverable advances and some programme-related stolen and looted assets. The FCDO takes a robust approach to pursuing loss recovery.

### Special payments

Special payments are transactions outside the normal range of departmental activity that require specific HM Treasury approval. All special payments reported below have been authorised by HM Treasury.

| | 2023-24 | 2022-23 |
|---|---|---|
| Total number of special payments | 34 | 26 |
| Total value of special payments (£000) | 2,810 | 366 |

All figures above relate to the FCDO. No additional special payments were reported within the wider Departmental Group.

There were two special payments greater than £300,000 made during the year:

» A £1 million payment to the International Organisation for Migration (IOM) to allow them to urgently respond to the Nova Kakhovka Dam destruction.

» A £443k payment in line with a mandatory Kinshasa High Court judgement. This relates to a historical residential housing project in Kinshasa, Democratic Republic of the Congo for our FCDO staff.

There were two special severance payments made in the year totalling £79,211. The highest payment was £58,764 and the lowest payment was £20,447.

## Fraud

The FCDO responds quickly and effectively to fraud when it arises. We seek to establish cost-effective internal systems of control to prevent and detect fraud and we take appropriate action against fraudsters, seeking to recover losses wherever possible. The FCDO takes a zero tolerance approach to inaction or mishandling of fraud. This reflects our willingness to accept only the risks necessary for effective delivery, given our commitment to managing public money well to support our mission. This means we invest in prevention, including an appropriate due diligence process for implementing partners. We may sometimes undertake programme work even where fraud risks exist but only when the potential benefits of the work outweigh the risk of fraud. These projects are approved at an appropriate level. The FCDO Investment & Delivery Committee and the Audit and Risk Assurance Committee have governance and oversight roles for countering fraud.

The DG for Finance and Corporate has overall senior responsibility for counter fraud. The DG is supported by the Internal Audit and Investigations Directorate who are responsible for ensuring the appropriate investigatory response to concerns raised, and the Counter Fraud Policy Team who are responsible for setting the appropriate structure for counter fraud governance, risk management and controls. In addition, the FCDO has a global network of Fraud Liaison Officers who support counter-fraud efforts at Post, including fraud risk awareness, prevention and detection.

We are in the final year of our current FCDO Counter Fraud Strategy. The strategy reinforces the message that everybody who works for the FCDO is responsible for effective fraud management, from managing fiduciary risk when disbursing UK funds to partners through to ensuring probity in their own work expenditures and expenses. The strategy specifically identifies three strategic objectives for the FCDO's counter fraud work over the period 2021-2024. These are to:

1. Strengthen our governance, risk management and controls.
2. Find more fraud through innovation and using data.
3. Invest in our organisational communications, capacity, and capability.

The FCDO faces a number of fraud risks given the scale and variety of its operations. We operate a large and deep supply chain for delivery of some of our work. Much of our work is specifically tailored to policy interventions overseas, which covers a range of delivery modalities and a global profile. We face a steady threat from insider fraud and operate strict security vetting and other security procedural requirements to help to mitigate this risk to an acceptable level.

Our ODA spending commitments mean that we operate in some of the most challenging contexts. We have a wide range of measures in place to protect UK taxpayers' funds, which help to ensure that funds reach those for whom they are intended. We work with organisations that have a strong record of delivering in difficult and dangerous places. We undertake due diligence assessments to gain assurance on partners' capacity, systems and controls. We do not give money to organisations or governments if we are not confident that they will manage it well, or if we have concerns that the funds will not be used as intended.

During 2023-24, the FCDO underwent an assurance assessment measured against the government functional standard for counter fraud (GovS013). The results of this assessment are being used to help the FCDO to refine and strengthen our offer in a targeted manner, noting the ever-changing nature of fraud. We have been partnering with the Public Sector Fraud Authority (PSFA) and other partners across government to share our learnings and to learn from others. The FCDO has an agreed action plan for how we intend to deploy our resources across a range of counter fraud disciplines, to sustain and improve our performance and to maximise the outcomes from our counter fraud work.

Information on fraud, loss and error is submitted to the PSFA on a quarterly basis through the Consolidated Data Return. This information is then published in the Cross-Government Fraud Landscape annual report. Details on the value of fraud and error detected, prevented and recovered are retrospectively grouped into the Cross-Government Fraud Landscape Report by the PSFA.

The total gross fraud losses before recovery in 2023-24 were £1,341,180. After recovery the total net losses were £286,091. The FCDO is unable to accurately estimate figures relating to unreported fraud.

The FCDO has been engaging in PSFA-processes for reporting the amount invested in counter-fraud activity. In 2023-24, the FCDO invested £1.67 million in countering fraud, the majority of which were staff costs and travel expenses for conducting international investigations. We anticipate that this investment level will slightly increase for 2024-25 as we enter the year carrying fewer vacancies in counter fraud roles than we had for 2023-24.

In the 2022-23 Annual Report and Accounts, the FCDO reported an estimated loss of £2 million from our High Commission in Freetown, Sierra Leone, predominantly relating to the procurement of diesel fuel for the High Commission's electricity generators. We noted at the time that immediate action was taken to prevent any further losses and that, along with a programme of improvements to our internal control systems at Post, a comprehensive lessons learned review was commissioned. This review has now been completed, mapping out controls as designed versus what happened in practice, reviewing roles and responsibilities and corporate guidance. The lessons learned review resulted in a detailed set of recommendations, allocated to a range of process owners across the organisation and formed a comprehensive action plan to ensure improvements continue to be made to governance, guidance and process.

During 2023-24, the FCDO uncovered a fraud case relating to procurement activity in the South East Asia region. Corrective measures have been taken to reduce the risk of a repeat of this type of fraud. The value of the fraud has been estimated at £1.1 million. The investigation is ongoing and every effort is being made to recover funds. Given that recovery procedures are still underway, the FCDO has not yet written off the amount.

## Associated entities outside the Departmental accounting boundary

The FCDO takes the lead for three public sector bodies which are outside the accounting boundary:

**The British Council** is a charity, public corporation and an NDPB. It is governed by a Royal Charter which sets its charitable objectives. It is the UK's international organisation for cultural relations and educational opportunities, building lasting relationships between the UK and other countries. The British Council represents a UK voice in the world by teaching English abroad, encouraging international students to study in the UK and supporting British students to study overseas. Culture plays a vital role in its work promoting the UK abroad. The FCDO provides the British Council with financial support, but the majority of the British Council's income and expenditure stems from its own earned income. The FCDO's Director General Geopolitics is a member of the British Council Board of Trustees. FCDO Ministers and senior officials meet the British Council Chair and Chief Executive regularly. The British Council must seek the agreement of the FCDO if it proposes opening or closing any of its representation overseas. The Annual Report and Accounts can be found at www.britishcouncil.org.

**FCDO Services (FCDOS)** is an agency of the FCDO as well as a trading fund. As a trading fund FCDOS provides a range of integrated secure services worldwide to the FCDO, other UK public bodies, foreign governments and international organisations closely linked to the UK. FCDOS generates its own income to fund its activities. The FCDO holds an investment in FCDOS, comprised of 100% of its Public Dividend Capital of £4,981,000. The Annual Report and Accounts can be found at www.FCDOservices.gov.uk.

**British Intergovernment Services Authority Limited (BISA)** was set up to oversee delivery of the UK Government's obligations under Government to Government agreements, although to date it has not started trading. BISA and it's subsidiary the Kuwait Delivery Authority (KDA) are companies limited by shares, incorporated on 27 August 2013 and 17 October 2013 respectively. The Foreign Secretary owns the entire issued share capital of BISA, which in turn owns the entire issued share capital of KDA. Neither company has traded therefore both are entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

## Gifts (subject to audit)

For the year ended 31 March 2024, there were no gifts that exceeded £300k.

## Regularity (subject to audit)

For the year ended 31 March 2024, no FCDO staff authorised a course of action that infringed the requirements of regularity as set out in Managing Public Money. HM Treasury (HMT) approval was granted for all novel, contentious or repercussive transactions relating to 2023-24.

## Fees and Charges (subject to audit)

The FCDO is required, in accordance with HM Treasury's Managing Public Money, to disclose results for the areas of its activities where fees and charges are levied. The information set out below is for fees and charges purposes and is not intended to meet the requirements of IFRS 8 Operating Segments.

The power to charge fees for consular work is set out in the Consular Fees Act 1980. Under the current version of the Act, the FCDO is permitted to take into account the expenses incurred in relation to exercising other consular functions. By policy, there is a cross-subsidy from consular fees in the UK to support the costs of consular services and issuing emergency travel documents overseas. The current fees are prescribed in the Consular Fees (Amendment) Order 2016 No. 373, the Consular Fees (Amendment) Order 2019 No. 182 and the Consular Fees (Amendment Order) 2023 No. 1388. In line with HM Treasury guidelines, the fees charged are reviewed annually.

The fees and charges table lists the services the FCDO provides to external and public sector customers where the full cost to the FCDO exceeds £1 million. It is the FCDO's financial objective to recover the full cost of providing consular services. Disclosed in the table for each service is the income received, the full cost incurred and the amount of any surplus or deficit between the income received and the full cost of providing the services. In any year surpluses and deficits can arise for a number of reasons, including demand fluctuations or variations to the FCDO costs during the year.

The fees are grouped into three categories: Legalisation fees which includes fees paid for legalising documents; fees for Emergency Travel Documents and Emergency Passports; and fees for Notarial and Documentary Services. Notarial and Documentary services include services such as administering an oath or issuing a certificate of no impediment to marriage.

### Consular Premiums

The table also includes income received from the Consular premium (a levy of £16.20 on each standard passport issued). This income is used to fund non fee-bearing consular services provided by our consular officers in London and in our Embassies and Consulates overseas. The income is claimed from HMT through the Supplementary Estimate process each year, on top of £30 million which is baselined.

The FCDO may also receive funding from the Emergency Disaster Relief Fund (£0.69 on each standard passport issued) to contribute to the cost of responding to major crises overseas. Claims against this fund are calculated on a cost recovery basis. During 2023-24 the FCDO claimed £15.6 million from the Emergency Disaster Relief Fund to offset the costs incurred during FCDO crisis response, including those related to Israel-Gaza and Sudan conflicts.

***Analysis of Consular Fees and Charges where the full cost of providing the service exceeds £1 million (rounded to the nearest £1,000)***

| | 2023-24 | | | 2022-23 | | |
|---|---|---|---|---|---|---|
| | Income | Full Cost | Surplus/ (Deficit) | Income | Full Cost | Surplus/ (Deficit) |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Legalisation Office | 22,491 | 4,535 | 17,956 | 22,269 | 3,835 | 18,434 |
| Emergency Travel Documents | 2,544 | 19,801 | (17,257) | 3,508 | 16,381 | (12,873) |
| Notarial and Documentary Services | 1,608 | 9,560 | (7,952) | 1,379 | 7,741 | (6,362) |
| **Total for fee bearing services** | **26,643** | **33,896** | **(7,253)** | **27,156** | **27,957** | **(801)** |
| Consular Premium[71] & EDRF[72] | 112,700 | | | 105,200 | | |
| Consular and Crisis Assistance and Support | | 149,106 | (36,406) | | 121,653 | (16,453) |
| **Total** | **139,343** | **183,002** | **(43,659)** | **132,356** | **149,610** | **(17,254)** |

## Financial Guarantees and Indemnity

Financial Guarantees are disclosed within Note 13 to the Financial Statements.

### *Indemnity*

| 1 April 2023 £000 | Increase in year £000 | Liabilities crystallised in year £000 | Obligations expired in year £000 | 31 March 2024 £000 | Amount reported to Parliament by Departmental Minute £000 |
|---|---|---|---|---|---|
| 449.0 | – | – | (247.8) | 201.2 | – |

The FCDO has entered into the above quantifiable remote contingent liability by offering an indemnity. This is given on behalf of the British Council for art exhibitions overseas which are not commercial activities that fall outside the FCDO's core activities. Any decision to offer an indemnity is only given on the basis of a cost-benefit analysis. As part of the agreement between the FCDO, the British Council and HMT, the British Council will meet the first £3 million of any claim. This liability has decreased from £449.0k at 1 April 2023 to £201.2k at 31 March 2024. This is not a contingent liability within the meaning of IAS 37 since the likelihood of a transfer of economic benefit in settlement is too remote. It is disclosed here under parliamentary reporting requirements and are measured following the requirements of IFRS 9.

71 Consular Premiums are the two premiums in the cost of passports

72 The 2023-24 figure includes £15.6 million EDRF funding. No EDRF claim was made in 2022-23.

## Remote contingent liabilities (subject to audit)

In addition to contingent liabilities disclosed in accordance with IAS 37 at Note 12 of the accounts, the Department discloses for parliamentary reporting and accountability purposes certain contingent liabilities where the likelihood of a transfer of economic benefit is remote. These amount to £16,097.7 million (2022-23: £16,148.1 million) and comprise:

- £15,804.8 million (2022-23: £15,859.6 million) in respect of callable capital on investments in International Financial Institutions (IFIs). These are subject to call only when required and to the extent necessary to meet the obligations of the IFIs on borrowings of funds or guarantees. The equity base of each IFI allows the institutions to meet their financial objectives by absorbing risk out of their own resources and protecting member countries from a possible call on callable capital. No call has ever been made on the IFIs' callable capital stock to date.
- £50.3 million (2022-23: £51.3 million) through the issuance of a promissory note for maintenance of value obligations in respect of subscriptions already paid to the capital stock of the International Bank for Reconstruction and Development (IBRD). Members are required to make payments to IBRD if their currencies (Sterling for UK) depreciate significantly from the subscription date, relative to the US Dollar. This promissory note has never been drawn down.
- £242.6 million (2022-23: £237.2 million) in respect of the UK share of EU member states' collective guarantees of the European Investment Bank's lending under the Lomé Convention and the parallel Council decisions on the Association of Overseas Countries and Territories. Prior to any call on member states, the European Investment Bank must first exhaust its own capital resources and so a call is considered remote.

The Department has entered into other unquantifiable contingent liabilities relating to maintenance of the value of subscriptions paid to capital stock of regional development banks and funds. None of these is a contingent liability within the meaning of IAS 37 since the possibility of a transfer of economic value is considered remote. The FCDO does not expect any liabilities to arise in relation to these contingent liabilities.

## Reconciliation of contingent liabilities included in the supply estimate to the accounts

| | | Supply Estimate | Amount disclosed in ARA | Variance |
|---|---|---|---|---|
| **Quantifiable contingent liabilities** | Note | **£000** | **£000** | **£000** |
| Callable Capital for IFIs | | 16,127,910 | 15,804,819 | 323,091 |
| Callable Capital - IBRD maintenance of value | | 52,485 | 50,296 | 2,189 |
| EIB Guarantee | | 237,200 | 242,615 | (5,415) |
| Other IFI liabilities related to future performance conditions | 12.2 | 3,044,093 | 1,662,992 | 1,381,101 |
| IBRD Guarantees | 13 | 6,856,865 | 6,051,937 | 804,928 |
| AfDB Room2Run Guarantee | 13 | 1,313,780 | 1,268,110 | 45,670 |
| Gibraltar Guarantee | 13 | 425,000 | 425,000 | – |
| ADB IFFEd Guarantee | 13 | 102,000 | 80,845 | 21,155 |
| EBRD Ukrenergo Guarantee | 13 | 46,885 | 46,885 | – |
| GuarantCo Callable Capital | 12.2 | 130,000 | 130,000 | – |
| CABI Pension Deficit Liability | 12.2 | 32,259 | 19,066 | 13,193 |
| Various legal cases | 12.2 | 63,847 | 65,095 | (1,248) |
| Dilapidations | 12.2 | – | 10,900 | (10,900) |
| Indemnities | 12.3 | 3,449 | 3,212 | 237 |

| **Unquantifiable contingent liabilities** | Included in the Supply Estimate | Disclosed in the ARA | Explanation |
|---|---|---|---|
| Callable Capital – Other IFIs maintenance of value subscriptions | No | No | No agreed basis to quantify the liability. |
| Sanctions challenges | No | No | Potential future challenges brought against FCDO as yet unknown therefore not possible to quantify the liability. |
| Litigation cases | No | No | Various cases in early stages and therefore not possible to quantify the liability. |

Other IFI liabilities related to future performance conditions decreased by £1.4 billion due to deposits of promissory notes during 2023-24. The contingent liability is due to capital increases where the Statutory Instrument has been laid and approved, but the promissory note has not yet been deposited. Therefore, once deposited, they no longer meet the criteria to be disclosed as a contingent liability.

Callable Capital for IFIs decreased by £323 million largely due to FX movements.

IBRD guarantees decreased by £805 million due mainly to a change in guarantee support to Government of Ukraine from what was anticipated during Supply estimate increase.

## Audit Fees

The Accounts have been audited by the Comptroller and Auditor General. The total cost of audit for all bodies across the Departmental Group for 2023-24 is £961,000 (2022-23 £877,000) comprising:

| | 2023-24 | 2022-23 |
|---|---|---|
| **Notional audit fees:** | £ | £ |
| Core department | 820,000 | 760,000 |
| Wilton Park Agency | 52,000 | 41,000 |
| Total notional audit fees | 872,000 | 801,000 |
| **Cash audit fees:** | | |
| Audit fees for ALBs | 89,000 | 76,000 |
| **Total audit fees for the department group** | **961,000** | **877,000** |
| FCDO Overseas Superannuation Schemes | 66,620 | 62,350 |
| **Total audit fees** | **1,027,620** | **939,350** |

The audit of the designated bodies was carried out by the National Audit Office (NAO) under various statutes, and the costs are included in the figures disclosed above. Further details are given in the accounts of the bodies concerned.

In addition to their statutory audit work, the NAO was directly paid fees of £165,895 for consultancy advice to the FCDO during 2023-24 (2022-23: £76,200). The NAO also received indirect fees in 2023-24 from the FCDO totalling £62,499 (2022-23: £69,000).

## Government Functional Standards

The FCDO uses the functional standards and associated continuous improvement frameworks to inform its approach to delivering work related to the areas covered by the 14 current government functional standards. An SCS Senior Responsible Owner leads each of the functions within the FCDO and oversight is provided by the DG Finance and Corporate. The standards and the FCDO's understanding of its performance and delivery against each support the Accounting Officers to oversee functional work and to target improvement where appropriate.

## Going Concern

In common with other government departments, the future financing of the department's liabilities is to be met by the funding from Parliament. This is through the receipt of Supply financing and future income which are approved annually by Parliament by the passing of the Supply and Appropriation (Main Estimates) Act.

The department considers there is no reason to believe that future approvals will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

## Common Core tables (unaudited)

The Core tables for the FCDO can be found in Annex C.

**Sir Philip Barton KCMG OBE**

Accounting Officer for the Foreign, Commonwealth and Development Office

23 July 2024

# The Certificate and Report of the Comptroller and Auditor General to the House of Commons

## Opinion on financial statements

I certify that I have audited the financial statements of the Foreign, Commonwealth & Development Office (the Department) and of its Departmental Group for the year ended 31 March 2024 under the Government Resources and Accounts Act 2000. The Department comprises the core Department and its agency. The Departmental Group consists of the Department and the bodies designated for inclusion under the Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2023. The financial statements comprise: the Department's and the Departmental Group's:

» Statement of Financial Position as at 31 March 2024;

» Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and

» the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

» give a true and fair view of the state of the Department and the Departmental Group's affairs as at 31 March 2024 and their net expenditure for the year then ended; and

» have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

## Opinion on regularity

In my opinion, in all material respects:

» the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2024 and shows that those totals have not been exceeded; and

» the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the Department and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

The framework of authorities described in the table below has been considered in the context of my opinion on regularity.

| Framework of authorities | |
|---|---|
| Authorising legislation | Government Resources and Accounts Act 2000 |
| Parliamentary authorities | Supply and Appropriations Act |
| HM Treasury and related authorities | Managing Public Money |

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Department and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Department and its Group is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## Overview of my audit approach

### Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditor, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of the audit of the financial statements as a whole, and in forming my opinion thereon. I do not provide a separate opinion on these matters.

This is not a complete list of all risks identified through the course of my audit but only those areas that had the greatest effect on my overall audit strategy, allocation of resources and direction of effort. I have not, for example, included information relating to the work I have performed around the presumed risk of management override of controls where my work has not identified any matters to report.

The key audit matters were discussed with the Audit and Risk Assurance Committee; their report on matters that they considered to be significant to the financial statements is set out in the Governance Statement.

In this year's report the risks identified are broadly consistent to those in my prior year report.

<table>
<tr><th colspan="2">Valuation of financial guarantees</th></tr>
<tr><td colspan="2">Description of risk<br>The Department commonly enters into financial guarantees with third parties on non-commercial terms, where there is no active market or observable equivalent. The fair value of these guarantees is highly material to the financial statements at £723 million, and several new significant guarantees have been issued in the 2023-24 financial year. There is a significant level of judgement required from management in determining the initial and subsequent measurement of these liabilities under the financial reporting framework which requires a lifetime expected credit loss valuation where the above criteria are met. These judgements relate to the complexities of the input data and assumptions used in measuring these liabilities due to changing global markets which make the modelling of the expected credit loss challenging. The Department employs the Government Actuary's Department as a management expert to design a model to measure lifetime expected credit losses.</td></tr>
<tr><td>How the scope of my audit responded to the risk</td><td>I have, with the assistance of internal modelling and external financial instrument specialists:<br>» Documented the design and implementation of the FCDO's controls around the recognition, accounting, disclosure and subsequent measurement of financial guarantees;<br>» Agreed the accounting treatment for each individual arrangement to the relevant contracts, business case and approval documentation;<br>» Assessed the FCDO's judgement and calculations for initial and subsequent measurement of financial guarantees;<br>» Agreed input data to relevant observable market data such as credit risk ratings; and<br>» Confirmed the appropriateness of the methodology and model used by FCDO, including that the model generates the expected outputs.<br>Key observations<br>Based upon these procedures, no material errors have been identified in relation to the valuation of financial guarantees.</td></tr>
</table>

| Property lease liabilities and right of use assets | |
|---|---|
| **Description of risk**<br>The FCDO holds leased properties worldwide in different currencies and the contractual terms are correspondingly diverse, complex and subject to local laws. It has many smaller accommodation leases, but also larger leases for overseas offices and residences. It also has significant UK properties such as its office building at King Charles Street, London. The wide geographical spread of the Department's estate also provides a challenge to ensure that the population of leases is materially complete. Leases have a significant impact on the FCDO's financial statements, with a lease liability balance of £690 million and a related right of use asset balance of £730 million reported on the Statement of Financial Position as at 31 March 2024 (excluding ground leases). Significant assumptions and judgements must be applied by management in calculating the liability and asset valuation of a total of over 3,700 leases. The most significant assumption is the identification of the lease term where options to extend or break the contracts are present. | |
| **How the scope of my audit responded to the risk** | I have:<br>» Documented the design and implementation of the FCDO's controls in relation to leases. This included an assessment of the operating effectiveness of controls within the FCDO's lease management software, with assistance from IT audit specialists;<br>» Considered the processes, judgements and assumptions adopted by the FCDO in calculating the valuation of lease liabilities and right of use assets;<br>» Performed a sample test of existing leases and tested supporting assumptions to ensure that these have been accounted for in compliance with the standard including assessment of judgements about whether lease extension options and break clauses are reasonably certain to be exercised;<br>» Performed a sample test of new leases entered into during 2023-24 to confirm appropriate accounting under IFRS 16; and<br>» Agreed the disclosures in the notes to the financial statements relating to leases to supporting evidence and for consistency to my audit work.<br>**Key observations**<br>Based upon these procedures, no material errors have been identified in relation to leases. |

## Valuation and impairment of property

### Description of risk

The valuation of the FCDO's property is material to the financial statements, being £2,572 million as at 31 March 2024. The valuation of the Department's property involves significant judgement by management supported by their external property valuers (Colliers International and Knight Frank) used by the Department to prepare the valuations. There is added complexity to the valuations as the properties are located around the world, involving different property markets and currencies. The valuation date is 30 September, increasing the risk of movements between the valuation date and the year-end, including the impact of foreign currency movements. A key input for the valuation of both non-specialised and specialised properties are the floor areas. In addition, the Department was not able to perform physical valuations in a number of countries where access is not possible due to ongoing conflict, war or political unrest. Properties located in these countries are subject to material valuation uncertainty.

Impairment to the valuation of property is a further complexity for the Department. Refurbishment works on the Embassy in Washington, USA have completed in 2023-24, resulting in a significant change in valuation of the property and impairment of an element of the costs previously recognised as an asset under construction. The presence of Reinforced Autoclaved Aerated Concrete (RAAC) in public buildings has been widely documented, presenting further challenge for the Department to assess its estate for RAAC and consider any impairments as appropriate.

### How the scope of my audit responded to the risk

I have, with the assistance of external property specialists:

» Documented the design and implementation of the FCDO's controls over the valuation of land and buildings; considering the processes, judgements and assumptions adopted by the FCDO's external valuers in valuing land and buildings;

» Tested a sample of valuations to supporting calculations and assumptions to ensure that these have been carried out in compliance with the RICS Red Book, with a focus on the regions subject to physical valuation in 2023-24 (Asia Pacific and South Asia);

» Substantively tested the input data used in the valuation exercise including floor plans to support the floor areas;

» Substantively tested the accuracy and completeness of the revaluations recorded in the non-current asset register against the reports provided by the external valuers;

» Challenged the FCDO's assessment as to whether there have been significant movements in property valuations in the period between the 30 September 2023 revaluation date and the 31 March 2024 year-end and reviewed any impairments recognised; and

» Requested and challenged the FCDO's assessment of the risk of RAAC within the estate and its wider asset impairment review.

**Key observations**

Based upon these procedures, no material errors have been identified in relation to the valuation of property.

| Valuation of financial investments – British International Investment and International Financial Institutions |
| --- |
| **Description of risk**<br><br>The Department holds a number of equity investments. These include various minority holdings in International Financial Institutions (IFIs), as well as 100% ownership of British International Investment (BII) where inputs are unobservable. The values are highly material to the accounts at £13,773 million at 31 March 2024. These are not traded securities, and in the absence of available market data, the valuation of these equity investments is determined through calculating the Department's share of the net assets, based on the number of shares held by the Department.<br><br>This valuation is made more complex by the fact that the entities have non-coterminous reporting dates to the Department. Consequently, the Department has little direct assurance over the value of its investments as at 31 March, and needs to apply considerable judgement to both recognise and mitigate the level of estimation uncertainty, recognising that material movements may occur between the date of the last audited investment valuation and the Department's year end. The lack of direct assurance over year end values presents a risk that the data used in the estimation is inaccurate, or that the assumptions applied are inappropriate or include error.<br><br>During the year FCDO received a portfolio of investments from the Department for Energy Security and Net Zero, UK Climate Investments (UKCI), as part of a machinery of government change. These investments were transferred to BII before the year-end. |

| | |
|---|---|
| **How the scope of my audit responded to the risk** | I have:<br>» Reviewed and assessed the design and implementation of the Department's controls over its accounting for financial investments. This included an assessment of management's procedures to take account of the non-coterminous reporting dates;<br>» Assessed the accounting treatment applied by the Department for the IFI and BII financial investments to ensure it is in accordance with IFRS 9, as adapted by the FReM, and IFRS 13, and that all relevant disclosures have been made in the accounts;<br>» Reviewed the accounting entries made to transfer the Department's interest in UK Climate Investments LLP to BII in exchange for an equivalent value of shares in BII;<br>» Agreed the Department's valuation of its financial investments to the available supporting documentation. This included reviewing the last audited accounts of the investee and assessing the investee's auditors in accordance with ISA 500;<br>» Considered any movements in value between the date of the investee's accounts and the Department's year-end of 31 March, including the impact of foreign exchange movements and the investee's financial performance. This included obtaining letters of assurance from the investees, performing historic trend analysis, and assessing the appropriateness of any investee management information as at 31 March made available to the Department; and<br>» Challenged any assumptions made by management in their valuation of the Department's financial investments and assessed the reasonableness of any judgements that they have made and the methodologies applied.<br>**Key observations**<br>Based upon these procedures, no material errors have been identified in relation to the valuation of the Department's investment in International Financial Institutions and British International Investment. |

## Application of materiality

### Materiality

I applied the concept of materiality in both planning and performing my audit, and in evaluating the effect of misstatements on my audit and on the financial statements. This approach recognises that financial statements are rarely absolutely correct, and that an audit is designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement or irregularity. A matter is material if its omission or misstatement would, in the judgement of the auditor, reasonably influence the decisions of users of the financial statements.

Based on my professional judgement, I determined overall materiality for the Department and its group's financial statements as a whole as follows:

| | Departmental group | Department parent |
|---|---|---|
| **Materiality** | £111,100,000 | £111,000,000 |
| **Basis for determining [overall account] materiality** | 1% of gross group expenditure of £11,110 million (2022-23; £93,330,000 materiality on gross group expenditure of £9,333m) | 1% of gross parent expenditure of £11,100 million (2022-23; £93,250,000 materiality on gross group expenditure of £9,325m) |
| **Rationale for the benchmark applied** | I have set materiality based on gross expenditure. I consider this to be of key interest to users of the accounts as expenditure is the means with which the Department achieves its diplomatic, development and consular objectives. | |

### Performance Materiality

I set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality of the financial statements as a whole. Group performance materiality was set at 75% of Group materiality for the 2023-24 audit (2022-23: 75%). In determining performance materiality, I have considered the uncorrected misstatements identified in the previous period to judge that the 75% threshold is appropriate.

### Other Materiality Considerations

I have increased materiality by 19% compared to the prior period. The materiality calculation has remained unchanged, and this increase has been driven by the increase in the Department's gross expenditure.

Apart from matters that are material by value (quantitative materiality), there are certain matters that are material by their very nature and would influence the decisions of users if not corrected. Such an example is any errors reported in the Related Parties note in the financial statements. Assessment of such matters needs to have regard to the nature of the misstatement and the applicable legal and reporting framework, as well as the size of the misstatement.

I applied the same concept of materiality to my audit of regularity. In planning and performing my audit work to support my opinion on regularity and in evaluating the impact of any irregular transactions, I considered both quantitative and qualitative aspects that would reasonably influence the decisions of users of the financial statements.

### Error Reporting Threshold

I agreed with the Audit and Risk Assurance Committee that I would report to it all uncorrected misstatements identified through my audit in excess of £300,000, as well as differences below this threshold that in my view warranted reporting on qualitative grounds. I also report to the Audit Committee on disclosure matters that I identified when assessing the overall presentation of the financial statements.

Total unadjusted audit differences reported to the Audit and Risk Assurance Committee would have increased net expenditure and decreased net assets by £70,576,000.

## Audit scope

The scope of my Group audit was determined by obtaining an understanding of the Department and its Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level.

I determined that the risks of material misstatement faced by the group to be the same as that of the core Department and that there are no additional significant risks which arise on consolidation. This is because the core Department is responsible for most of the group financial activity. All other group components are not assessed as being significant in size to materially impact the group.

My audit work on the core Department covered substantially all of the Group's gross expenditure (99%), and together with the procedures performed at group level, which included performing analytical review procedures over the component transactions and balances, and testing the accuracy of the consolidation process, gave me the evidence I needed for my opinion on the group financial statements as a whole.

## Other Information

The other information comprises the information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## Matters on which I report by exception

In the light of the knowledge and understanding of the Department and its Group and their environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept by the Department and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Department and its Group from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view and are in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing the Department and its Group'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 Accounting

Officer anticipates that the services provided by the Department and its Group will not continue to be provided in the future.

## Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My 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 a certificate that includes my 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.

### Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

### Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- inquired of management, the Department's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Department and its Group's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Department and its Group's controls relating to the Department's compliance with the Government Resources and Accounts Act 2000 and Managing Public Money.
- inquired of management, the Department's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud,
- discussed with the engagement team and the relevant internal and external specialists, including financial instruments and property experts regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Department and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates, disbursement of overseas grant funding, particularly in fragile and conflict areas, and the risk of manipulation of outturn against control totals. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Department and Group's framework of authority and other legal and regulatory frameworks in which the Department and Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Department and its Group. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2023, employment law, tax legislation, the International Development Act 2002, the International Development (Reporting and Transparency) Act 2006, the International Development (Official Development Assistance Target) Act 2015, the Commonwealth Development Corporation Act 2017, the Consular Fees Act 1980 and the Sanctions and Anti-Money Laundering Act 2018.

In addition, I considered the Department's processes to prevent, detect and evaluate fraud in the disbursement of overseas grant funding including a targeted review of fraud reporting mechanisms and wider information in the public domain.

### Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I completed an assessment of the results of the Department's evaluation of fraud in overseas grant funding. This included assessing reported fraud cases, seeking evidence as to the potential for unreported fraud and independently testing a sample of grant payments.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my 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 my certificate

### Other auditor's responsibilities

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

## Report

I have no observations to make on these financial statements.

**Gareth Davies** **25 July 2024**

**Comptroller and Auditor General**
National Audit Office
157-197 Buckingham Palace Road Victoria
London SW1W 9SP

Following the earthquake in Morocco, the UK deployed a team of search and rescue specialists, a medical assessment team, four search dogs, and rescue equipment.


SECTION 3

# Financial Statements


ISAR

# Consolidated Statement of Comprehensive Net Expenditure

## for the year ended 31 March 2024

| | Note | 2023-24 Core Department & Agencies £000 | 2023-24 Departmental Group £000 | 2022-23 Core Department & Agencies £000 | 2022-23 Departmental Group £000 |
|---|---|---|---|---|---|
| Revenue from contracts with customers | 4 | (276,208) | (276,279) | (270,708) | (270,799) |
| Income of consolidated bodies | 4 | (6,447) | (17,024) | (5,748) | (12,896) |
| **Total Operating Income** | | **(282,655)** | **(293,303)** | **(276,456)** | **(283,695)** |
| | | | | | |
| **Operating Expenditure** | | | | | |
| Staff costs | 3 | 909,442 | 914,231 | 806,415 | 810,696 |
| Grants | 3 | 5,778,394 | 5,778,394 | 5,143,704 | 5,143,704 |
| Promissory note deposits | 3 | 2,583,721 | 2,583,721 | 1,380,009 | 1,380,009 |
| Subscriptions to international organisations | 3 | 197,518 | 197,518 | 179,773 | 179,773 |
| Rentals under short term and low value leases | 3 | 13,413 | 13,413 | 19,147 | 19,147 |
| Other costs | 3 | 865,492 | 871,397 | 828,631 | 831,251 |
| Depreciation, amortisation and impairment | 3 | 420,558 | 420,564 | 299,950 | 299,955 |
| Other non-cash costs | 3 | 318,229 | 321,135 | 660,991 | 661,127 |
| **Total operating expenditure** | | **11,086,767** | **11,100,373** | **9,318,620** | **9,325,662** |
| | | | | | |
| **Net Operating Expenditure** | | **10,804,112** | **10,807,070** | **9,042,164** | **9,041,967** |
| | | | | | |
| **Other Income** | | | | | |
| Finance income | 4 | (38,211) | (40,835) | (44,360) | (44,366) |
| Consolidated Fund extra receipts | 4 | (16,273) | (16,273) | (684,613) | (684,613) |
| | | **(54,484)** | **(57,108)** | **(728,973)** | **(728,979)** |
| | | | | | |
| **Other Expenditure** | | | | | |
| Lease liability interest expense | 16 | 9,607 | 9,607 | 6,841 | 6,841 |
| | | **9,607** | **9,607** | **6,841** | **6,841** |
| | | | | | |
| **Net Expenditure for the Year** | | **10,759,235** | **10,759,569** | **8,320,032** | **8,319,829** |
| | | | | | |
| Total Expenditure | | 11,096,374 | 11,109,980 | 9,325,461 | 9,332,503 |
| Total Income | | (337,139) | (350,411) | (1,005,429) | (1,012,674) |
| **Net Expenditure for the Year** | | **10,759,235** | **10,759,569** | **8,320,032** | **8,319,829** |

| | Note | 2023-24 Core Department & Agencies £000 | 2023-24 Departmental Group £000 | 2022-23 Core Department & Agencies £000 | 2022-23 Departmental Group £000 |
|---|---|---|---|---|---|
| **Other Comprehensive Net Expenditure** | | | | | |
| Items that will not be reclassified to net operating expenditure: | | | | | |
| | | | | | |
| Net (gain)/loss on: | | | | | |
| Revaluation of property, plant and equipment | 5 | (102,657) | (102,657) | (125,317) | (125,317) |
| Revaluation of right of use assets | 16 | (97,542) | (97,542) | (47,327) | (47,327) |
| Actuarial (gain)/loss on defined benefit pension schemes | | 1,282 | 1,282 | (8,002) | (8,002) |
| | | **(198,917)** | **(198,917)** | **(180,646)** | **(180,646)** |
| Items which may be reclassified to net operating expenditure: | | | | | |
| | | | | | |
| Net (gain)/loss on: | | | | | |
| Revaluation of development capital investments | 6 | (12,670) | (12,670) | (13,127) | (13,127) |
| Revaluation of International Financial Institution investments | 6 | (56,427) | (56,427) | (625,654) | (625,654) |
| Revaluation of investment in BII | 6 | (102,300) | (102,300) | 113,100 | 113,100 |
| | | **(171,397)** | **(171,397)** | **(525,681)** | **(525,681)** |
| | | | | | |
| **Total Comprehensive Net Expenditure** | | **10,388,921** | **10,389,255** | **7,613,705** | **7,613,502** |

The notes following these main schedules form part of these financial statements.

# Consolidated Statement of Financial Position

## at 31 March 2024

| | Note | 31 March 2024 Core Department & Agencies £000 | 31 March 2024 Departmental Group £000 | Restated 31 March 2023 Core Department & Agencies £000 | Restated 31 March 2023 Departmental Group £000 | Restated 1 April 2022 Core Department & Agencies £000 | Restated 1 April 2022 Departmental Group £000 |
|---|---|---|---|---|---|---|---|
| **Non-Current Assets** | | | | | | | |
| Property, Plant and Equipment | 5 | 2,350,474 | 2,350,482 | 2,279,784 | 2,279,797 | 2,102,484 | 2,102,499 |
| Intangible Assets | | 13,064 | 13,064 | 13,435 | 13,434 | 16,119 | 16,119 |
| Right of Use Assets | 16 | 1,451,684 | 1,451,684 | 1,435,459 | 1,436,254 | 1,363,360 | 1,363,360 |
| Financial Investments | 6 | 14,368,778 | 14,368,778 | 13,656,835 | 13,655,618 | 12,690,658 | 12,689,565 |
| Forward Currency Contracts | 7 | – | – | 6,391 | 6,391 | 121 | 121 |
| Retirement Benefit Schemes Asset | 14 | 5,409 | 5,409 | 6,075 | 6,075 | 5,512 | 5,512 |
| Trade and Other Receivables | 9 | 959,501 | 959,501 | 973,447 | 973,447 | 1,032,861 | 1,032,861 |
| **Total Non–Current Assets** | | **19,148,910** | **19,148,918** | **18,371,426** | **18,371,016** | **17,211,115** | **17,210,037** |
| | | | | | | | |
| **Current Assets** | | | | | | | |
| Assets Classified as Held For Sale | 5.1 | 4,737 | 4,737 | 10,372 | 10,372 | 23,364 | 23,364 |
| Inventories | | 919 | 919 | 926 | 926 | 919 | 919 |
| Trade and Other Receivables | 9 | 665,279 | 667,580 | 578,805 | 582,220 | 399,860 | 403,473 |
| Cash and Cash Equivalents | 8 | 227,721 | 233,511 | 510,862 | 518,620 | 203,368 | 211,884 |
| Forward Currency Contracts | 7 | 2,728 | 2,728 | 11,925 | 11,925 | 1,966 | 1,966 |
| **Total Current Assets** | | **901,384** | **909,475** | **1,112,890** | **1,124,063** | **629,477** | **641,606** |
| | | | | | | | |
| **Total Assets** | | **20,050,294** | **20,058,393** | **19,484,316** | **19,495,079** | **17,840,592** | **17,851,643** |
| | | | | | | | |
| **Current Liabilities** | | | | | | | |
| Bank Overdraft | 8 | – | – | – | – | (45) | (45) |
| Forward Currency Contracts | 7 | (5,264) | (5,264) | (2,845) | (2,845) | (3,185) | (3,185) |
| Trade and Other Payables | 10 | (6,708,398) | (6,712,142) | (6,017,073) | (6,029,243) | (6,221,034) | (6,227,942) |
| Provisions | 11 | (161,007) | (161,007) | (196,501) | (196,501) | (247,611) | (247,623) |
| Lease Liabilities | 16 | (111,174) | (111,577) | (122,835) | (123,654) | (123,654) | (123,654) |
| **Total Current Liabilities** | | **(6,985,843)** | **(6,989,990)** | **(6,339,254)** | **(6,352,243)** | **(6,595,529)** | **(6,602,449)** |
| | | | | | | | |
| **Total Asset less Current Liabilities** | | **13,064,451** | **13,068,403** | **13,145,062** | **13,142,836** | **11,245,063** | **11,249,194** |

| | Note | 31 March 2024 | | Restated 31 March 2023 | | Restated 1 April 2022 | |
|---|---|---|---|---|---|---|---|
| | | Core Department & Agencies £000 | Departmental Group £000 | Core Department & Agencies £000 | Departmental Group £000 | Core Department & Agencies £000 | Departmental Group £000 |
| **Non-Current Liabilities** | | | | | | | |
| Trade and Other Payables | 10 | (36,057) | (36,057) | (34,401) | (34,401) | (40,621) | (40,621) |
| Retirement Benefit Schemes Liability | 14 | (16,082) | (16,082) | (16,659) | (16,659) | (24,450) | (24,450) |
| Forward Currency Contracts | 7 | (5,512) | (5,512) | (3,229) | (3,229) | (626) | (626) |
| Financial Guarantee Contracts | 13 | (722,886) | (722,886) | (477,831) | (477,831) | (152,873) | (152,873) |
| Provisions | 11 | (848,270) | (848,270) | (989,049) | (989,049) | (810,678) | (810,689) |
| Lease Liabilities | 16 | (578,550) | (578,550) | (610,384) | (610,384) | (546,578) | (546,577) |
| **Total Non–Current Liabilities** | | **(2,207,357)** | **(2,207,357)** | **(2,131,553)** | **(2,131,553)** | **(1,575,826)** | **(1,575,836)** |
| | | | | | | | |
| **Total Assets less Liabilities** | | **10,857,094** | **10,861,046** | **11,013,509** | **11,011,283** | **9,669,237** | **9,673,358** |
| | | | | | | | |
| **Tax-payers Equity and Other Reserves** | | | | | | | |
| General Fund | | 2,529,719 | 2,533,671 | 3,036,127 | 3,033,340 | 2,380,441 | 2,384,562 |
| Revaluation Reserve | | 8,327,375 | 8,327,375 | 7,977,382 | 7,977,943 | 7,288,796 | 7,288,796 |
| | | | | | | | |
| **Total Equity** | | **10,857,094** | **10,861,046** | **11,013,509** | **11,011,283** | **9,669,237** | **9,673,358** |

The notes following these main schedules form part of these financial statements.

**Sir Philip Barton KCMG OBE**
Accounting Officer

Foreign, Commonwealth & Development Office
King Charles Street
London
SW1A 2AH

23 July 2024

# Consolidated Statement of Cash Flow

## for the year ended 31 March 2024

| | Note | 2023-24 Core Department & Agencies £000 | 2023-24 Departmental Group £000 | Restated 2022-23 Core Department & Agencies £000 | Restated 2022-23 Departmental Group £000 |
|---|---|---|---|---|---|
| **Cash Flows from Operating Activities** | | | | | |
| Net expenditure for the year | | (10,759,235) | (10,759,569) | (8,320,032) | (8,319,829) |
| Adjustments for non-cash transactions and non-operating activities | | 689,506 | 689,564 | 285,551 | 284,752 |
| (Increase)/decrease in trade and other receivables | 9 | (72,528) | (71,414) | (119,531) | (119,333) |
| Less movements in receivables relating to items not passing through the CSoCNE | | 77,745 | 77,745 | 36,960 | 36,960 |
| (Increase)/decrease in inventories | CSoFP | 7 | 7 | (7) | (7) |
| Increase/(decrease) in trade payables | 10 | 692,981 | 684,555 | (210,181) | (204,919) |
| Less movements in payables relating to items not passing through the CSoCNE | | 5,638 | 11,260 | (595,859) | (601,481) |
| Use of provisions | 11 | (203,596) | (203,596) | (235,271) | (235,271) |
| Defined benefit pension scheme cash payments | | (1,192) | (1,192) | (351) | (351) |
| **Net Cash Outflow from Operating Activities** | | **(9,570,674)** | **(9,572,640)** | **(9,158,721)** | **(9,159,479)** |
| | | | | | |
| **Cash Flows from Investing Activities** | | | | | |
| Purchase of property, plant and equipment | 5 | (211,164) | (211,166) | (156,503) | (156,503) |
| Purchase of right of use assets | | (1,523) | (1,523) | (2,063) | (2,063) |
| Purchase of intangible assets | | (35) | (35) | (93) | (93) |
| Proceeds from disposal of property, plant and equipment | | 43,451 | 43,451 | 688,842 | 688,842 |
| Proceeds of disposal of financial investments | | 10,503 | 10,503 | 5,528 | 5,528 |
| Purchase of financial investments | 6 | (304,086) | (304,086) | (166,922) | (166,922) |
| Purchase of loans | | (137,910) | (137,910) | (56,290) | (56,290) |
| Repayment of loans | | 107,583 | 107,583 | 52,168 | 52,168 |
| **Net Cash Outflow from Investing Activities** | | **(493,181)** | **(493,183)** | **364,667** | **364,667** |

| | | 2023-24 | | Restated 2022-23 | |
|---|---|---|---|---|---|
| | Note | Core Department & Agencies £000 | Departmental Group £000 | Core Department & Agencies £000 | Departmental Group £000 |
| **Cash Flows from Financing Activities** | | | | | |
| Lease liability interest expense | 16 | (9,607) | (9,607) | (6,841) | (6,841) |
| Capital element of payments in respect of leases | 16 | (154,991) | (154,991) | (152,488) | (152,488) |
| From the Consolidated Fund (Supply) - current year | CSoCTE | 10,185,856 | 10,185,856 | 9,942,687 | 9,942,687 |
| Payment to Consolidated Fund (Supply) - current year | CSoCTE | (229,587) | (229,587) | – | – |
| Capital element of payments of on-CSoFP PFI contracts | | (2,763) | (2,763) | (1,180) | (1,180) |
| **Net Financing** | | **9,788,908** | **9,788,908** | **9,782,178** | **9,782,178** |
| | | | | | |
| **Net Increase/(Decrease) in Cash and Cash Equivalents in the period before Adjustment for Receipts and Payments to the Consolidated Fund** | | **(274,947)** | **(276,915)** | **988,124** | **987,366** |
| | | | | | |
| Payments of amounts due to the Consolidated Fund | | (9,815) | (9,815) | (683,287) | (683,287) |
| Receipts of amounts as agent of the Consolidated Fund | SOPS 4.2 | 1,621 | 1,621 | 2,702 | 2,702 |
| | | | | | |
| **Net Increase/(Decrease) in Cash and Cash Equivalents in the period after Adjustment for Receipts and Payments to the Consolidated Fund** | | **(283,141)** | **(285,109)** | **307,539** | **306,781** |
| | | | | | |
| **Cash and Cash Equivalents at the beginning of the period** | 8 | 510,862 | 518,620 | 203,323 | 211,839 |
| **Cash and Cash Equivalents at the end of the period** | 8 | 227,721 | 233,511 | 510,862 | 518,620 |

The notes following these main schedules form part of these financial statements.

A restatement has been made to reclassify an amount of £289,500k relating to a prior period purchase of financial investments which had not been settled in cash during the period. This has been reclassified from investing activities to movements in payables not passing through the CSoCNE. This is applicable for both core and group figures.

A further restatement has been made to correct an error in the prior period receivables passing through the CSoCNE line in respect of incorrectly classified movements in loan receivables. The 2022-23 published figure has been reduced by £94,431k. £47,949k has been reclassified to adjustments for non-cash transactions and non-operating activities and £46,482k reclassified to repayments of loans within investing activities. This is applicable for both core and group figures.

# Consolidated Statement of Changes in Taxpayers' Equity

## for the year ended 31 March 2024

| | | Core Department & Agencies | | | Departmental Group | | |
|---|---|---|---|---|---|---|---|
| | Note | General Fund £000 | Revaluation Reserve £000 | Total £000 | General Fund £000 | Revaluation Reserve £000 | Total £000 |
| **Balance at 31 March 2022** | CSoFP | **2,355,922** | **7,288,796** | **9,644,718** | **2,360,043** | **7,288,796** | **9,648,839** |
| Implementation of IFRS 16 | | 24,519 | – | 24,519 | 24,519 | – | 24,519 |
| **Restated Balance at 1 April 2022** | | **2,380,441** | **7,288,796** | **9,669,237** | **2,384,562** | **7,288,796** | **9,673,358** |
| | | | | | | | |
| Net Parliamentary Funding – drawn down | | 9,942,687 | – | 9,942,687 | 9,942,687 | – | 9,942,687 |
| Net Parliamentary Funding – deemed | | 202,359 | – | 202,359 | 202,359 | – | 202,359 |
| Supply receivable/(payable) adjustment | 10 | (509,675) | – | (509,675) | (515,297) | – | (515,297) |
| Parliamentary Funding – supply received/(paid) in year | | – | – | – | – | – | – |
| CFERs payable to the Consolidated Fund | SOPS 4.1 | (684,613) | – | (684,613) | (684,613) | – | (684,613) |
| | | | | | | | |
| Net expenditure for the year | CSoCNE | (8,320,032) | – | (8,320,032) | (8,319,829) | – | (8,319,829) |
| | | | | | | | |
| Net gain/(loss) on revaluation of PPE | CSoCNE | – | 125,317 | 125,317 | – | 125,317 | 125,317 |
| Net gain/(loss) on revaluation of intangibles | CSoCNE | – | – | – | – | – | – |
| Net gain/(loss) on revaluation of assets held for sale | 5.1 | – | – | – | – | – | – |
| Net gain/(loss) on right of use assets | | – | 47,327 | 47,327 | – | 47,327 | 47,327 |
| Actuarial gain/(loss) on defined benefit pension schemes | CSoCNE | 8,002 | – | 8,002 | 8,002 | – | 8,002 |
| Net gain/(loss) on revaluation of development capital investments | CSoCNE | – | 13,127 | 13,127 | – | 13,127 | 13,127 |
| Net gain/(loss) on revaluation of International Financial Institution investments | CSoCNE | – | 625,654 | 625,654 | – | 625,654 | 625,654 |
| Net gain/(loss) on revaluation of investment in BII | CSoCNE | – | (113,100) | (113,100) | – | (113,100) | (113,100) |
| | | **638,728** | **698,325** | **1,337,053** | **633,309** | **698,325** | **1,331,634** |
| **Non–cash adjustments** | | | | | | | |
| Non–cash charges – auditors remuneration | 3 | 803 | – | 803 | 803 | – | 803 |
| Fair value revaluation adjustment | | – | – | – | – | – | – |
| | | | | | | | |
| **Movements in Reserves** | | | | | | | |
| Realised element to General Fund | | 9,739 | (9,739) | – | 9,178 | (9,178) | – |
| Restated consolidation and other in-year adjustments[73] | | 6,416 | – | 6,416 | 5,488 | – | 5,488 |
| **Restated Balance at 31 March 2023** | CSoFP | **3,036,127** | **7,977,382** | **11,013,509** | **3,033,340** | **7,977,943** | **11,011,283** |

73 Includes UKCI restatement. For further information please see Note 18.

| | | Core Department & Agencies | | | Departmental Group | | |
|---|---|---|---|---|---|---|---|
| | | General Fund | Revaluation Reserve | Total | General Fund | Revaluation Reserve | Total |
| | Note | £000 | £000 | £000 | £000 | £000 | £000 |
| Net Parliamentary Funding – drawn down | | 10,185,856 | – | 10,185,856 | 10,185,856 | – | 10,185,856 |
| Net Parliamentary Funding – deemed | | 509,675 | – | 509,675 | 515,297 | – | 515,297 |
| Supply receivable/(payable) adjustment | 10 | (220,777) | – | (220,777) | (220,777) | – | (220,777) |
| Parliamentary Funding – supply received/(paid) in year | | (229,587) | – | (229,587) | (229,587) | – | (229,587) |
| CFERs payable to the Consolidated Fund | SOPS 4.1 | (16,273) | – | (16,273) | (16,273) | – | (16,273) |
| | | | | | | | |
| Net expenditure for the year | CSoCNE | (10,759,235) | – | (10,759,235) | (10,759,569) | – | (10,759,569) |
| | | | | | | | |
| Net gain/(loss) on revaluation of PPE | CSoCNE | – | 102,657 | 102,657 | – | 102,657 | 102,657 |
| Net gain/(loss) on revaluation of intangibles | CSoCNE | – | – | – | – | – | – |
| Net gain/(loss) on revaluation of assets held for sale | CSoCNE | – | – | – | – | – | – |
| Net gain/(loss) on right of use assets | | – | 97,542 | 97,542 | – | 97,542 | 97,542 |
| Actuarial gain/(loss) on defined benefit pension schemes | 14 | (1,282) | – | (1,282) | (1,282) | - | (1,282) |
| Net gain/(loss) on revaluation of development capital investments | CSoCNE | – | 12,670 | 12,670 | – | 12,670 | 12,670 |
| Net gain/(loss) on revaluation of International Financial Institution investments | CSoCNE | – | 56,427 | 56,427 | – | 56,427 | 56,427 |
| Net gain/(loss) on revaluation of investment in BII | CSoCNE | – | 102,300 | 102,300 | – | 102,300 | 102,300 |
| | | **(531,623)** | **371,596** | **(160,027)** | **(526,335)** | **371,596** | **(154,739)** |
| **Non–cash adjustments** | | | | | | | |
| Non-cash charges – auditors remuneration | 3 | 872 | – | 872 | 872 | – | 872 |
| Fair value revaluation adjustment | | – | – | – | – | – | – |
| | | | | | | | |
| **Movements in Reserves** | | | | | | | |
| Realised element to General Fund | | 21,604 | (21,604) | – | 22,165 | (22,165) | – |
| Consolidation and other in–year adjustments | | 2,739 | 1 | 2,740 | 3,629 | 1 | 3,630 |
| | | | | | | | |
| **Balance at 31 March 2024** | CSoFP | **2,529,719** | **8,327,375** | **10,857,094** | **2,533,671** | **8,327,375** | **10,861,046** |

The notes following these main schedules form part of these financial statements.

# Notes to the Departmental Resource Accounts

## 1. Statement of accounting policies

In accordance with the direction received from HM Treasury under the Government Resources and Accounts Act 2000 (GRAA), these financial statements have been prepared in accordance with the 2023-24 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context taking account of the designation of those entities to be included within the consolidated Departmental Group (the departmental group) as determined by Statutory Instrument and accordingly are drawn up on that basis to give a true and fair view. Where the FReM permits a choice of accounting policy, the policy which is judged to be most appropriate to the particular circumstances of the FCDO for the purpose of giving a true and fair view has been selected. The policies adopted by the department are described below. These have been applied consistently in dealing with items that are considered material to the accounts.

In addition to the primary statements prepared under IFRS, the FReM also requires the department to prepare an additional primary statement, the Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes showing the outturn against estimate in terms of the net resource requirement and the net cash requirement. The SOPS and supporting notes can be found in the Accountability Report.

### 1.1 Accounting convention

These accounts have been prepared on a going concern basis under the historical cost convention, modified to account for the revaluation of non-current assets at their value to the FCDO by reference to their current costs or fair value as appropriate.

### 1.2 Basis of consolidation

These accounts comprise a consolidation of the core department, its departmental agency and those other ALBs which fall within the departmental boundary as defined in the statutory instrument SI 2023 No 1360 "Government Resources and Accounts Act 2000 (Estimates and Accounts) (Amendment) Order 2023" laid by HM Treasury. These bodies make up the 'departmental group'. Transactions between the entities included in the consolidation are eliminated. A list of all those entities within the departmental boundary is given in Note 19 to the accounts.

In the preparation of the group accounts, the department is required to adopt consistent and uniform accounting policies across all entities with appropriate adjustments made where any differences have a material impact on the accounts.

In line with FReM rules on activities which are charged directly to departments' expenditure, the primary statements in these accounts do not include amounts attributed to the FCDO in relation to spending on development activities by the European Union from the EU budget. The SOPS does, however, include this expenditure when calculating resource outturn for the year under review. As a result, this expenditure is included within SOPS 2, detailing the reconciliation between resource outturn for the year and the total included in the Consolidated Statement of Comprehensive Net Expenditure (CSoCNE).

### 1.3 Machinery of Government changes

As agreed as part of SR21, the UK government's investment in eight International Climate Fund programmes (UKCI) was transferred from BEIS to the FCDO during 2023-24. The FCDO subsequently transferred the investment in UKCI to BII. As a machinery of government change, this has been accounted for as a Transfer by Merger in accordance with the FReM. Details of the accounting entries and restatement required can be found in Note 18.

### 1.4 Accounting policy changes

There were no accounting policy changes in 2023-24.

### 1.5 Impending application of newly issued accounting standards not yet effective

The following changes to IFRS may affect the FCDO and will be applied once they are adopted by the FReM (subject to any interpretations or adaptations applied by the FReM). The effective dates of the IFRS changes are noted below.

***IFRS 17 Insurance Contracts***

IFRS 17 Insurance Contracts will replace IFRS 4 Insurance Contracts. The standard will be adapted for the central government context and updates made to the 2024-25 FReM, with an implementation date of 1 April 2025.

IFRS 17 identifies insurance contracts as those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. The FCDO is discussing with HM Treasury whether any guarantee issued by the FCDO, and disclosed as a contingent liability, could fall within the remit of IFRS 17 once adapted for the public sector.

### 1.6 Critical accounting judgements and estimates

Management, in preparing the accounts, is required to select suitable accounting policies, apply them consistently and make estimates and assumptions that are reasonable and prudent. These judgements and estimates are continually evaluated, based on historical experience and other factors considered relevant, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions. Critical accounting estimates are those which involve the most complex or subjective judgements or assessments. The areas of the FCDO's business that typically require such estimates in implementing the accounting policies set out above are explained in more detail below.

***(a) Impairment review of financial assets held at amortised cost***

The FCDO carries out an annual impairment review of the carrying value of its financial assets which are measured at amortised cost. Impairment losses are calculated based on the best estimate of the current fair value. Long term loan balances are held with a number of overseas governments and organisations. The FCDO carries out an annual review to assess whether there has been a significant increase in credit risk. This is done by considering factors affecting recoverability such as political matters, for example, stability within the recipient country; or economic developments and progress towards debt reduction initiatives, such as the Paris Club or the Heavily Indebted Poor Countries (HIPC) initiative. Expected Credit Losses (ECLs) are then measured for all amortised cost financial assets by reviewing history of default and credit ratings together with a forward look at expected economic conditions and applies that information to estimate expected future cash flows. Further details of how the FCDO calculates and assesses ECLs are available in Note 1.23.

***(b) Fair value of financial investments***

Financial investments are measured at fair value at the Consolidated Statement of Financial Position (CSoFP) date using a range of valuation techniques as appropriate to the nature of each asset. These valuation techniques involve a number of assumptions and judgements depending on the method applied. The valuation of the FCDO's investments can be subjective where there is no observable market and there is an inherent risk that valuations may not reflect fair value. As a result, there is a level of estimation uncertainty of investment valuations. Details of these uncertainties and relevant sensitivity analyses are available in Note 7.

For a number of financial investments, the valuation date is prior to 31 March because of the timing of investment reporting. Where this is the case, an estimate of the fair value at year end is made based on judgements around any material changes between the valuation point and 31 March and recording any additions in this time at cost as a proxy for fair value. In the absence of available market data, an approximation of the fair value of the FCDO's interests is assessed as the FCDO's share of the net assets based on the number of shares subscribed by the FCDO. Where possible, valuations are based on financial information contained within published annual accounts but given that year-ends of most entities are non-coterminous with the FCDO, quarterly financial information has been used to value investments where the FCDO judges these provide a more accurate valuation of shareholding. For these entities a letter of assurance is also sought to give additional confidence over valuation procedures and methodology.

***(c) Valuation of property, plant and equipment***

Land and buildings are valued by qualified surveyors using observable market prices adjusted as necessary for any difference in the future, location or condition of the specific asset. Note 5 provides additional information on the valuation of land and buildings. Surveyors must use a degree of professional judgement to arrive at the valuations. Estimation is based on experience with similar assets. Overseas properties can be held under a number of different individual agreements, and the FCDO values these appropriately within the local market. The estimated useful life of each asset is reviewed periodically. The FCDO assesses material movements between the date of measurement (30 September) and the year end (31 March). Where the foreign exchange and market movements are not deemed material, the 30 September valuation is used at year end.

***(d) Estimation of provisions***

The estimation of provisions is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. A provision is recognised where the likelihood of a liability crystallising is deemed probable and where it is possible to quantify the effect with reasonable certainty. Wherever possible expert advice is sought, e.g. Counsel opinion regarding legal provisions. The FCDO's largest provisions are in relation to legally binding pledges to the International Finance Facility for Immunisation (IFFIm). Further information on these provisions is provided at Note 11.

***(e) Calculation of accruals and prepayments***

Expenditure is recognised in the period in which the underlying event or activity occurs. In some instances, this will require resource adjustments through accruals and prepayments. Accruals and prepayments are based on the known value of the transaction wherever possible. Where estimates need to be made, they are based on appropriate and consistently applied methods. For prepayments, judgement is required on a case-by-case basis to ascertain if the FCDO spending and the activities funded can be separately identified in order to make an appropriate estimate of the prepayment adjustment required. Judgement is also required to establish whether there is a legal right to return of any committed funds, and thus whether a constructive obligation has been created in full or in part.

***(f) Valuation of defined benefit pension schemes***

The present value of the net pension liability depends on actuarially derived assumptions about variables such as inflation, discount factors, and mortality rates. The majority of pension investments are held in pension funds or insurances in order to give a guaranteed income. This has reduced the volatility that would otherwise occur if the assets had been directly invested in stocks and shares.

***(g) Fair value of financial guarantees***

Financial guarantees are measured at fair value at the CSoFP date and recorded as a financial liability.

Where financial guarantee contracts are issued below fair value and where no active market or observable equivalent exists (which is the case for all of the FCDO's guarantees), then, in accordance with the FReM, they are measured at initial recognition and at each reporting period end using lifetime ECLs as the fair value. The FCDO's financial guarantees in non-active markets are guarantees of International Bank for Reconstruction and Development (IBRD), African Development Bank (AfDB) and Asian Development Bank (ADB) lending to sovereigns (see Note 13 for details) whereby the guarantee will be called in the event of a sovereign default, guarantees for European Bank for Reconstruction and Development (EBRD) lending to a state-owned entity whereby the guarantee will be called in the event of the borrower default and to NatWest, who provide a Revolving Credit Facility to Government of Gibraltar.

Defaults to the Multilateral Development Banks (MDBs) are rare meaning there is little data to make an accurate assumption about loss given default. Bank of Canada (BoC) developed a database of sovereign defaults that is published on their website and updated in partnership with the Bank of England (BoE). This database records all types of sovereign defaults, including to MDBs, from 1960- 2022. The FCDO has used this information as the basis for its scenario modelling of default recovery and probability weighting. The FCDO has chosen the following scenarios: recovery within 1 year, recovery in 2-5 years, recovery in 6-10 years, recovery in 11-15 years and recovery in 15 years or more which has been equated to perpetual default (or the sovereign never recovering from default). Probability weights are then calculated based on historical occurrences of these scenarios as recorded in the BoC database. The FCDO has chosen to use only IBRD defaults rather than the whole BoC database as these are most relevant to the FCDO's guarantees. All IBRD data in the BoC database from 1960-2022 has been used. The FCDO calculates the lifetime ECL (i.e. fair value) of its IBRD and AfDB guarantees by performing modelling in each of these scenarios using the GAD designed model, then probability weighting each result to give an overall estimated fair value. Lifetime ECL of the EBRD and NatWest guarantees are also calculated through the GAD designed model however the loans have a tenors of 5 and 3 years respectively, therefore default recovery scenario analysis was not deemed necessary. The ADB guarantee covers the total bank's lending portfolio rather than country-specific guarantee coverage and therefore default recovery scenario analysis was also not deemed necessary. There is a level of estimation uncertainty in the valuation of financial guarantees. To illustrate the differences that different assumptions may have on the fair value of guarantees issued below fair value and where there is no active market or observable market equivalent, sensitivity analysis is included at Note 13.

This sensitivity analysis takes the best and worst case scenarios of foreign exchange and basic interest rates along with default recovery, where applicable, to give a full range of possible outcomes. In the case of the NatWest guarantee to Government of Gibraltar, it is necessary also to perform sensitivity analysis in respect of credit rating as a shadow sovereign credit rating was assigned to assess probability of default.

In line with IFRS 9, the lifetime ECL has been discounted to the reporting date using HM Treasury rates to reflect the time value of money. The discount rate applied at 31 March 2024 was 2.05% (31 March 2023: 1.9%).

The development guarantees that the FCDO enters into with MDBs are structured in such a way that a single default does not trigger payment of the full guaranteed amount, but only the 'defaulted' loan repayment – i.e. each loan repayment that is guaranteed is a distinct event. This means that over the lifetime of a loan guarantee facility, the FCDO may be liable for multiple occurrences of sovereign default rather than one singular default where total remaining exposure is immediately due. The FCDO worked with the Government Actuaries Department (GAD) to build a model for calculating ECLs. As a result of the structure of the FCDO's guarantees where each default is a distinct event, both the FCDO and GAD judged that a cumulative default rate would be the most appropriate for the calculation because it takes into account the probability of survival from one period to the next.

### 1.7 Operating segments

In line with IFRS 8 'Operating Segments', the FCDO's operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of operating segments, which for this purpose has been identified as the Management Board.

The FCDO is managed, and reports internally, on a basis consistent with its eight Director General (DG) areas and as such, these have been determined as the operating segments. The Management Board reviews a monthly finance report as a standing item on its agenda. This aggregates financial data and summarises financial performance, both historical and forecast, by DG area. Note 2 sets out gross expenditure, income, and the net position for each operating segment.

### 1.8 Operating Income and Revenue Recognition

Operating income is income which relates to the operating activities of the FCDO. It principally comprises charges for services provided, on a full cost recovery basis, to external partners across government. Operating income is stated net of VAT and is recognised in accordance with the FReM and IFRS 15.

The FCDO's operating revenue is primarily derived from providing services, with revenue recognised over time as the service is provided to the customer. The significant operating income streams of the FCDO are income from other government departments and organisations, running costs receipts and consular fees, details of which can be found in Note 4.

The FCDO recognises notional income reflecting the release of discounting on loans. This is calculated in accordance with IFRS 9 using the effective interest rate method to amortise, or spread, cash flows over the life of the loan.

### 1.9 Income collected as agent for the Consolidated Fund

Income collected by the FCDO where it was acting as an agent for the Consolidated Fund rather than as principal is excluded from the CSoCNE. Details of the amount and balance held at the year-end date are given in SOPS Note 4.2.

### 1.10 Notional costs – audit fees

In accordance with the requirements of the FReM, the external audit fees for the core department and its agency are charged to Net Operating Cost as notional costs to the FCDO borne by the National Audit Office (NAO). Further details of the amounts paid to the NAO are disclosed in section 2.3 Parliamentary Accountability and Audit Report.

### 1.11 Staff costs

In accordance with IAS 19 Employee Benefits, all short-term staff costs accrued at the year-end are recognised in the CSoCNE. These short-term benefits largely relate to bonuses announced but not paid and accrued paid holiday entitlement at the period end date. Longer-term benefits, such as pensions provided to staff, are recognised in line with IAS 19 as modified by the FReM.

### 1.12 Grants payable

Grants payable are recorded as expenditure either in the period in which the underlying event or activity giving entitlement to the grant occurs (where it is possible to ascertain how and when the FCDO funds are spent) or at the point at which constructive obligation is deemed to have taken place. Where grants are made to governments or international organisations and the FCDO contributions are pooled, every effort is made to match expenditure with particular activities. Where the period to which the payments are to be applied is clearly defined, the appropriate resource adjustments are made to reflect the period of expenditure through accruals and prepayments. Recognition of entitlement to the grant will vary according to the individual programme.

Grant in Aid (GIA) payments from the department to ALBs are paid only when the need for cash has been demonstrated by the body concerned. ALBs treat receipts of GIA as financing. These transactions are eliminated on consolidation.

A promissory note is a legally binding undertaking by the government to provide to the named beneficiary any amount up to the specified limit that the beneficiary may demand, at any time. The FCDO uses promissory notes mainly, but not exclusively, as part of the arrangements whereby we pay certain sums to International Development Banks and Funds. Promissory notes deposited in the financial year are recorded as expenditure. Promissory notes payable have been classified as financial liabilities measured at amortised cost. They have been shown as due within 1 year, as they are legally payable on demand, so the maturity profile in the CSoFP, and in note 7, shows the earliest date at which they could be payable.

International subscriptions are fees for membership of international organisations, paid on behalf of the government. These are treated as 12 equal payments over the annual period of membership.

### 1.13 Value Added Tax (VAT)

The department is registered for VAT and pays tax on its purchases in accordance with the Value Added Tax Act 1994. Income and expenditure are shown net of VAT where output tax is charged, or input tax is recoverable. Irrecoverable VAT incurred is included within the overall cost of purchases. Amounts owed by HM Revenue and Customs for VAT recoverable at the CSoFP date are included in 'Trade and other receivables' (Note 9).

### 1.14 Foreign exchange

For peacekeeping expenditure obligations, the FCDO has foreign currency forward purchase contracts for US Dollars and Euros in order to gain greater budget certainty. Further details on these are provided at Note 1.22 Financial Investments and Loans.

Transactions denominated in foreign currencies are translated into sterling in accordance with IAS 21.29 at the spot rate or average rate when settled.

Transactions within the FCDO's accounting system are translated to sterling at an average rate of exchange determined on the first day of the month in which the transaction occurs (as an approximation of the actual exchange rate at the date of the transaction).

Average Rate is the rate of exchange on the last working day of the previous month. If the exchange rate deviates from this rate during the month by +/- 3% over 3 or more consecutive days, the average rate is updated to a revised spot rate.

Monetary assets and liabilities denominated in foreign currency are translated into sterling at the exchange rates ruling at the CSoFP date.

Differences on translation of balances are recognised as operating costs within the CSoCNE. Non-monetary assets and liabilities are subject to annual revaluation and are translated at the CSoFP date as part of the fair value revaluation.

The foreign exchange element of revaluations of investments, property, plant and equipment is accounted for as part of the revaluation amount.

Most FCDO rates are gathered from the same source, OANDA, so the underlying data is consistent between both average rate and spot rate transactions.

### 1.15 Cash and cash equivalents

The FCDO's cash comprises cash on hand with UK and overseas banks and on-demand deposits at the CSoFP date. The FCDO bank accounts are provided either by the Government Banking Service, or by commercial providers where this is not possible, e.g. overseas accounts.

*UK Visas and Immigration*

The FCDO acts as agent for UK Visas and Immigration (UKVI) and accounts for income as cash and recognises a payable to the UKVI in the accounts. Direct expenses paid by the UKVI, are made from bank accounts held and controlled by the FCDO. The FCDO accounts to UKVI for these expenses and recognises a receivable from UKVI in the accounts.

Visa prices in UK Sterling (GBP) are set annually through the Home Office Fees Order laid before Parliament. The legislation states that visas should normally be purchased in the appropriate local currency. All cash is paid in to the FCDO's local bank accounts. The FCDO recharges costs on to UK Visas and Immigration (UKVI) for expenses incurred in collecting visa income.

Cash equivalents comprise any assets considered by management to be readily convertible to cash, due to their highly liquid and short-term nature, by way of a readily available market for sale.

### 1.16 Property, Plant and Equipment

In line with the requirements of IAS 16, on initial recognition property, plant and equipment (PPE) are measured at cost including any costs such as installation directly attributable to bringing them into working condition. PPE are subsequently included in the accounts at the valuation applicable at the CSoFP date; any movements in valuation during the year are taken to Other Comprehensive Net Expenditure in the CSoCNE and to the revaluation reserve or are treated as impairments where appropriate. The revaluation is contributed to by both market and foreign exchange movements.

The minimum level for capitalisation of a single tangible asset is £10,000. This threshold is subject to grouping conventions where appropriate. The only exceptions to the £10,000 capitalisation threshold are Land, Buildings and Antiques and works of art (AWA) where the capitalisation threshold is £3,000. Compounds are split between individual assets therefore the FCDO capitalises all compound land and buildings assets, not just those above the £10,000 capitalisation threshold. Land and Building assets can have an actual revalued net book value much greater than historic cost.

AWA were acquired many years ago and not capitalised at the time. Consequently, there is no definitive information on historic costs.

Transport equipment, plant and machinery and information technology are stated at current value using appropriate indices. Current value is updated at year-end using indices provided by the ONS website.

PPE does not include items purchased as part of the FCDO's overseas programme spending.

*Non-specialised buildings*

Non-specialised buildings which are owned or held on long term leases, and perpetual leasehold land, are stated at fair value on an existing use basis using periodic professional valuations. When a new property is brought into active use it is immediately re-valued in accordance with the relevant Royal Institute of Chartered Surveyors (RICS) guidelines. The overseas estate is subject to a three-to-five year rolling revaluation programme and interim annual review. Since 2010-11, property valuations are carried out at 30 September. A review is undertaken at 31 March to assess whether there are significant movements in the intervening period and, where material, property values are updated. Market movements outside the UK will also be influenced by foreign exchange movements.

Refurbishments to freehold and leasehold properties are capitalised at the actual costs incurred where these extend the useful life or functionality of the underlying asset. These costs are superseded once properties are revalued as the refurbished element will be within the updated building valuation.

*Specialised buildings*

Specialised buildings are valued using Depreciated Replacement Cost methodology

(DRC). The asset being valued is compared with another existing asset. The FCDO uses recent building projects that are as equivalent in scale as possible but can be from another country (adjusted to make the valuation more comparable). The technique involves assessing all the costs of providing a modern equivalent asset using pricing at the valuation date. Further detail on building valuations is given at Note 5.

***Assets under construction***

Assets under construction are capitalised on the basis of actual costs incurred during the period until the work is completed, when the asset is deemed available for use and reclassified accordingly. Assets under construction are held at historic cost and an impairment exercise is performed.

***Assets held for sale***

In accordance with the requirements of IFRS 5, non-current assets are reclassified as held for sale if it is highly probable that their carrying amount will be recovered principally through a sales transaction rather than continuing use. This will be the case when the FCDO has made a firm decision to sell a non-current asset and it is actively marketed. At year end, any such assets will be shown as assets held for sale, measured at the lower of carrying amount and fair value less costs to sell.

***Antiques and works of art (AWA)***

AWA are not depreciated as the length of its expected useful economic life are regarded to be close to infinite. AWA are grouped and valued on a market value basis by professional valuers. Valuations take place every five years on a rolling basis, valuing a separate region each year. Within each region the valuations focus on the posts with the highest value AWA. Most AWA are held overseas. The FCDO collection includes furniture, carpets, architectural fittings such as chandeliers, silverware, glassware and china, tapestries, sculpture, decorative arts and some paintings (but not the Government Art Collection). Around half of the FCDO's art and antiques are in Europe, with the second largest collection in the Americas. The FCDO does not have a purchasing programme for AWA. To maintain safe stewardship, posts are required to complete an annual physical check of their AWA against their existing inventory. A five yearly valuation and inventory exercise of the posts with the higher value collections is also carried out. The FCDO records AWA assets in Note 5.

***Intangible assets***

Intangible assets are carried at current value in existing use. Intangible assets mainly relate to software licences.

Purchased computer software licences are capitalised as intangible assets where expenditure of £10,000 or more is incurred. Intangible asset costs can include salaries and other employee benefits of departmental staff directly attributable to the development, construction and acquisition of the asset. Capitalised software licences are amortised on a straight-line basis over the shorter of the term of the licence and the useful economic life.

### 1.17 Depreciation

PPE is depreciated at rates calculated to write off the cost or valuation of the assets on a straight-line basis over their estimated useful lives. Freehold and perpetual leasehold land is not depreciated. Assets under construction are not depreciated until the asset is brought into use. The useful life of an asset is the period over which an asset is expected to be available for use. Useful lives are normally in the following ranges:

- Freehold buildings – up to remaining 60 years
- Leasehold-related assets – over the remaining term of the lease
- Information Technology – over 1 and up to 10 years
- Software Licences – Over the shorter of the term of the licence and the useful economic life
- Transport Equipment – 2 to 8 years
- Plant and Machinery:
  - Office Equipment – between 5 and 10 years
  - Technical Equipment – up to 20 years
  - Heavy Machinery – up to 20 years

Non-residential enhancements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

Depreciation methods, estimated useful lives and residual values are reviewed at each reporting date. Freehold buildings have their remaining life adjusted annually based on expert valuation, and the depreciation is adjusted over the remaining life of the building. Non-property assets whose historic cost is greater than £150k are reviewed as part of the asset verification exercise and re-lifed where appropriate. Such changes constitute a change in accounting estimate.

### 1.18 Leases

Leases are accounted for under IFRS 16 since its implementation from 1 April 2022.

IFRS 16 eliminates the distinction between operating and finance leases and imposes a single model aimed towards the recognition of all but low value or short-term leases. The FCDO define low value as where the underlying asset has a value on adoption under £10,000 (in line with our capitalisation threshold), and short-term leases are where the lease term is 12 months or less. Any lease which is not considered to be an IFRS 16 lease for these reasons will continue to be expensed in the Consolidated Statement of Comprehensive Net Expenditure (CSoCNE).

#### Assumptions

The definition of a lease includes arrangements with nil consideration. Ground leases are examples of these, they are leases with nil or nominal consideration, and the consequent calculation would result in the lease being recorded at significantly below market value. The FCDO measures these assets at fair value on initial recognition. Any differences between the lease liability and right of use asset for new ground leases after implementation of IFRS 16 are recorded within income in the CSoCNE. For the majority of leases the cost measurement model in IFRS 16 is used as an appropriate proxy for current value in existing use.

The FCDO has elected to exclude intangible assets, and to use the HM Treasury PES rate as the appropriate discount rate for determining present value.

#### Policy applicable from 1 April 2022

At inception of a contract, the FCDO assesses whether a contract is, or contains, a lease.

A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time.

This includes assets for which there is no consideration. To assess whether a contract conveys the right to control the use of an identified asset, an assessment is made to determine whether:

» The contract involves the use of an identified asset;

» The department has the right to obtain substantially all of the economic benefit from the use of the asset throughout the period of use; and

» The department has the right to direct the use of the asset.

The FCDO assesses whether it is reasonably certain to exercise break options or extension options at the lease commencement date. This estimate determines the length of the lease term impacting the lease liabilities and right of use assets. This is reviewed if there is a significant event or significant change of circumstances that were not anticipated. Management's judgement includes the use of alternative buildings and the strategic importance of the building. Estimates include the length of the lease term, and the cost of a replacement property and any significant leasehold improvements that have been made. Reliance is placed on the professional judgement of estates staff, supported by information on corporate asset management plans, other business strategies, investment already made in the underlying asset, ongoing business needs and market conditions. The impact of these judgements and estimates are significant to the financial statements and are reviewed on a regular basis.

For residential leases (private rented accommodation used by staff), the FCDO considers factors, such as business needs and costs compared to alternatives, to determine whether renewal is reasonably certain. Where leases include an option to extend, an assessment will be made as to whether to revise the lease length.

For overseas offices and residences, when determining that a lease extension is reasonably certain, the FCDO assumes that the footprint will tend to be static due to the high cost of ingoing works and security adaptations. For these leases the FCDO will seek to extend the old lease or agree a new lease at expiry, unless a change has been agreed as part of the Global Asset Management Plan (GLAMP). Regional surveyors will review any upcoming lease expiry up to two years before the end of the lease. Consideration will be given to using an option to renew, negotiating an extension, or creating a separate new lease.

The FCDO's Estates team requires the completion of a Lease Authorisation Record (LAR) for any proposed contract regarding future lease commitments. The approval of an LAR is deemed to be the recognition point for making an option to extend a lease reasonably certain.

For residential leases, the FCDO will enter into an initial term, which can vary from a few months to 4-5 years. The average lease length is between 2-3 years. The lease will usually be extended to accommodate staff tour dates, and also to reflect additional work carried out on the property that would otherwise need to be replicated in an alternative property.

Options to extend or renew residential leases will largely depend upon the local market practices, legal jurisdictions and tax treatment. In many markets local law contains renewal or extension rights even if the lease itself is silent on extension or renewal options. Each decision on extension is different and will be driven by the needs of the FCDO's mission overseas.

Cash payments for the principal portion of the lease liability and cash payments for the interest portion are presented within financing activities in the cash flow statement. Payments in relation to short-term leases and leases of low value assets which are not included on the balance sheet are included within operating expenses.

Irrecoverable VAT is not part of the lease liability and is not capitalised as part of the right of use asset. Instead, it is treated in line with IFRIC 21 and expensed at the tax point.

***As a lessee***

**Right of use assets**

The department recognises a right of use asset and lease liability at the commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs, prepayments or incentives, and costs related to restoration at the end of a lease.

Lessees are required to recognise lease incentives over the lease term as a reduction of lease expense. For the FCDO, in most cases incentives are paid as a deduction of the regular rent charge over the lease term often to the first review period, and the net rent is used for the PV calculation. Where there are exceptional cases with material incentives these should be accounted for separately upfront.

The cost measurement model in IFRS 16 is used as an appropriate proxy for current value in existing use for the majority of leases except for those which meet one of the following:

- A longer-term lease that has no provisions to update lease payments for market conditions or if there is a significant period of time between those updates; and;
- The fair value or current value in existing use of the underlying asset is likely to fluctuate significantly due to changes in market prices.

In all other cases the regular rent reviews in contracts mean that the cost will reflect the fair value of the lease. This is because the rents payable are aligned to open market rates. In the case of longer leases where there are not regular rent reviews, there is a greater chance of divergence between cost and fair value, hence a professional revaluation is appropriate.

The right of use asset is depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of property plant and equipment assets.

Under some circumstances, the FCDO provides guarantees via a bank with no money paid directly to the landlord. In these circumstances the bond is a recoverable debtor balance, with interest earned on the amount deposited with the bank.

The right of use asset is a non-monetary asset and the lease liability is a monetary liability. The right of use asset is remeasured into GBP using the exchange rate on the lease commencement date, while the lease liability is remeasured based on the period end exchange rate.

Where cost is used as a proxy the resulting depreciation charge of the assets in subsequent periods is a fixed amount in the reporting currency (i.e. at the exchange rate used at the inception of the lease), while the periodic repayment is recorded at the average exchange rate of the relevant period. Any changes to the lease liability due to exchange rate changes would be recognised in the CSoCNE.

**Lease liabilities**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate provided by HM Treasury (HMT). The HMT discount rates were 3.51% for leases entered during 2023, or 4.72% after 1 January 2024.

The HMT discount rate is used, as a Supply-funded public sector body, undertakes any "borrowing" through a request for Supply from the Exchequer. There are no interest rates levied to supply-funded bodies and the interest rates charged upon the Exchequer do not take account of the reasons for the borrowing.

The FCDO applies IAS 36 *Impairment of Assets* to determine whether the right of use asset is impaired and to account for any impairment loss identified. An impairment test will only be necessary for an individual right of use (ROU) assets where there are indicators of impairment at the end of the reporting period. The FCDO considers that residential leases are unlikely to require impairment assessment.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or a rate are treated as a fixed payment, and initially measured using the index rate at the commencement date.
- Amounts expected to be payable under a residual value guarantee.
- The exercise price under a purchase option that the department is reasonably certain to exercise, lease payments in an optional renewal period if the department is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the department is reasonably certain not to terminate early.

When the lease liability is re-measured, a corresponding adjustment is made to the right of use asset or recorded in the CSoCNE if the carrying amount of the right of use asset is zero.

The lease payment is re-measured when there is a change in future lease payments arising from a change in the index or rate, if there is a change in the department's estimates of the amount expected to be payable under a residual value guarantee, or if the department changes its assessment of whether it will exercise a purchase, extension or termination option.

A lease modification is a change in the scope of a lease, or the consideration for a lease, that was not part of its original terms and conditions.

The FCDO accounts for a lease modification as a separate lease if both:

a. the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
b. the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

In the event that a lease contract has expired, but the FCDO remains in occupation pending negotiations for a renewed term, the lease term has been measured as the estimated time until the new contract will be agreed.

The lease liabilities are included within current and non-current liabilities on the CSoFP.

***Cross charging agreements***

The FCDO considers the cross-charging agreements with partner organisations (PAGs) for sharing the platform do not contain a lease and therefore fall out of the scope of the IFRS 16.

***Short term and low value leases***

Following the adoption of IFRS 16 on 1 April 2022, most assets previously held under operating leases have now been capitalised and put onto the balance sheet as ROU assets. Only buildings and land held on short term leases of less than 12 months, or which are under the capitalisation threshold when the ROU is calculated, are expensed during the year. For these short term and low value leases the rental payments are recorded in the CSoCNE on a straight-line basis over the term of the lease.

## 1.19 Capital commitments

Capital commitments represent capital expenditure contracted for at the end of the reporting period, but not recognised as liabilities as no payment has been made and no performance has been rendered by the supplier. These commitments are only those where the contracts are non-cancellable.

## 1.20 Financial instruments

IFRS 7 'Financial Instruments: Disclosures' requires disclosures in the accounts that enable users to evaluate the significance of financial instruments to the financial position and performance of the department. Furthermore, it requires the disclosure of the nature and extent of risks arising from financial instruments to which the FCDO is exposed during the year and at the financial year-end and requires explanation of how those risks are managed.

Financial assets and liabilities are recognised when the department becomes party to the contracts that give rise to them and conditions satisfying recognition are met. Financial assets are measured at their fair values except for those assets which are designated as measured at amortised cost. The basis for designation as fair value or amortised cost is based on criteria set out in IFRS 9 and the FCDO's application is set out in Note 1.22.

Financial assets are derecognised when the right to receive cash flows has expired or where the FCDO has transferred substantially all the risks and rewards of ownership or control of the asset. Financial liabilities are derecognised if the department's obligations specified in the contract expire or are discharged or cancelled. All other financial assets and liabilities that are not separately disclosed in the accounting policies are recorded at amortised cost using the effective interest rate method to amortise, or spread, cash flows, such as interest or discounts, over the life of the instrument.

In line with IFRS 13, the FCDO discloses fair values at the end of the reporting period, the levels of the fair value hierarchy (Level 1, 2 or 3) and necessary transfers between the levels in Note 7.

### 1.21 Investment in other public sector bodies

The FCDO holds an investment in FCDO Services, comprised of 100% of its public dividend capital. As a trading fund, FCDO Services is not included within the FCDO departmental boundary and the department's investment is reported in these accounts at historical cost.

The FCDO is the sponsor department for British International Investment plc (BII), a wholly owned public limited company, currently classified as applied by the Office for National Statistics (ONS), as a 'self-financing public corporation'. The FCDO is the controlling entity of BII under IFRS, with 100% shareholding, but due to the application of ESA 2010 and HM Treasury direction, BII is not consolidated within the departmental resource accounting boundary. The FCDO's ownership interest in BII is recognised in these financial statements within non-current financial asset investments adopting the recognition and measurement provisions of IFRS 9.

### 1.22 Financial investments and loans

Development capital (DC) assets are investments made by the FCDO to achieve defined development objectives while retaining an ongoing, recoverable interest in the assets funded. The FCDO's financial investments are recognised initially at fair value using settlement date accounting. At initial recognition, the best evidence of fair value in an arm's length transaction is cash received or paid, unless there is evidence to the contrary. After initial recognition, these financial assets are carried at fair value as defined by IFRS 13. IFRS 9 requires the FCDO's financial assets to be classified as either held at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL), dependent on the business model and cash flow characteristics of the financial asset. The FCDO's financial investments are held to collect contractual cash flows. Where the cash flows are solely payments of interest and principal on specified dates, the assets are held at amortised cost. For all other assets, they are measured at either FVOCI or FVTPL.

***(a) Investments measured at FVOCI***

The FCDO has applied the irrevocable election available in IFRS 9 to measure equity instruments at fair value through other comprehensive income with movements in fair value being charged or credited to Other Comprehensive Net Expenditure.

***International Financial Institutions (IFIs)***

Investments include the UK interest in certain IFIs. Shares in these bodies are not traded securities. Investments in IFIs are valued at fair value. In the absence of available market data, an approximation of the fair value of the FCDO's interests is assessed as the FCDO's share of the net assets of the IFIs, based on the number of shares subscribed by the FCDO (taking into consideration its assessment of material changes to fair value for bodies with non-coterminous reporting dates). The Articles of Agreement of all the IFIs specify that this is the valuation basis that would be used to determine the value that the FCDO would realise on dissolution of the individual institutions. This value is determined based on the net assets disclosed in the Statement of Financial Position of each IFI at the date closest to the FCDO year-end, adjusted for any subsequent and material known changes. The IFIs apply Generally Accepted Accounting Principles (United States) or IFRS. Investment additions in IFIs are funded using promissory notes (refer to Notes 6 and 10.3).

***British International Investment (BII)***

In the absence of observable market data for investments in public corporations outside the departmental boundary, net asset value per recent audited accounts (taking into consideration the department's assessment of material changes to fair value for bodies with non-coterminous reporting dates) is used as a measure for determining fair value. This applies to the FCDO's investment in BII. BII's financial investments are held at fair value under IFRS, and changes in the value of BII's net assets are recorded as changes in the value of the FCDO's investment in BII. Investment additions in BII are funded using promissory notes (refer to Notes 6 and 10.3).

***Other development capital (DC) – equities***

The fair values of DC equity assets are estimated based on a variety of valuation techniques performed by independent valuation experts, as appropriate to the nature of each asset. Valuation techniques used include the use of earnings multiples, discounted cash flows analysis using the discount rate set by HM Treasury and net asset values.

***(b) Investments and loans measured at amortised cost***

Loans and receivables have been valued at amortised cost based on expected future cash flows, net of ECLs calculated in line with IFRS 9. The discount rate applied to future cash flows to calculate amortised cost is the higher of the long-term interest rate set by HM Treasury at the date of inception or the rate intrinsic to each agreement. Expected credit losses applied are based on appropriate evidence and likelihood of default. Further information on expected credit loss allowances are set out in Note 7.

***Other development capital (DC) – amortised cost***

The fair value of DC assets held at amortised cost is estimated based on discounted cash flow analysis using the discount rate set by HM Treasury at the date of inception.

***(c) Investments and convertible loans measured at FVTPL***

***Other development capital (DC) – FVTPL***

Embedded derivatives and debt instruments which do not meet the criteria to be measured at fair value through other comprehensive income are measured at fair value through profit or loss with movements in fair value being charged or credited to the CSoCNE. This includes convertible loans. The fair values of these assets are estimated based on a variety of valuation techniques performed by independent valuation experts, as appropriate to the nature of each asset. Valuation techniques used include the use of earnings multiples and discounted cash flows analysis using the discount rate set by HM Treasury.

***Foreign currency forward purchase contracts***

The FCDO has foreign currency forward purchase contracts for US Dollars and Euros for its peacekeeping expenditure obligations. Open contracts are measured at fair value through profit or loss with movements in fair value being charged or credited to the CSoCNE. The fair value is measured as the difference between the currency's midmarket forward rate at the date of valuation (provided by the Bank of England) and the rate stipulated in the contract multiplied by the number of contracted units of currency. Once each contract has been settled it is removed from the CSoFP with any further gain or loss, calculated by comparing the contract proceeds translated at the corporate rate of exchange at maturity with the purchase cost at the rate stipulated in the contract, taken to the CSoCNE. Details of open and settled contracts are at Note 7.

### 1.23 Impairment of financial assets

***Financial investments measured at FVTPL***

Gains and losses (the difference between the acquisition cost and the current fair value) on financial investments measured at FVTPL are recognised in the CSoCNE.

***Financial investments measured at amortised cost***

IFRS 9 requires a loss allowance to be recognised at an amount equal to either 12 month or lifetime ECLs, dependent on the level of credit risk. However, for trade receivables, the FReM requires government departments to recognise lifetime ECLs.

The FCDO's largest group of trade receivables are with Other Government Departments. HM Treasury has mandated that receivable balances with core central government departments (including their executive agencies) are excluded from being recognised for impairments; with the liabilities being assessed as having zero credit risk.

The department will consider a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the FCDO in full. The department will consider reasonable and supportable information that is relevant and available without undue cost or effort when determining whether credit risk has increased significantly since initial recognition. This will include qualitative and quantitative information and analysis based on historical experience, expert credit assessment (where available) and forward-looking information.

The credit risk at initial recognition for some of the FCDO's historic loan balances is not known. Many of these balances are fully provided for already. For those without an existing provision, all available information will be used to determine the level of loss allowances required. The FCDO's loan balances include historic loans to sovereign states which fall under Paris Club agreements. One of the main principles is that any debt negotiations must be agreed by all creditor countries meaning that the FCDO cannot write off any debts without full Paris Club agreement. As a result, many historic sovereign loan balances are fully provided for with no reasonable expectation of repayment but not written off.

For callable capital, the FCDO will consider the balance likely to be drawn down in the next 12 months from the reporting date and will calculate loss allowances based on this.

### 1.24 Service concessions (PFI)

Private Finance Initiative (PFI) transactions have been accounted for in accordance with HM Treasury and FReM requirements. Where the terms of the PFI meet the definition of service concession arrangements in IFRIC 12 Service Concession Arrangements, the infrastructure asset is recognised as a non-current asset and the liability to pay for it is accounted for as if a finance lease. Contract payments are apportioned between a reduction in the capital obligation and charges to the CSoCNE for service performance and finance cost. Further details can be found in Note 15.

### 1.25 Provisions

The FCDO provides for legal and constructive obligations, related to past events, where the obligations are of uncertain timing or value at the CSoFP date. Such provisions are based on the best estimate of the expenditure required to settle the obligation taking into account the risks and uncertainties surrounding the obligation. Where the time value of money is material, expected cash flows are stated at discounted amounts using the nominal discount rate set by HM Treasury (4.26% between 0 and 5 years, 4.03% between 5 and 10 years and 4.72% exceeding 10 years). The FCDO provides for irreversible, pledged funding commitments to partners as the nature of the expenditure in supporting international development programmes means there will be an outflow of economic benefits. Further information on the FCDO's provisions is provided at Note 11.

### 1.26 Pensions – UK employees

Pension benefits for the majority of current and former employees are covered by the provisions of the Civil Service pension arrangements.

From 1 April 2015 a pension scheme known as Alpha was introduced, and all newly appointed civil servants, and most of those already in service, joined Alpha. Prior to that date UK-based employees were covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). Both Alpha and PCSPS defined benefit schemes are unfunded.

The FCDO recognises the expected cost of providing these pensions on a systematic and rational basis over the period during which it benefits from employees' services by payment to the scheme of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the Civil Service pension arrangements. In respect of the defined contribution 'money purchase' schemes, the FCDO recognises the contributions payable for the year. For more details of these schemes please see the relevant section of the Remuneration Report.

### 1.27 Early departure costs

Early leavers are entitled to lump sum compensation depending on their number of years' service. Eligible leavers who have met the minimum retirement age can chose to surrender some or all of their compensation to enable them to draw their pension early without actuarial reduction. Once this is paid over to the pension scheme, there is no further liability for the department.

### 1.28 Overseas pensions and terminal benefits

The FCDO is required to observe local employment laws regarding the payment of pensions, gratuities and terminal benefits at its overseas posts. Where state or other trustee schemes exist, the FCDO discharges its obligation in-year by the payment of accrued contributions. Where the final gratuity or terminal benefit has to be met by the FCDO, the full cost has been provided for in the accounts.

The FCDO has adopted the requirements of IAS 19: Employee Benefits in respect of its overseas pension schemes. Actuarial gains/losses are taken through Other Comprehensive Net Expenditure. In respect of the defined contribution elements of the Schemes, the FCDO recognises the contributions payable for one year. A summary of the performance of the schemes is provided in these financial statements, with further information available in Note 14.

Terminal gratuities are recorded within these accounts as provisions under IAS 37 (See Note 11). A full exercise was carried out during 2020-21 to test for a material difference between the IAS 37 valuation of terminal gratuities and that using IAS 19 methodology; no material difference was found. A follow-up analysis did not indicate any change from this position. The FCDO used assumptions based on reportable data, bearing in mind the cost of providing IAS 19 data in full. The FCDO keeps the assumption of no material difference under annual review.

### 1.29 Contingent assets and liabilities

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to Parliament separately noted. Remote contingent liabilities, disclosed in the Parliamentary Accountability Report, are stated at the amounts reported to Parliament.

The department discloses a contingent asset where it is probable there will be an inflow of economic benefits from a past event, but where the outcome (timing and/or value) is uncertain. An estimate of the financial effect is indicated, where possible.

In addition to contingent liabilities and assets described above (disclosed in accordance with IAS 37), the FCDO also discloses for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities and guarantees where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of 'Managing Public Money'. These remote contingent liabilities can be found in the Parliamentary Accountability and Audit Report of the Annual Report and Accounts.

## 2. Statement of Operating Expenditure by Operating Segment

| Director General | 2023-24 Gross £000 | 2023-24 Income £000 | 2023-24 Net £000 | 2022-23 (Restated) Gross £000 | 2022-23 (Restated) Income £000 | 2022-23 (Restated) Net £000 |
|---|---|---|---|---|---|---|
| DG Africa, the Americas and Overseas Territories | 1,286,817 | (1,679) | 1,285,138 | 1,215,850 | – | 1,215,850 |
| DG Indo-Pacific, Middle East & North Africa | 1,048,260 | (13,387) | 1,034,873 | 1,108,427 | (9,530) | 1,098,897 |
| DG Defence and Intelligence | 591,994 | (25,097) | 566,897 | 519,675 | (26,810) | 492,865 |
| DG Europe | 329,144 | (1,609) | 327,535 | 524,316 | (702) | 523,614 |
| DG Geopolitics | 490,871 | (6) | 490,865 | 469,042 | (10) | 469,032 |
| DG Economics, Climate and Global Issues | 1,172,337 | (18) | 1,172,319 | 973,572 | (26) | 973,546 |
| DG Humanitarian and Development | 4,671,964 | (9) | 4,671,955 | 2,707,100 | (28) | 2,707,072 |
| DG Finance and Corporate | 1,304,500 | (28,525) | 1,275,975 | 1,162,384 | (17,706) | 1,144,678 |
| Other | 204,486 | (222,973) | (18,487) | 645,296 | (228,883) | 416,413 |
| **Total** | **11,100,373** | **(293,303)** | **10,807,070** | **9,325,662** | **(283,695)** | **9,041,967** |

The FCDO reorganised its reporting structure and Director General responsibilities and moved from having 9 DGs: DG Africa, Latin America & the Caribbean, DG Defence & Intelligence, DG Economics, Science and Technology, DG Europe, DG Finance & Corporate, DG Humanitarian & Development, DG Indo-Pacific, DG Middle East, Afghanistan, Pakistan, US, Canada & Overseas Territories and DG Political Director (Geopolitics) to having 8 DGs: DG Africa, the Americas and Overseas Territories, DG Indo-Pacific, Middle East and North Africa (MENA), DG Defence and Intelligence, DG Europe, DG Geopolitics, DG Economics, Climate and Global Issues, DG Humanitarian and Development and DG Finance and Corporate.

As a result of the reorganisation, the prior year comparatives have been restated to align with the DG structure at 2023-24.

Other includes corporate accounting adjustments and non DG specific expenditure such as Non Cash. Other income relates to funding received from other Government Departments in relation to provision of One HMG overseas platform.

The Department reports its expenditure by operating segment in accordance with IFRS 8 Operating Segments. The basis for defining operating segments is set out in note 1.7.

The standard also includes a requirement to show net assets per operating segment. The structure of the FCDO means that all assets included in the Consolidated Statement of Financial Position are used for the general administration and benefit of the FCDO as a whole. It is not possible to accurately allocate assets and liabilities to operating segments and thus such information is not reported to the Management Board or included in the segmental reporting in these financial accounts.

More details of the FCDO's performance reporting can be found in the Performance Analysis within the Annual Report.

# 3. Operating Expenditure

| | Note | 2023-24 Core Department & Agencies £000 | 2023-24 Departmental Group £000 | 2022-23 Core Department & Agencies £000 | 2022-23 Departmental Group £000 |
|---|---|---|---|---|---|
| **Staff costs** | | | | | |
| Wages and salaries | | 745,966 | 749,599 | 665,080 | 668,326 |
| Social security costs | | 43,053 | 43,429 | 36,025 | 36,367 |
| Other pension costs | | 120,617 | 121,397 | 105,185 | 105,878 |
| Recoveries outward secondments | | (2,071) | (2,071) | (1,369) | (1,369) |
| Apprenticeship levy costs | | 1,877 | 1,877 | 1,494 | 1,494 |
| | | **909,442** | **914,231** | **806,415** | **810,696** |
| | | | | | |
| **Grants** | | | | | |
| Diplomatic programmes | | 445,508 | 445,508 | 236,296 | 236,296 |
| British Council | | 179,990 | 179,990 | 164,709 | 164,709 |
| UK Integrated Security Fund programmes | | 716,167 | 716,167 | 692,280 | 692,280 |
| Peacekeeping foreign exchange rate loss/(gain) | | 6,073 | 6,073 | (22,499) | (22,499) |
| Humanitarian assistance payments | | 177,116 | 177,116 | 143,554 | 143,554 |
| Trust funds contributions | | 180,993 | 180,993 | 213,231 | 213,231 |
| Voluntary contributions | | 721,359 | 721,359 | 764,293 | 764,293 |
| Core contributions | | 1,983,829 | 1,983,829 | 1,587,700 | 1,587,700 |
| Accountable grant payments | | 401,960 | 401,960 | 437,828 | 437,828 |
| Other[1] | | 965,399 | 965,399 | 926,312 | 926,312 |
| | | **5,778,394** | **5,778,394** | **5,143,704** | **5,143,704** |
| | | | | | |
| **Promissory notes** | | | | | |
| Promissory note deposits | | 2,583,721 | 2,583,721 | 1,380,009 | 1,380,009 |
| | | **2,583,721** | **2,583,721** | **1,380,009** | **1,380,009** |
| | | | | | |
| **Subscriptions to International Organisations** | | | | | |
| Subscriptions to international organisations (including NATO, UN & Council of Europe) | | 197,518 | 197,518 | 179,773 | 179,773 |
| | | **197,518** | **197,518** | **179,773** | **179,773** |

| | Note | 2023-24 Core Department & Agencies £000 | 2023-24 Departmental Group £000 | 2022-23 Core Department & Agencies £000 | 2022-23 Departmental Group £000 |
|---|---|---|---|---|---|
| **Rentals under short term and low value leases** | | | | | |
| Rentals under short term and low value leases | | 13,413 | 13,413 | 19,147 | 19,147 |
| | | **13,413** | **13,413** | **19,147** | **19,147** |
| | | | | | |
| **Other costs** | | | | | |
| Reimbursements of duties to other Governments | | 46,274 | 46,274 | 49,388 | 49,388 |
| Audit fees for ALBs | | – | 89 | – | 76 |
| Auditors' remuneration and expenses – cash[2] | | 166 | 166 | 76 | 76 |
| Exchange rate (gains)/losses – realised | | (12,553) | (12,553) | (35,035) | (35,035) |
| Business hospitality | | 12,016 | 12,016 | 9,133 | 9,133 |
| Consular | | 9,653 | 9,653 | 1,556 | 1,556 |
| Contractor, consultancy and fee based services | | 82,586 | 82,664 | 60,526 | 60,526 |
| Estate, security and capital related costs | | 286,659 | 288,035 | 282,183 | 282,183 |
| Grant in aid to other ALBs | | 37,774 | – | 38,030 | – |
| Information and commercial services | | 6,738 | 6,738 | 6,347 | 6,347 |
| IT and communications | | 206,122 | 206,122 | 208,527 | 208,527 |
| Medical | | 22,426 | 22,426 | 23,469 | 23,469 |
| Interest element of on-CsoFP PFI contracts | | 1,651 | 1,651 | 1,785 | 1,785 |
| Recruitment | | 1,758 | 1,758 | 3,217 | 3,217 |
| Representation | | 2,912 | 2,912 | 2,737 | 2,737 |
| Research & development[3] | | – | – | 2,203 | 2,203 |
| Service element of on-CsoFP sheet contracts | | 2,358 | 2,358 | 2,964 | 2,964 |
| Transport equipment costs | | 6,827 | 6,827 | 7,634 | 7,634 |
| Training | | 12,573 | 12,573 | 9,639 | 9,639 |
| Travel | | 105,772 | 105,772 | 86,687 | 86,687 |
| Other non programme costs[4] | | 33,780 | 75,916 | 67,565 | 108,139 |
| | | **865,492** | **871,397** | **828,631** | **831,251** |
| | | | | | |
| **Total Cash** | | **10,347,980** | **10,358,674** | **8,357,679** | **8,364,580** |

| | Note | 2023-24 Core Department & Agencies £000 | 2023-24 Departmental Group £000 | 2022-23 Core Department & Agencies £000 | 2022-23 Departmental Group £000 |
|---|---|---|---|---|---|
| **Depreciation, amortisation and impairment** | | | | | |
| Depreciation of property, plant and equipment | 5 | 139,393 | 139,399 | 116,680 | 116,690 |
| Depreciation of right of use assets | | 201,559 | 201,559 | 166,019 | 166,019 |
| Amortisation of intangible assets | | 5,774 | 5,774 | 5,247 | 5,242 |
| Movement on impairments – Departmental Expenditure Limit | | (18,756) | (18,756) | 5,441 | 5,441 |
| Movement on impairments – Annually Managed Expenditure | | 92,588 | 92,588 | 6,563 | 6,563 |
| | | **420,558** | **420,564** | **299,950** | **299,955** |
| | | | | | |
| | | | | | |
| **Other non-cash costs** | | | | | |
| Non-perpetual leasehold land prepayment release | | – | – | 83 | 83 |
| (Gain)/Loss on disposal of property, plant and equipment | | 4,910 | 4,910 | 6,912 | 6,912 |
| (Gain)/Loss on disposal of investments | | 3,732 | 3,732 | – | – |
| Financial guarantee | | 245,055 | 245,055 | 324,958 | 324,958 |
| Revaluation of investments through profit and loss | 6 | 11,885 | 12,239 | 9,170 | 9,170 |
| Auditors' remuneration and expenses | | 872 | 872 | 801 | 801 |
| Provisions: Provided in year | 11 | 31,618 | 31,618 | 482,128 | 482,117 |
| Provisions: Written back in year | 11 | (7,454) | (7,454) | (2,504) | (2,504) |
| Provisions: Discounting | 11 | 5,437 | 5,437 | (118,471) | (118,471) |
| Other discounting | | – | – | (44,068) | (44,068) |
| Exchange rate (gains)/losses – unrealised | | 22,174 | 24,726 | 1,982 | 2,129 |
| | | **318,229** | **321,135** | **660,991** | **661,127** |
| | | | | | |
| **Total Non-Cash** | | **738,787** | **741,699** | **960,941** | **961,082** |
| | | | | | |
| **Total Expenditure** | | **11,086,767** | **11,100,373** | **9,318,620** | **9,325,662** |

1. Other grants includes financial aid that is made via joint programmes and pooled funding to a range of aid providers and other governments. This includes around £220 million of debt relief, £117 million of other financial aid to Governments and the remaining being general programme contributions, pooled/basket funding and research and development.
2. A breakdown of audit fees paid to the NAO can be found in the Accountability Report on page 172.
3. As a result of the implementation of Hera in the prior year, R&D costs are now reported within the grants control account which is mapped to Other Costs.
4. Within Other Non Programme Costs are a range of costs including payments for compensation, bank charges and storage costs.

# 4. Income

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Core Department & Agencies £000 | Departmental Group £000 | Core Department & Agencies £000 | Departmental Group £000 |
| **Revenue from contracts with customers** | | | | |
| Income from OGDs[1] | 210,458 | 210,458 | 212,538 | 212,538 |
| Income from other organisations[2] | 1,403 | 1,403 | 815 | 815 |
| Consular fees[3] | 24,986 | 24,986 | 25,062 | 25,062 |
| Running cost receipts[4] | 39,361 | 39,432 | 32,293 | 32,384 |
| | **276,208** | **276, 279** | **270,708** | **270,799** |
| **Income of consolidated bodies** | | | | |
| Agency: Wilton Park | 6,447 | 6,447 | 5,748 | 5,748 |
| Non-Departmental Public Bodies | – | 10,577 | – | 7,148 |
| | **6,447** | **17,024** | **5,748** | **12,896** |
| **Total operating income** | **282,655** | **293,303** | **276,456** | **283,695** |
| **Finance income** | | | | |
| Effective interest rate (EIR) interest income[5] | 32,287 | 32,287 | 36,702 | 36,702 |
| Dividends receivable | 2,519 | 2,519 | 5,891 | 5,891 |
| Interest on loans | 3,405 | 6,029 | 1,767 | 1,773 |
| | **38,211** | **40,835** | **44,360** | **44,366** |
| **Consolidated Fund extra receipts** | | | | |
| Interest payments for the British Council loan | 9,329 | 9,329 | 3,419 | 3,419 |
| Receipts in respect of capital sales proceeds | 6,846 | 6,846 | 681,177 | 681,177 |
| Consolidated Fund extra receipts[6] | 98 | 98 | 17 | 17 |
| | **16,273** | **16,273** | **684,613** | **684,613** |
| **Total Income** | **337,139** | **350,411** | **1,005,429** | **1,012,674** |

1. This includes the income from partner Departments that use our overseas platform. Income from other government departments (OGDs) is not subject to impairment under IFRS 9. Billing is made via a standard contract for platform charges, residential accommodation and other central charges. OGDs are largely charged on a per capita basis.
2. This includes income from partner countries to help fund the FCDO managed projects overseas. Income from other organisations is given to support overseas programmes carried out by the FCDO. Work supported by donor countries is scaled up and down as donations are received.
3. Consular fees are grouped into three categories: legalisation fees, emergency travel documents (including emergency passports) and Notarial and documentary services. This line only includes income from legalisation fees and emergency travel documents and emergency passports. Notarial and documentary services are classified as consolidated fund extra receipts and are disclosed separately below. Further information is provided in the Accountability Report under Consular Fees & Charges.
4. Running costs receipts are recovered under Memorandums of Understanding (MOUs) and signed letters of agreement with partner organisations. These receipts include secondment recoveries, rent, selling to wider markets, sponsorship income and recovery of overseas platform costs from organisations outside of One HMG.
5. This is notional income reflecting the release of discounting on loans.
6. Income collected by the FCDO where it was acting as agent for the Consolidated Fund rather than as principal is excluded from Note 4. Details of the amount and balance held as agent at the year-end date are given in SOPS note 4.2, which (as the amounts are so small) are included as SOPS 4.2 in lieu of a Trust Statement.

# 5. Property, Plant and Equipment

| | 2023-24 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Non-residential Land | Buildings Excluding Dwellings | Non-residential Enhancements | Residential Land | Dwellings | Residential Enhancements | Information Technology | Transport Equipment | Plant and Machinery | Antiques and Works of Art | Assets Under Construction | Total |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| **Cost or Valuation** | | | | | | | | | | | | |
| At 1 April 2023 | 254,320 | 1,202,162 | 131,170 | 279,572 | 1,166,288 | 4,884 | 251,464 | 110,758 | 339,438 | 20,223 | 299,590 | 4,059,869 |
| Additions | – | – | 302 | – | – | – | 233 | – | 160 | – | 210,471 | 211,166 |
| Disposals | (58) | (9,836) | – | (3,380) | (12,092) | – | (142) | (8,768) | (4,117) | (25) | – | (38,418) |
| Impairments (net of reversals) | (4,597) | (13,422) | – | 735 | (8,557) | – | 142 | – | (491) | – | (54,433) | (80,623) |
| Reclassification | 7,462 | 137,915 | 4,001 | – | 4,942 | – | 14,897 | 18,359 | 64,155 | – | (255,840) | (4,109) |
| Revaluation | (4,576) | 183,917 | – | 11,408 | 60,305 | – | 2,061 | 1,011 | (1,299) | – | – | 252,827 |
| **At 31 March 2024** | **252,551** | **1,500,736** | **135,473** | **288,335** | **1,210,886** | **4,884** | **268,655** | **121,360** | **397,846** | **20,198** | **199,788** | **4,400,712** |
| **Depreciation** | | | | | | | | | | | | |
| At 1 April 2023 | – | 648,912 | 88,020 | – | 547,355 | 3,525 | 189,307 | 88,836 | 214,117 | – | – | 1,780,072 |
| Charged in year | – | 38,926 | 9,169 | – | 25,771 | 452 | 22,427 | 10,446 | 32,208 | – | – | 139,399 |
| Disposals | – | (2,909) | – | – | (4,529) | – | (121) | (7,523) | (3,323) | – | – | (18,405) |
| Impairments | – | 1,286 | – | – | (2,391) | – | 102 | – | (3) | – | – | (1,006) |
| Revaluation | – | 120,506 | – | – | 28,517 | – | 1,400 | 686 | (939) | – | – | 150,170 |
| **At 31 March 2023** | **–** | **806,721** | **97,189** | **–** | **594,723** | **3,977** | **213,115** | **92,445** | **242,060** | **–** | **–** | **2,050,230** |
| **Net Book Value 1 April 2023** | **254,320** | **553,250** | **43,150** | **279,572** | **618,933** | **1,359** | **62,157** | **21,922** | **125,321** | **20,223** | **299,590** | **2,279,797** |
| **Net Book Value 31 March 2024** | **252,551** | **694,015** | **38,284** | **288,335** | **616,163** | **907** | **55,540** | **28,915** | **155,786** | **20,198** | **199,788** | **2,350,482** |

| | 2023-24 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Non-residential Land | Buildings Excluding Dwellings | Non-residential Enhancements | Residential Land | Dwellings | Residential Enhancements | Information Technology | Transport Equipment | Plant and Machinery | Antiques and Works of Art | Assets Under Construction | Total |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| **Asset Financing** | | | | | | | | | | | | |
| Owned | 238,763 | 673,769 | 38,284 | 288,335 | 616,163 | 907 | 55,540 | 28,915 | 155,786 | 20,198 | 199,788 | 2,316,448 |
| Leased | – | – | – | – | – | – | – | – | – | – | – | – |
| On-balance sheet (CSoFP) PFI Contracts | 13,788 | 20,246 | – | – | – | – | – | – | – | – | – | 34,034 |
| **Net Book Value 31 March 2024** | **252,551** | **694,015** | **38,284** | **288,335** | **616,163** | **907** | **55,540** | **28,915** | **155,786** | **20,198** | **199,788** | **2,350,482** |
| | | | | | | | | | | | | |
| **Of the Total** | | | | | | | | | | | | |
| Department | 252,551 | 694,015 | 37,657 | 288,335 | 616,163 | 907 | 55,243 | 28,915 | 155,413 | 20,198 | 199,760 | 2,349,157 |
| Agencies | – | – | 627 | – | – | – | 289 | – | 373 | – | 28 | 1,317 |
| ALBs | – | – | – | – | – | – | 8 | – | – | – | – | 8 |
| **Net Book Value 31 March 2024** | **252,551** | **694,015** | **38,284** | **288,335** | **616,163** | **907** | **55,540** | **28,915** | **155,786** | **20,198** | **199,788** | **2,350,482** |

| | 2022-23 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Non-residential Land | Buildings Excluding Dwellings | Non-residential Enhancements | Residential Land | Dwellings | Residential Enhancements | Information Technology | Transport Equipment | Plant and Machinery | Antiques and Works of Art | Assets Under Construction | Total |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| **Cost or Valuation** | | | | | | | | | | | | |
| At 1 April 2022 | 247,710 | 1,066,774 | 128,686 | 260,755 | 1,035,393 | 4,884 | 266,972 | 115,756 | 294,516 | 20,223 | 224,892 | 3,666,561 |
| Additions | – | – | – | – | – | – | – | – | 45 | – | 156,503 | 156,548 |
| Disposals | – | (710) | – | (822) | – | – | (36,338) | (6,969) | (1,263) | – | – | (46,102) |
| Impairments | (1,961) | (5,004) | – | (2,131) | (3,818) | – | (502) | – | – | – | – | (13,416) |
| Reversals of impairments | 2,283 | 16,166 | – | 5,634 | 8,122 | – | – | – | – | – | – | 32,205 |
| Reclassification | 6 | 1,916 | 2,484 | (6) | 7,596 | – | 18,080 | 1,883 | 45,643 | – | (81,805) | (4,203) |
| Revaluation | 6,282 | 123,020 | – | 16,142 | 118,995 | – | 3,252 | 88 | 497 | – | – | 268,276 |
| **At 31 March 2023** | **254,320** | **1,202,162** | **131,170** | **279,572** | **1,166,288** | **4,884** | **251,464** | **110,758** | **339,438** | **20,223** | **299,590** | **4,059,869** |
| **Depreciation** | | | | | | | | | | | | |
| At 1 April 2022 | – | 537,426 | 79,058 | – | 459,403 | 2,973 | 206,200 | 85,381 | 193,621 | – | – | 1,564,062 |
| Charged in year | – | 29,555 | 9,671 | – | 24,436 | 552 | 21,103 | 10,259 | 21,114 | – | – | 116,690 |
| Disposals | – | (710) | – | – | – | – | (36,251) | (6,804) | (819) | – | – | (44,584) |
| Impairments (net) | – | (1,747) | – | – | (851) | – | (292) | – | – | – | – | (2,890) |
| Reversals of impairments | – | 4,855 | – | – | 2,253 | – | – | – | – | – | – | 7,108 |
| Reclassification | – | 709 | (709) | – | – | – | (3,273) | – | – | – | – | (3,273) |
| Revaluation | – | 78,824 | – | – | 62,114 | – | 1,820 | – | 201 | – | – | 142,959 |
| **At 31 March 2023** | **–** | **648,912** | **88,020** | **–** | **547,355** | **3,525** | **189,307** | **88,836** | **214,117** | **–** | **–** | **1,780,072** |
| **Net Book Value 1 April 2022** | **247,710** | **529,348** | **49,628** | **260,755** | **575,990** | **1,911** | **60,772** | **30,375** | **100,895** | **20,223** | **224,892** | **2,102,499** |
| **Net Book Value 31 March 2023** | **254,320** | **553,250** | **43,150** | **279,572** | **618,933** | **1,359** | **62,157** | **21,922** | **125,321** | **20,223** | **299,590** | **2,279,797** |

| | 2022-23 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Non-residential Land | Buildings Excluding Dwellings | Non-residential Enhancements | Residential Land | Dwellings | Residential Enhancements | Information Technology | Transport Equipment | Plant and Machinery | Antiques and Works of Art | Assets Under Construction | Total |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| **Asset Financing** | | | | | | | | | | | | |
| Owned | 236,378 | 526,622 | 43,150 | 279,572 | 618,933 | 1,359 | 62,157 | 21,922 | 125,321 | 20,223 | 299,590 | 2,235,227 |
| Leased | – | – | – | – | – | – | – | – | – | – | – | – |
| On-balance sheet (CSoFP) PFI Contracts | 17,942 | 26,628 | – | – | – | – | – | – | – | – | – | 44,570 |
| **Net Book Value 31 March 2023** | **254,320** | **553,250** | **43,150** | **279,572** | **618,933** | **1,359** | **62,157** | **21,922** | **125,321** | **20,223** | **299,590** | **2,279,797** |
| **Of the Total** | | | | | | | | | | | | |
| Department | 254,320 | 553,250 | 42,678 | 279,572 | 618,933 | 1,359 | 61,988 | 21,921 | 124,998 | 20,223 | 299,590 | 2,278,832 |
| Agencies | – | – | 472 | – | – | – | 156 | 1 | 323 | – | – | 952 |
| ALBs | – | – | – | – | – | – | 13 | – | – | – | – | 13 |
| **Net Book Value 31 March 2023** | **254,320** | **553,250** | **43,150** | **279,572** | **618,933** | **1,359** | **62,157** | **21,922** | **125,321** | **20,223** | **299,590** | **2,279,797** |

## Property Valuations

Valuations are carried out by Royal Institution of Chartered Surveyors (RICS) qualified surveyors in accordance with RICS Valuation – Global Standards. Non-specialist properties are valued at fair value, interpreted as market value for existing use; specialist properties, for which there is no external market, are valued at depreciated replacement cost.

Further information on the methods of valuation can be found at Note 1 – Accounting Policies.

Physical inspections to inform valuations of properties were carried out as follows:

| Property Location | Valuer | Effective Valuation Date |
|---|---|---|
| **Asia Pacific and South Asia and Afghanistan**<br>(Asia Pacific Directorate)<br>(South Asia & Afghanistan Directorate) | Colliers International | 30 September 2023 |
| **European Union; Wider Europe and Russia; Caucasus; Central Asia**<br>(Europe Directorate)<br>(Eastern Europe and Central Asia Directorate) | Colliers International | 30 September 2022 |
| **Middle East & North Africa**<br>(Middle East & North Africa Directorate) | Colliers International | 30 September 2021 |
| **Sub-Saharan Africa**<br>(Africa Directorate) | Knight Frank | 30 September 2021 |
| **Americas**<br>(Americas Directorate) | Knight Frank | 30 September 2019 |

Desk reviews for revaluation purposes were carried out for all of the FCDO's properties at 30 September 2023 where not physically inspected in year. Desktop updates performed do not represent full valuation exercises, however they include indexation for market movements, updates to valuations through the use of comparison methodologies or roll forward of depreciated replacement cost valuations with consideration of relevant factors such as obsolescence.

End of year impairments were assessed by Colliers International and Knight Frank in conjunction with the FCDO's in-house chartered surveyors. The total fees payable to the valuers in all cases represent less than 5% of the total fee income of the valuing firm/body. Asia Pacific and South Asia were inspected for 2023-24.

### Impact of valuation movements

The FCDO assesses material market movements between the date of measurement (30 September) and the year end (31 March).

This was based on the top 30 assets by value, which were revalued to 31 March values. There was some movement in office and residential use types in Turkey between valuation date and year end. Elsewhere any movements in the market were deemed insignificant. The FCDO considers that this exercise incorporates all material changes in valuation to 31 March.

Colliers have quoted a material uncertainty for Russia, Ukraine, Myanmar, Syria, Iran, Yemen and Iraq due to conflicts in those countries. In addition Colliers have included uncertainty for asset valuations for Kazakhstan, Tajikistan, Pakistan, and Sri Lanka, where the commercial and residential property markets are very opaque with little in the way of publicly available transactions. Other than Russia, all the assets in the above countries were left with unchanged valuations amounting to £65.7 million because any changes would have to be treated with caution. There was a revaluation from £127.5 million to £154.1 million for Russia as part of the quinquennial valuation cycle. This assessment of valuation movements is required annually as the FCDO uses a non-coterminous year- end valuation of land and buildings. The non-coterminous year-end valuation is driven by the requirement to revalue the entire FCDO portfolio worldwide, which would delay the publication of the FCDO's Annual Report & Accounts beyond the administrative deadline set by HMT. The FCDO's property database was updated to replace foreign exchange rates at 30 September 2023 with those at 31 March 2024, and the valuations shown in Note 5 amended for changes in FX rates.

**Specialised Properties**

Specialised properties have been valued using the DRC methodology ignoring listed status (where relevant). It should be noted that DRC valuations are only relevant subject to the continuing prospect of the property in question remaining viable and occupied. In the event the property is no longer required for service delivery then the achievable market value of the asset may be significantly less or more than the value now reported on a DRC basis.

All the valuations have been prepared in accordance with the Royal Institution of Chartered Surveyors Valuation Professional Standards (Global and UK) January 2014. All valuers are experienced and qualified Chartered Valuation Surveyors and Registered Valuers with relevant knowledge, skill and understanding. The desk valuations have been undertaken by way of a desk review of the valuations previously supplied by external Chartered Valuation Surveyors. These valuations are valid at 30 September 2023, and reviewed at the reporting date for any material impact from global market volatility. Unless there are material changes the valuation is not changed from that at 30 September.

The FCDO also holds a number of cemeteries across the world which are classified as non-operational assets, and as such, have de minimis carrying values. The cemeteries were purchased from public subscriptions. The cemeteries are held in the Embassy name for the local British Community.

**Leased Properties**

Since the implementation of IFRS 16 on 1 April 2022 ground leaseholds are now shown separately in Note 16.5. All leases in Note 16 are valued at fair value. Except for ground leases, cost is used as a proxy for fair value. The fair value of ground leases are measured using the revaluation process used for PPE included in Note 5. A ground lease is a lease with nil or nominal consideration.

**Antiques and Works of Art (AWA)**

The FCDO has appointed Golding Young and Mawer as Antiques and works of art valuers. AWA assets in all of our Designated Residences will be inspected during 2024-25. These inspections will be part of a 5 yearly inspection and valuation schedule. We have been unable to instruct AWA valuations for 2023-24 due to an overrun in the tendering process.

**Assets Under Construction (AUC)**

The top 3 projects contained within the AUC category are the New York Permanent Representative's Residence (£22.1 million), Mumbai Office refurbishment (£10.9 million), and Lagos Office (£7.8 million). The majority of projects are at early stages, where spending will grow in future years.

**Impairment**

The Washington refurbishment is now in use, with follow-up work only to be completed in 2024-25. The costs have now been removed from AUC, resulting in a £90 million increase in gross value of the asset, and a £54 million impairment.

**Reinforced Autoclaved Aerated Concrete (RAAC)**

The FCDO has reviewed all the properties in its estate to consider the risk of a building's valuation being affected by RAAC. No buildings were found to be at a high risk, a small proportion (2%) of the estate buildings were assessed as a medium risk and the remaining 98% were assessed as low risk of RAAC existing and impacting on valuation. We do not assess RAAC existence having a material impact on the valuation of our properties.

## 5.1 Assets Held for sale

### The following assets are classified as held for sale:

| Overseas Properties | 2023-24 £000 | 2022-23 £000 |
|---|---|---|
| Balance at 1 April | 10,372 | 23,364 |
| Reclassification to assets held for sale at carrying value | 10,957 | – |
| Revaluation to fair value less costs to sell | – | – |
| (Impairments)/reversals | – | – |
| Disposals | (16,592) | (12,992) |
| **Balance at 31 March** | **4,737** | **10,372** |

The FCDO manages its property portfolio in line with its dynamic business needs, including investment in new properties and disposal of those no longer required. Capital disposal receipts are retained for further investment by the FCDO as agreed with HMT. These assets are included as current assets on the CSoFP.

### Proceeds from Assets Sales

In 2023-24 asset sales included £6.5 million from the sale of property in Harare and £2 million from the sale of residential buildings in Sydney.

# 6. Financial Investments

| | 2023-24 | | | | |
|---|---|---|---|---|---|
| | Other development capital £000 | International Financial Institutions £000 | BII £000 | Other Public Sector Bodies £000 | Total £000 |
| **At 1 April 2023** | 630,858 | 4,752,079 | 8,267,700 | 4,981 | **13,655,618** |
| Additions | 142,110 | 161,976 | 433,000 | – | **737,086** |
| Disposals[74] | (166,064) | – | – | – | **(166,064)** |
| Impairment | (11,935) | – | – | – | **(11,935)** |
| Gains taken to other comprehensive income | 12,670 | 56,427 | 102,300 | – | **171,397** |
| Losses taken to profit and loss | (12,239) | – | – | – | **(12,239)** |
| Financing cost[75] | (5,085) | – | – | – | **(5,085)** |
| **At 31 March 2024** | **590,315** | **4,970,482** | **8,803,000** | **4,981** | **14,368,778** |
| | | | | | |
| **At 1 April 2022 (Restated)** | 540,119 | 4,053,164 | 8,091,300 | 4,982 | **12,689,565** |
| Additions | 102,543 | 73,261 | 289,500 | – | **465,304** |
| Disposals | (5,528) | – | – | – | **(5,528)** |
| Impairment | (5,921) | – | – | (1) | **(5,922)** |
| Gains/(losses) taken to other comprehensive income | 13,127 | 625,654 | (113,100) | – | **525,681** |
| Losses taken to profit and loss | (9,170) | – | – | – | **(9,170)** |
| Financing cost[69] | (4,312) | – | – | – | **(4,312)** |
| **At 31 March 2023 (Restated)** | **630,858** | **4,752,079** | **8,267,700** | **4,981** | **13,655,618** |

The FCDO has made the irrevocable election available in IFRS 9 to measure equity investments (other development capital equity investments, International Financial Institutions and BII) at fair value through other comprehensive income because they are not held for trading and to be consistent with previous treatment under IAS 39. The investment in FCDO Services, within Other Public Sector Bodies, is public dividend capital. It is therefore not a financial instrument under the FReM and so is held at historical cost. Further information is available in Accounting Policy 1.22. The above financial investments relate to investments held by the FCDO Departmental Group.

## Other development capital

Other development capital (DC) assets are investments made by the FCDO to achieve defined development objectives while retaining an ongoing, recoverable interest in the assets funded. At 31 March 2024, these include equity investments (£270.5 million), debt instruments (£267.6 million), convertible loans (£17.9 million) and other returnable grant arrangements (£34.3 million), the terms of which will vary depending on programme circumstances. The convertible loans are embedded derivatives.

Further information on the basis of valuation of these investments can be found in Accounting Policy 1.22.

The fair value of the FCDO's DC assets decreased by £40.5 million during the year to 31 March 2024 due mainly to the transfer of £151.8 million of UKCI investments to BII. In addition, there was further investment of £142.1 million, disposals of £14.2 million relating to the partial exit of mature investments, impairment of £11.9 million for two investments,

74 Development Capital disposals include the disposal of UKCI investments (refer to Note 18)
75 Financing cost is the release of discounting on returnable grants.

positive revaluations of £0.5 million and financing costs of £5.1 million.

## International financial institutions

Investments in International Financial Institutions (IFIs) are valued at fair value. There is no market for these investments – all shareholders are sovereign states. Fair value has been assessed as the FCDO's share of the net assets of the IFIs, based on the number of shares subscribed by the FCDO. The Articles of Agreement of all of the IFIs specify that this is the value that the FCDO would receive on the dissolution of the IFIs.

All investments in IFIs are denominated in a currency other than sterling. The FCDO is therefore exposed to currency risk if the value of these currencies was to fall against sterling. The FCDO is also exposed to market risk, as the value of each investment is dependent upon the net assets of the IFIs.

Further information on the basis of valuation of these investments can be found in Accounting Policy 1.22.

The fair value of the FCDO's investments in IFIs increased by £218.4 million during the year to 31 March 2024. Additions of £162.0 million relate to further shares being subscribed in the International Bank for Reconstruction and Development £45.9 million, the International Finance Corporation £83.6 million, the African Development Bank £27.0 million and IDB Invest £5.5 million. Favourable investment revaluations of £56.4 million are due to an increase in IFI profits of £171.6 million partly off-set by changes in exchange rates resulting in lower sterling holding amounts of £115.2 million.

Base currencies of investments in IFIs are shown below. Figures in US dollars include those bodies for which the US dollar is used as the working equivalent for units of account formally expressed in Special Drawing Rights (SDRs).

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Currency 000 | £000 | Currency 000 | £000 |
| International Bank for Reconstruction and Development | $2,528,450 | 1,997,701 | $2,407,664 | 1,946,673 |
| International Finance Corporation | $1,815,346 | 1,434,285 | $1,596,883 | 1,291,131 |
| Asian Development Bank | $1,126,692 | 890,187 | $1,104,685 | 893,173 |
| Inter-American Development Bank | $374,095 | 295,568 | $367,725 | 294,891 |
| African Development Bank (in Units of Account) | 202,373 | 212,375 | 183,221 | 199,163 |
| Caribbean Development Bank | $81,708 | 64,556 | $78,743 | 63,666 |
| Multilateral Investment Guarantee Agency | $88,542 | 69,956 | $78,391 | 63,382 |
| IDB Invest | $6,042 | 5,854 | – | – |
| | | **4,970,482** | | **4,752,079** |

## British International Investment (BII)

The FCDO, on behalf of the UK Government, owns 100% of the issued ordinary share capital of BII, an investment company that invests in private sector businesses in low-income countries. BII aims to demonstrate that it is possible to invest successfully in challenging environments, thereby attracting other sources of capital including fully commercial capital.

The FCDO agrees BII's high-level strategy but has no involvement in day-to-day decision making which is carried out by the BII Board of Directors and management.

HM Treasury requires that self-financing public corporations achieve a rate of return, described as 'cost of capital', to ensure that the opportunity cost of the departments' investments is covered. If BII does not meet its rate of return over each Comprehensive Spending Review period, then the shareholding department may face a further charge to the extent that such a return has not been met. BII investments aim to achieve returns from capital appreciation, investment income or both. All BII's profits are reinvested in businesses throughout its target emerging markets. Information on BII's strategies can be found at https://www.bii.co.uk/en/about/our-company/how-we-operate/.

In 2021, BII and the FCDO agreed a new strategic framework for the five years to 2026 to support the FCDO's economic development policy. The new framework builds on the previous framework, expanding the geographical remit to include the Indo-Pacific and Caribbean (whilst continuing to work in Africa and South Asia). The new strategy includes an increased focus on climate finance, including green infrastructure. It will also provide new investment in digital transformation, from large scale digital infrastructure to early stage venture capital for disruptive businesses that offer radical solutions to the problems facing developing economies. This more geographically diverse approach complements the organisation's existing strong profile in Africa and South Asia. In the five years to 2026, BII aims to invest £9 billion over the period. This is an ambitious target and exceeds the £7 billion committed over the 2017-2021 strategy period.

The fair value of the BII investment is based on the net asset value of BII per the audited financial statements at 31 December 2023 which are prepared in accordance with applicable law and International Financial Reporting Standards. This is then adjusted for any additions or disposals between 31 December 2023 and 31 March 2024 and a post-financial statement review of BII is performed to 31 March 2024 to identify other possible adjustments. At 31 March 2024, this post-financial statement review noted an estimated increase of £26.9 million to the FCDO's investment.

The fair value of FCDO's investment in BII increased by £535.3 million during the year to 31 March 2024. Additions of £433.0 million were due to further shares being subscribed of £280.0 million and additional shares of £153.0 million being acquired in exchange for FCDO's investment in UKCI (details in Note 18). The favourable revaluation of £102.3 million is due to an audited profit for the 9 months to 31 December 2023 of £75.4 million and an estimated profit of £26.9 million in the 3 months to 31 March 2024. BII's total net assets increased during 2023 from £8,097.6 million to £8,496.1 million, a rise of 4.9% (2022: 5.0%). BII's investment portfolio increased by £431.0 million in 2023 to £7,319.6 million, driven primarily by drawdowns in excess of realisations and foreign currency valuation losses. In US dollar terms, the portfolio generated a gain of 5.2% (2022: 3.8% loss) due to some positive performance across the markets. Most of the BII portfolio is denominated in US dollars and as such, results can be significantly impacted by changes in the sterling to US dollar exchange rate.

During the year ending 31 March 2024, the FCDO subscribed for a further 280.0 million shares in BII for £280.0 million consideration (2022-23: 289.5 million shares for £289.5 million consideration). These transactions were funded through the use of promissory notes (refer to notes 10.2, 10.3 and 19).

The preparation of BII's financial statements under IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates are reviewed on an ongoing basis. The area on which the most significant estimates and judgements are made is on the fair value of equity investments. In the process of applying its accounting policies, BII has made the judgement that it meets the definition of an investment entity within IFRS 10 'Consolidated Financial Statements'.

BII's operations are managed within the risk appetite defined by the BII Board of Directors and set out in the BII Risk Management Policy.

BII's principal risks, mitigating policies and processes can be found on pages 13-18 of BII's Annual Accounts 2023.

### Significant uncertainty arising from the nature of the department's investments in IFIs and BII

As set out in Accounting Policy 1.6 (b), there is a significant risk around the fair value of investments, particularly IFIs and BII due to the magnitude of these investments on the FCDO's balance sheet. Valuations are based on financial information contained in published, audited annual accounts, but most entities have a year-end non-coterminous with the FCDO therefore we also use quarterly financial information to help value investments where the FCDO judges these to provide a more accurate valuation of shareholding.

The IFIs and BII base their estimates and assumptions, and thus their reported financial results, on their current perceptions of risk, on the basis of information which is available at the time of preparing the financial information and by employing experience and judgement. Whilst the department considers that the financial information reported by the IFIs and BII are fairly stated, the ultimate realisable value of the reported assets and liabilities will vary as a result of subsequent information and events. Accordingly, so too will the value of the department's investments in the IFIs and BII as recorded in these financial statements.

### Other Public Sector Bodies

Other Public Sector Bodies consists of a £5.0 million investment in FCDO Services, comprised of 100% of its Public Dividend Capital (PDC). As a trading fund, FCDO Services is not included within the FCDO departmental boundary. Historical cost is considered to be a reasonable approximation for fair value of this asset as any surplus from trading is paid annually to the department in the form of a dividend.

# 7. Financial Instruments

## 7.1 Fair Values of Financial Instruments

The carrying values of financial assets and financial liabilities do not differ from fair values in these accounts at either 31 March 2024 or 31 March 2023. The fair values of all financial assets and liabilities by class together with their carrying amounts shown in the Consolidated Statement of Financial Position are as follows:

| | 2023-24 | | | |
|---|---|---|---|---|
| | Amortised Cost £000 | FVTPL £000 | FVOCI £000 | Total carrying value £000 |
| **Financial Assets** | | | | |
| **Non-Current Financial Assets** | | | | |
| Financial investments | 34,304 | 285,421 | 14,044,072 | 14,363,797 |
| Forward currency contracts | – | – | – | – |
| Trade and other receivables | 959,501 | – | – | 959,501 |
| | 993,805 | 285,421 | 14,044,072 | 15,323,298 |
| **Current Financial Assets** | | | | |
| Forward currency contracts | – | 2,728 | – | 2,728 |
| Trade and other receivables | 438,403 | – | – | 438,403 |
| Cash and cash equivalent | 233,511 | – | – | 233,511 |
| | 671,914 | 2,728 | – | 674,642 |
| **Total financial assets** | **1,665,719** | **288,149** | **14,044,072** | **15,997,940** |
| **Financial Liabilities** | | | | |
| **Non-current Financial Liabilities** | | | | |
| Forward currency contracts | – | (5,512) | – | (5,512) |
| Financial guarantee | – | (722,886) | – | (722,886) |
| Trade and other payables | (36,057) | –– | – | (36,057) |
| | (36,057) | (728,398) | – | (764,455) |
| **Current Financial Liabilities** | | | | |
| Forward currency contracts | – | (5,264) | – | (5,264) |
| Bank overdraft | – | – | – | – |
| Trade and other payables | (6,712,142) | – | – | (6,712,142) |
| | (6,712,142) | (5,264) | – | (6,717,406) |
| **Total financial liabilities** | **(6,748,199)** | **(733,662)** | **–** | **(7,481,861)** |
| **Net financial instruments** | **(5,082,480)** | **(445,513)** | **14,044,072** | **8,516,079** |

| | 2022-23 Restated | | | |
|---|---|---|---|---|
| | Amortised Cost £000 | FVTPL £000 | FVOCI £000 | Total carrying value £000 |
| **Financial Assets** | | | | |
| **Non-Current Financial Assets** | | | | |
| Financial investments | 19,637 | 231,164 | 13,399,836 | 13,650,637 |
| Forward currency contracts | – | 6,391 | – | 6,391 |
| Trade and other receivables | 973,447 | – | – | 973,447 |
| | 993,084 | 237,555 | 13,399,836 | 14,630,475 |
| | | | | |
| **Current Financial Assets** | | | | |
| Forward currency contracts | – | 11,925 | – | 11,925 |
| Trade and other receivables | 291,994 | – | – | 291,994 |
| Cash and cash equivalent | 516,484 | – | – | 516,484 |
| | 808,478 | 11,925 | – | 820,403 |
| | | | | |
| **Total financial assets** | **1,801,562** | **249,480** | **13,399,836** | **15,450,878** |
| | | | | |
| **Financial Liabilities** | | | | |
| **Non-current Financial Liabilities** | | | | |
| Forward currency contracts | – | (3,229) | – | (3,229) |
| Financial guarantee | – | (477,831) | – | (477,831) |
| Trade and other payables | (34,401) | – | – | (34,401) |
| | (34,401) | (481,060) | – | (515,461) |
| | | | | |
| **Current Financial Liabilities** | | | | |
| Forward currency contracts | – | (2,845) | – | (2,845) |
| Bank overdraft | – | – | – | – |
| Trade and other payables | (6,028,286) | – | – | (6,028,286) |
| | (6,028,286) | (2,845) | – | (6,031,131) |
| | | | | |
| **Total financial liabilities** | **(6,062,687)** | **(483,905)** | **–** | **(6,546,592)** |
| | | | | |
| **Net financial instruments** | **(4,261,125)** | **(234,425)** | **13,399,836** | **8,904,286** |

## Valuation of financial instruments

The FCDO measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using:

» quoted market prices in active markets for similar instruments;

» quoted prices for identical or similar instruments in markets that are considered less than active; or

» other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using inputs that are not based on observable market data (unobservable inputs). This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation.

This category includes unlisted entities for which the FCDO uses net assets as a proxy for fair value. Net assets are considered to be a good proxy for fair value because the underlying assets of each entity are held at fair value with reference either to market value or, when this is not available, discounted cash flows.

See notes 1.6, 1.20, 1.22 and 6 for more information on valuation techniques and inputs.

| | Note | 2023-24 £000 | Restated 2022-23 £000 |
|---|---|---|---|
| Financial assets | | | |
| Level 1 | | | |
| Cash and cash equivalents | 8 | 233,511 | 516,484 |
| Financial investments | 6 | 16,929 | 18,579 |
| Level 2 | | | |
| Trade and other receivables | 9 | 1,397,904 | 1,265,441 |
| Forward Currency Contracts | | 2,728 | 18,316 |
| Level 3 | | | |
| Financial investments | 6 | 14,346,868 | 13,632,057 |
| | | **15,997,940** | **15,450,877** |
| | | | |
| Financial liabilities | | | |
| Level 1 | | | |
| Bank overdraft | 8 | – | – |
| Level 2 | | | |
| Trade and other payables | 10 | (6,748,199) | (6,062,687) |
| Forward Currency Contracts | | (10,776) | (6,074) |
| Financial Guarantee | 13 | – | (105,873) |
| Level 3 | | | |
| Financial Guarantee | 13 | (722,886) | (371,958) |
| | | **(7,481,861)** | **(6,546,592)** |

There have been no transfers between Level 1 and Level 2 of the fair value hierarchy in 2023-24 or 2022-23.

A reconciliation from the opening balances to the closing balances of recurring fair value measurements within Level 3 of the fair value hierarchy is given in the table below:

| | Level 3 Financial investments £000 |
|---|---|
| **Balance at 31 March 2022 (restated)** | 12,662,855 |
| Additions | 456,422 |
| Disposals | (5,528) |
| Transfers | – |
| Gains/(losses) taken to other comprehensive income | 531,791 |
| Gains/(losses) taken to profit and loss | (9,170) |
| Impairment | (1) |
| Other movements | (4,312) |
| **Balance at 31 March 2023 (restated)** | **13,632,057** |
| | |
| Additions | 725,301 |
| Disposals | (166,064) |
| Gains/(Losses) taken to other comprehensive income | 171,397 |
| Gains/(Losses) taken to profit and loss | (12,239) |
| Impairment | 1,501 |
| Other movements | (5,085) |
| **Balance at 31 March 2024** | **14,346,868** |

## 7.2 Market risk

### Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the department's net expenditure or the value of its holdings of financial instruments.

***Exposure to market risk***

**(i) Foreign currency risk**

The FCDO is exposed to foreign currency risks which can be significant because of the nature of its business and geographical presence. Transactions denominated in foreign currencies are translated into sterling at the spot rate or average rate when settled. Accounting policy 1.14 gives more details about the foreign exchange policy.

The FCDO manages non-ODA expenditure exchange risks through the Foreign Currency Mechanism (FCM) agreed with HM Treasury. The FCM increases or decreases the FCDO's budget each year in the Supplementary Estimates to take account of movements in the top 100 currencies where the department spent the most money. The FCM uses exchange rate movements covering the period February to January and applies it to the FCDO's baseline spend to calculate the adjustment to the FCDO's budget. However, significant currency movement between February and March each year would only be reflected in a budget adjustment to the following financial year. Consequently, there remains a foreign exchange risk related to movements in February and March in the current year.

The FCM only applies to non-ODA expenditure and it does not include Peacekeeping or ODA expenditure.

The FCDO continues to use forward purchase currency contracts for Peacekeeping expenditure to minimise budget uncertainty. Subject to HMT's review and approval and with the assistance from the MOD in calculating and drawing up the required contracts, the FCDO forward purchases foreign currency for each financial year by taking out contracts through the Bank of England at regular purchase points over the preceding three years. Adjustments in-year are made by buying additional currency at the spot rate or selling excess currency as necessary, allowing the amount of currency procured to match requirements as closely as possible. Forward purchases contracts matured as follows:

| | 2023-24 | | | 2022-23 | | |
|---|---|---|---|---|---|---|
| | Foreign Currency 000 | Sterling Cost £000 | Average Exchange Rate | Foreign Currency 000 | Sterling Cost £000 | Average Exchange Rate |
| Euro | 23,780 | 20,625 | 1.15 | 22,440 | 19,670 | 1.14 |
| US Dollar | 352,469 | 281,732 | 1.25 | 419,335 | 319,165 | 1.31 |
| | | **302,357** | | | **338,835** | |

Forecast unrealised gains and losses on forward purchases maturing in future periods, based on the actual rates of exchange at the reporting period date, are analysed as follows:

| | 2023-24 | | | | |
|---|---|---|---|---|---|
| | Foreign Currency | Currency Value 000 | Sterling Value £000 | Unrealised Gains £000 | Unrealised Losses £000 |
| **Current Assets and Liabilities** | | | | | |
| Maturing in 2024-25 | Euro | 12,857 | 11,374 | – | (286) |
| | US Dollar | 241,554 | 192,277 | 2,728 | (4,978) |
| | | | **203,651** | **2,728** | **(5,264)** |
| **Non-current Assets and Liabilities** | | | | | |
| Maturing in 2025-26 | Euro | 6,850 | 6,198 | – | (197) |
| | US Dollar | 110,653 | 91,540 | – | (5,315) |
| | | | **97,738** | **–** | **(5,512)** |
| | | | | | |
| **Total non-current assets and liabilities** | | | **97,738** | **–** | **(5,512)** |
| | | | | | |
| **Total** | | | **301,389** | **2,728** | **(10,776)** |

| | Foreign Currency | 2022-23<br>Currency Value 000 | Sterling Value £000 | Unrealised Gains £000 | Unrealised Losses £000 |
|---|---|---|---|---|---|
| **Current Assets and Liabilities** | | | | | |
| Maturing in 2023-24 | Euro | 15,333 | 13,277 | 297 | – |
| | US Dollar | 314,294 | 250,832 | 11,628 | (2,845) |
| | | | **264,109** | **11,925** | **(2,845)** |
| **Non-current assets and liabilities** | | | | | |
| Maturing in 2024-25 | Euro | 7,757 | 6,826 | 115 | – |
| | US Dollar | 169,692 | 135,293 | 5,874 | (1,754) |
| | | | **142,119** | **5,989** | **(1,754)** |
| Maturing in 2025-26 | Euro | 3,982 | 3,584 | 11 | (1) |
| | US Dollar | 72,524 | 60,629 | 389 | (1,391) |
| | | | **64,213** | **400** | **(1,392)** |
| Maturing in 2026-27 | Euro | – | – | – | – |
| | US Dollar | 4,076 | 3,435 | 2 | (83) |
| | | | **3,435** | **2** | **(83)** |
| | | | | | |
| **Total non-current assets and liabilities** | | | **209,767** | **6,391** | **(3,229)** |
| | | | | | |
| **Total** | | | **473,876** | **18,316** | **(6,074)** |

FCDO’s exposure to foreign currency risk mainly relates to ODA expenditure, which is not covered by the FCM, and is shown in the following tables. This is based on the carrying amount for monetary financial instruments.

| | 2023-24<br>Sterling £000 | Euro £000 | US dollar £000 | Other £000 | Total £000 |
|---|---|---|---|---|---|
| Financial investments | 9,053,034 | 856 | 4,881,742 | 428,165 | 14,363,797 |
| Trade and other receivables | 1,340,820 | 12,879 | 44,205 | – | 1,397,904 |
| Cash and cash equivalents | 128,164 | 20,969 | 36,980 | 47,398 | 233,511 |
| Trade and other payables | (6,745,928) | – | (2,271) | – | (6,748,199) |
| **Net exposure** | **3,776,090** | **34,704** | **4,960,656** | **475,563** | **9,247,013** |

| | 2022-23 Restated<br>Sterling £000 | Euro £000 | US dollar £000 | Other £000 | Total £000 |
|---|---|---|---|---|---|
| Financial investments | 8,592,592 | – | 4,663,099 | 394,947 | 13,650,638 |
| Trade and other receivables | 1,205,351 | 16,472 | 43,618 | – | 1,265,441 |
| Cash and cash equivalents | 370,570 | 7,979 | 92,620 | 45,315 | 516,484 |
| Trade and other payables | (6,060,363) | – | (2,324) | – | (6,062,687) |
| **Net exposure** | **4,108,150** | **24,451** | **4,797,013** | **440,262** | **9,369,876** |

## Sensitivity analysis

A 10% strengthening of the following currencies against the pound sterling at 31 March 2024 and at 31 March 2023 would have increased taxpayers' equity and lowered net comprehensive expenditure by the amounts shown below. This calculation assumes that the change occurred at the Consolidated Statement of Financial Position date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular other exchange rates and interest rates, remain constant.

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Equity £000 | (Profit) or loss £000 | Equity £000 | (Profit) or loss £000 |
| Euro € | 3,856 | (3,761) | 2,717 | (2,717) |
| US Dollar $ | 551,184 | (8,768) | 533,001 | (14,879) |
| | **555,040** | **(12,529)** | **535,718** | **(17,596)** |

A 10% weakening of the above currencies against the pound sterling at 31 March 2024 and at 31 March 2023 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

### (ii) Interest rate risk

The department's interest rate exposure is limited to loans made at fixed and floating rates and cash balances held overseas. At the Consolidated Statement of Financial Position date the interest rate profile of the FCDO's interest-bearing financial instruments was:

| | 2023-24 £000 | 2022-23 £000 |
|---|---|---|
| **Fixed rate instruments** | | |
| Cash and cash equivalents | – | – |
| Trade and other receivables | 1,007,614 | 993,572 |
| | **1,007,614** | **993,572** |
| **Variable rate instruments** | | |
| Cash and cash equivalents | 164,007 | 241,046 |
| Trade and other receivables | 196,718 | 113,090 |
| | **360,725** | **354,136** |

For the financial year ending 31 March 2024 the department earned interest from financial instruments of £1.7 million (2022-23: £1.2 million). The interest earned from these financial instruments does not represent a material source of income for the FCDO.

### (iii) Equity price risk

The department's exposure to equity price risk arises from its investment in equity securities which are classified as financial assets, held at fair value through other comprehensive income and fair value through profit or loss, and are shown on the Statement of Financial Position as financial investments (see note 6).

## Sensitivity analysis

The FCDO's investments in IFIs are based on the FCDO's share of the net assets of each IFI, which are recorded at fair value. Although there is no publicly traded market for these investments, changes in the underlying net asset values of the IFIs would impact on the investment value shown in these accounts. At 31 March 2024, a 10% reduction in net asset values of the IFIs, with all other variables held constant, would result in the FCDO's net assets being reduced by £497.0 million (at 31 March 2023: £475.2 million).

The FCDO's investment in BII is based on the net assets as included in their most recent audited financial statements drawn up to 31 December 2023 and reflecting any capital contributions by the FCDO in the period between that date and 31 March 2024. The resultant value is adjusted to reflect any other material movements in fair value over that 3-month period based on management information provided. At 31 March 2024, a 10% reduction in the fair value of this organisation, with all other variables held constant, would result in the department's net assets being reduced by £880.3 million (at 31 March 2023: £826.8 million).

## 7.3 Credit risk

### Financial risk management

Credit risk is the risk of financial loss to the department if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the FCDO's receivables from sovereign debt, investment instruments and financial guarantee contracts.

### Exposure to credit risk

The fair value of financial assets held at amortised cost, trade receivables and cash and cash equivalents in note 7.1 represents the maximum credit exposure to the FCDO.

Bilateral and multilateral loans within trade and other receivables at the Consolidated Statement of Financial Position date, which are past due, have allowances for expected credit losses of £40.3 million (2022-23: £52.6 million).

Bilateral loans, and loans formerly managed by BII, are made directly to sovereign states; multilateral loans are made to sovereign states through multilateral bodies such as the European Investment Bank. Credit impairment is assessed based on default history, programme team knowledge, political risks and the potential future granting of debt relief.

The British Council had a £200 million revolving credit facility designed to provide short term liquidity. This has been converted to a £197 million term loan due to be repaid on 31 March 2025 with an option to review in October 2024 to extend the termination date until 31 March 2026.The expected credit loss allowance is £0.3 million.

IFRS 9 requires ECLs to be measured in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial guarantee contracts have been provided to Iraq, Egypt, Jordan, Gibraltar, Ukraine, India and to a portfolio of loans with the African Development Bank (AfDB) "Room to Run" and the Asian Development Bank (ADB) "IFFEd". Credit risk for these guarantees is assessed through the use of Moody's credit agency ratings, advice of our economic advisers and statistical models. The maximum credit exposure of the guarantee portfolio is £7.9 billion and lifetime ECL is £722.9 million. See Note 1.6(g) and Note 13 for more information on how we value these guarantees.

Credit risk on the department's cash balances held within the Government Banking Service is considered to be very low. Imprest balances are held with various institutions, all of which are major global banks with good credit ratings.

Financial assets are held with, or investments are made through IFIs, public sector bodies and managed investment entities.

Liquid assets are divided between a number of different financial institutions, each of whose credit rating is assessed.

Under IFRS 9, an entity must determine whether the financial asset is in one of three stages in order to determine both the amount of expected credit loss (ECL) to recognise as well as how interest income should be recognised.

Stage 1 is where credit risk has not increased significantly since initial recognition. For financial assets in stage 1, entities are required to recognise 12-month ECL and recognise interest income on a gross basis – this means that interest will be calculated on the gross carrying amount of the financial asset before adjusting for ECL.

Stage 2 is where credit risk has increased significantly since initial recognition. When a financial asset transfers to stage 2 entities are required to recognise lifetime ECL but interest income will continue to be recognised on a gross basis.

Stage 3 is where the financial asset is credit impaired.

For financial assets in stage 3, entities will continue to recognise lifetime ECL, but they will now recognise interest income on a net basis. This means that interest income will be calculated based on the gross carrying amount of the financial asset less ECL.

For financial guarantees issued below fair value and where no active market exists, the FReM requires the financial guarantees to be measured upon initial recognition, and at each reporting period end, at an amount equal to lifetime expected credit losses (ECLs) in accordance with the requirements of IFRS 9. Initial measurement and subsequent measurement are recognised through profit and loss. Details of the FCDO financial guarantees can be found in Note 13. The FReM requires lifetime losses to be recognised for trade receivables. For trade receivables with no significant financing components, IFRS 9 allows the use of a simplified method for calculating expected losses using historical default rates over the expected life of the trade receivables and adjusting for forward-looking estimates.

The most significant assumption included within the ECL model, for both 12-month and lifetime losses, is that future performance will be reflective of past performance. To address this risk, the FCDO reviews and updates default rates on a regular basis to ensure they incorporate the most up to date assumptions along with forward-looking information. Forward looking information is gathered through discussions with programme teams including economists who have a deep knowledge and understanding of the conditions surrounding each instrument.

The FCDO defines default as a history of non-payment with no reasonable expectation of repayment in the future. Where there is no history of default, the FCDO uses Moody's credit agency ratings to predict expected losses on future cashflows. Details of how the FCDO determines whether assets are credit impaired can be found in Note 1.6(a) and 1.22. Financial assets are deemed fully credit impaired when there is no reasonable expectation of recovery. Write offs are restricted due to agreements with the Paris Club, more information can be found in Note 1.

Stage 1 loans consist of the British Council loan, most multilateral loans and one bilateral loan. The bilateral loan has no repayments until 2041 and therefore has no 12-month ECL allowance. The British Council loan ECL is based on an assessed credit rating using Moody's methodology adjusted for likely support from the UK government and has been assessed at £0.3 million. Default risk of the multilateral loans is considered by the programme teams to be equivalent to investment grade bonds therefore a low ECL allowance of £0.002 million has been assessed. If the credit ratings were to be downgraded by one notch, they would still be investment grade and therefore there would not be a significant impact on the credit risk and would not move to Stage 2.

Stage 2 loans consist of the remaining multilateral and bilateral loans. These loans carry higher credit risk which is reflected in the higher ECL allowance of £40.3 million.

### Reconciliation of Expected Credit Losses

| | Stage 1: Loss allowance based on 12 month ECLs £000 | Stage 2: Loss allowance based on lifetime ECLs – not credit impaired £000 | Stage 3: Loss allowance based on lifetime ECLs – credit impaired £000 | Loss allowance based on lifetime ECLs for guarantees £000 | Loss allowance based on lifetime ECLs for trade receivables £000 | Total £000 |
|---|---|---|---|---|---|---|
| **Balance at 1 April 2022** | **1,067** | **49,217** | **–** | **47,000** | **1,648** | **98,932** |
| Impact of change to cashflows | 5,889 | 3,364 | | 324,958 | 1,892 | **336,103** |
| **Balance at 31 March 2023** | **6,956** | **52,581** | **–** | **371,958** | **3,540** | **435,035** |
| Impact of change to cashflows | – | (9,076) | – | 310,946 | 1,611 | **303,481** |
| Impact of change of credit rating assessment | (6,672) | (3,182) | – | 39,982 | – | **30,128** |
| **Balance at 31 March 2024** | **284** | **40,323** | **–** | **722,886** | **5,151** | **768,644** |

### Credit quality of loans held at amortised cost

| | 2023-24 | | | 2022-23 | | |
|---|---|---|---|---|---|---|
| | Stage 1 £000 | Stage 2 £000 | Stage 3 £000 | Stage 1 £000 | Stage 2 £000 | Stage 3 £000 |
| **Loan balance excluding allowances:** | | | | | | |
| Neither past due nor credit-impaired | 1,183,048 | – | – | 1,131,662 | – | – |
| Past due but not credit-impaired | – | 61,891 | – | – | 72,786 | – |
| Less: impairment allowances | (284) | (40,323) | – | (6,956) | (52,581) | – |
| **Loan balance net of allowances** | **1,182,764** | **21,568** | **–** | **1,124,706** | **20,205** | **–** |

## 7.4 Liquidity risk

The contractual maturities of financial liabilities (undiscounted) including estimated interest payments are shown below.

In common with other government departments, the future financing of the FCDO's liabilities is to be met by future grants of supply and application of future income, both to be approved annually by Parliament. Such approval for 2024-25 amounts has already been provided and there is no reason to believe the allocation for 2025-26 and beyond will not be forthcoming.

| | Within 1 year due on demand £000 | Within 1 year not due on demand £000 | 1-5 years £000 | More than 5 years £000 | Total £000 |
|---|---|---|---|---|---|
| **Non-Derivative Financial Liabilities** | | | | | |
| Financial guarantees | – | 320,630 | 2,292,380 | 5,259,767 | 7,872,777 |
| Trade and other payables | 5,683,930 | 800,225 | 36,057 | – | 6,520,212 |
| Lease liabilities | – | 126,473 | 249,474 | 405,553 | 781,500 |
| **Derivative Financial Liabilities** | | | | | |
| Forward currency contracts | – | 5,264 | 5,512 | – | 10,776 |

# 8. Cash and cash equivalents

| | 2023-24 | | 2022-23 Restated | |
|---|---|---|---|---|
| | Department & Agencies | Departmental Group | Department & Agencies | Departmental Group |
| | £000 | £000 | £000 | £000 |
| Balance at 1 April | 510,862 | 518,620 | 203,323 | 211,839 |
| Net change in cash balances | (283,141) | (285,109) | 307,539 | 306,781 |
| **Balance at 31 March 2024** | **227,721** | **233,511** | **510,862** | **518,620** |
| | | | | |
| Of which: | | | | |
| Cash and cash equivalents | 227,721 | 233,511 | 510,862 | 518,620 |
| **Balance at 31 March 2024** | **227,721** | **233,511** | **510,862** | **518,620** |
| | | | | |
| The following balances and overdrafts were held at 31 March: | | | | |
| Government Banking Service | 69,505 | 69,505 | 280,086 | 280,086 |
| Government Banking Service – NDPB | – | 2,295 | – | 3,424 |
| Commercial banks and cash in hand UK and overseas | 158,216 | 161,711 | 230,776 | 235,110 |
| **Balance at 31 March 2024** | **227,721** | **233,511** | **510,862** | **518,620** |

Cash balances at the Government Banking Service were held in sterling. No interest is earned on cash balances held at the Government Banking Service. Local commercial bank accounts and imprest balances are held in a variety of local currencies.

### Reconciliation of liabilities arising from financing activities

| | | | Non-Cash Changes | | | | |
|---|---|---|---|---|---|---|---|
| | 31 March 2023 | Cash flows | Acquisition | Forex Movements | Fair value changes | Other changes | 31 March 2024 |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Supply | 515,297 | 9,956,269 | – | – | – | (10,250,789) | 220,777 |
| Lease Liabilities | 734,394 | (164,598) | 132,448 | 15,305 | – | (27,422) | 690,127 |
| PFI Liabilities | 20,722 | (2,763) | – | – | – | – | 17,959 |
| **Total liabilities from financing activities** | **1,270,413** | **9,788,908** | **132,448** | **15,305** | **–** | **(10,278,211)** | **928,863** |

# 9. Trade receivables, financial and other assets

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Department & Agencies £000 | Departmental Group £000 | Department & Agencies £000 | Departmental Group £000 |
| **Amounts Falling Due Within 1 Year** | | | | |
| Development capital loans | – | – | 2,846 | 2,846 |
| Bilateral and multilateral loans | 48,112 | 48,112 | 37,485 | 37,485 |
| Trade receivables | 80,087 | 81,022 | 34,720 | 36,966 |
| Other receivables | 248,974 | 248,992 | 148,797 | 148,797 |
| Deposits and advances | 6,763 | 6,861 | 3,595 | 3,913 |
| Prepayments | 228,290 | 229,177 | 289,437 | 290,188 |
| Contract assets | 53,053 | 53,416 | 61,925 | 62,025 |
| | **665,279** | **667,580** | **578,805** | **582,220** |
| **Amounts Falling Due After 1 Year** | | | | |
| Bilateral and multilateral loans | 959,501 | 959,501 | 973,447 | 973,447 |
| | **959,501** | **959,501** | **973,447** | **973,447** |
| | | | | |
| **Total** | **1,624,780** | **1,627,081** | **1,552,252** | **1,555,667** |

# 10. Trade payables and other liabilities

## 10.1 Analysis by type

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Department & Agencies £000 | Departmental Group £000 | Department & Agencies £000 | Departmental Group £000 |
| **Amounts Falling Due Within 1 Year** | | | | |
| Other taxation and social security | (1,516) | (1,378) | 13,848 | 14,032 |
| Trade payables | 91,386 | 92,236 | 74,190 | 77,145 |
| Other payables | 112,503 | 112,506 | 92,563 | 92,649 |
| Accruals | 582,767 | 583,427 | 689,034 | 691,231 |
| Contract liabilities | 9,012 | 11,105 | 9,294 | 10,420 |
| Promissory notes: due on demand | 5,683,930 | 5,683,930 | 4,625,059 | 4,625,059 |
| Capital and interest elements of PFI contracts | 2,329 | 2,329 | 2,223 | 2,223 |
| **Total excluding amounts due to the Consolidated Fund** | **6,480,411** | **6,484,155** | **5,506,211** | **5,512,759** |
| | | | | |
| Amounts issued from the Consolidated Fund for supply but not spent | 220,777 | 220,777 | 509,675 | 515,297 |
| Income due to be paid to the Consolidated Fund | 7,210 | 7,210 | 1,187 | 1,187 |
| | **6,708,398** | **6,712,142** | **6,017,073** | **6,029,243** |
| | | | | |
| **Amounts Falling Due After 1 Year** | | | | |
| Payables, accruals and deferred income | 20,427 | 20,427 | 15,902 | 15,902 |
| Capital and interest elements of PFI contracts | 15,630 | 15,630 | 18,499 | 18,499 |
| | **36,057** | **36,057** | **34,401** | **34,401** |
| | | | | |
| **Total** | **6,744,455** | **6,748,199** | **6,051,474** | **6,063,644** |

## 10.2 Promissory notes payable: movement during the year

| | £000 |
|---|---|
| **Balance at 31 March 2022** | 5,348,840 |
| New notes deposited in year | 1,380,009 |
| Cash drawn down against notes previously issued | (2,103,924) |
| Foreign exchange losses | 133 |
| **Balance at 31 March 2023** | **4,625,058** |
| New notes deposited in year | 2,583,721 |
| Cash drawn down against notes previously issued | (1,524,796) |
| Foreign exchange losses | (53) |
| **Balance at 31 March 2024** | **5,683,930** |

Promissory notes payable have been classified as financial liabilities at amortised cost. They have been shown as due within 1 year, as they are legally payable on demand, so the maturity profile in the Consolidated Statement of Financial Position, and in note 7, shows the earliest date at which they could be payable.

Included within promissory notes payable is an amount of £1,953.4 million which is expected to be encashed within 1 year and £3,730.5 million which is expected to be encashed after 1 year based on non-legally binding encashment schedules.

## 10.3 Promissory notes payable: analysis by institution

| | At 31 March 2024 £000 | At 31 March 2023 £000 |
|---|---|---|
| International Development Association | 2,732,128 | 2,010,790 |
| BII | 515,200 | 365,900 |
| African Development Fund | 506,269 | 579,006 |
| Green Climate Fund | 1,321,732 | 1,005,700 |
| Climate Investment Funds (CIFs) | – | 56,813 |
| Caribbean Development Bank | 95,747 | 150,107 |
| World Health Organisation | 61,000 | 47,000 |
| Private Infrastructure Development Group | 96,041 | 103,229 |
| Global Environment Fund | 242,075 | 135,635 |
| Asian Development Fund | 50,561 | 48,093 |
| KfW Group | – | 16,231 |
| International Fund for Agricultural Development | – | 12,320 |
| European Bank for Reconstruction and Development | 7,174 | 7,174 |
| International Finance Corporation | – | 2,500 |
| IFC Catalyst Fund | 2,271 | 2,324 |
| Multilateral Investment Guarantee Agency | 3,097 | 3,098 |
| Sustainable Infrastructure Programme | 19,822 | 30,752 |
| Renewable Energy Performance Platform | 10,280 | 10,280 |
| IBRD Territorios Forestalos Sostenibles (TEFOS) | 15,910 | 30,960 |
| UNODC Territorios Forestalos Sostenibles (TEFOS) | 4,623 | 7,146 |
| **Total** | **5,683,930** | **4,625,058** |

# 11. Provisions

## 11.1 Analysis of Movement

| | 2023-24 | | | | | |
|---|---|---|---|---|---|---|
| | IFFIm £000 | IFFIm – COVAX £000 | IFFIm – Gavi £000 | Terminal Gratuities £000 | Other £000 | Total £000 |
| **Balance at 1 April 2023** | 364,984 | 360,338 | 388,075 | 56,557 | 15,596 | 1,185,550 |
| Provided in year | – | – | – | 11,498 | 20,120 | 31,618 |
| Provisions not required written back | – | – | – | – | (7,454) | (7,454) |
| Provisions utilised in the year | (111,020) | (80,000) | – | (7,567) | (5,009) | (203,596) |
| Changes in discount rate | (3,592) | (7,672) | (15,285) | – | – | (26,549) |
| Unwinding of discount/(initial discount on recognition of provision) | 9,358 | 10,418 | 12,210 | – | – | 31,986 |
| Foreign exchange unrealised gain | – | – | – | (2,278) | – | (2,278) |
| **Balance at 31 March 2024** | **259,730** | **283,084** | **385,000** | **58,210** | **23,253** | **1,009,277** |

| | 2022-23 | | | | | |
|---|---|---|---|---|---|---|
| | IFFIm £000 | IFFIm – COVAX £000 | IFFIm – Gavi £000 | Terminal Gratuities £000 | Other £000 | Total £000 |
| **Balance at 1 April 2022** | 508,522 | 489,393 | – | 51,761 | 8,636 | 1,058,312 |
| Provided in year | – | – | 461,000 | 11,135 | 9,992 | 482,127 |
| Provisions not required written back | – | – | – | – | (2,504) | (2,504) |
| Provisions utilised in the year | (127,047) | (100,000) | – | (7,706) | (528) | (235,281) |
| Changes in discount rate | – | – | – | – | – | – |
| Unwinding of discount/(initial discount on recognition of provision) | (16,491) | (29,055) | (72,925) | – | – | (118,471) |
| Foreign exchange unrealised loss | – | – | – | 1,367 | – | 1,367 |
| **Balance at 31 March 2023** | **364,984** | **360,338** | **388,075** | **56,557** | **15,596** | **1,185,550** |

## 11.2 Analysis of Expected Timing of Discounted Cash Flows

| | 2023-24 | | | | | |
|---|---|---|---|---|---|---|
| | IFFIm £000 | IFFIm – COVAX £000 | IFFIm – Gavi £000 | Terminal Gratuities £000 | Other £000 | Total £000 |
| Not later than 1 year | 95,826 | 52,140 | – | 4,861 | 8,180 | 161,007 |
| Later than 1 year but not later than 5 years | 156,764 | 188,104 | 242,021 | 11,852 | 12,905 | 611,646 |
| Later than 5 years | 7,140 | 42,840 | 142,979 | 41,497 | 2,168 | 236,624 |
| **Balance at 31 March 2024** | **259,730** | **283,084** | **385,000** | **58,210** | **23,253** | **1,009,277** |

| | 2022-23 | | | | | |
|---|---|---|---|---|---|---|
| | IFFIm £000 | IFFIm – COVAX £000 | IFFIm – Gavi £000 | Terminal Gratuities £000 | Other £000 | Total £000 |
| Not later than 1 year | 109,984 | 78,616 | – | 3,776 | 4,125 | 196,501 |
| Later than 1 year but not later than 5 years | 238,381 | 193,546 | 136,611 | 12,658 | 10,070 | 591,266 |
| Later than 5 years | 16,619 | 88,176 | 251,464 | 40,123 | 1,401 | 397,783 |
| **Balance at 31 March 2023** | **364,984** | **360,338** | **388,075** | **56,557** | **15,596** | **1,185,550** |

### The International Finance Facility for Immunisation (IFFIm)

The IFFIm is an international development financing institution that provides funding to Gavi (the vaccine alliance) and is supported by sovereign donors (www.iffim.org). The IFFIm borrows funds in the international capital markets to support Gavi with funding today backed by these longer-term pledges.

In 2006, the UK pledged £1,630.0 million through two legally binding agreements which set out bi-annual payment obligations from April 2007 to October 2029. During 2020-21, the UK pledged £500.0 million to IFFIm in support of the Gavi COVID-19 Vaccines Advanced Market Commitment (COVAX AMC), through a legally binding agreement with annual payment obligations from October 2022 to October 2029. During 2022-23, the UK pledged a further £461.0 million to IFFIm in support of Gavi, through a legally binding agreement with annual payment obligations from October 2026 to October 2029. This pledge is not in support of any specific immunisation programme and closely resembles the structure of the original IFFIm obligation.

The signing of each of the legal agreements was the recognition point for the provisions.

The value of each payment is uncertain until the final notice for that payment is provided to the FCDO. The value of the FCDO's payments can change based on a formula set out in the IFFIm grant agreements which make an adjustment to the FCDO's payments when specified countries named in the agreements are in protracted arrears on International Monetary Fund obligations. The percentage reduction has never been higher than 4% in the history of the agreements and this year has remained at 0% as none of the specified countries are currently in protracted arrears.

The provisions are calculated as the total of the FCDO's expected remaining payments after adjusting for reductions for countries in protracted arrears at the period end, discounted at the nominal discount rates set by HM Treasury (4.26% between 0 and 5 years, 4.03% between 5 and 10 years and 4.72% exceeding 10 years, at 31 March 2024).

At 31 March 2024, the UK liabilities in net present value terms (after deducting payments already made) are IFFIm: £259.7 million, IFFIm – COVAX: £283.1 million and IFFIm-Gavi: £385.0 million.

### Terminal Gratuities

The FCDO, depending upon local employment law and custom at Post, may set up a Terminal Gratuity Provision for locally engaged staff. This is not a formal pension fund but does allow the FCDO to create a liability for payments to employees. These get paid out upon their retirement or when they leave service (depending on the specific terms and conditions of the scheme in that country). As the employee works through each year, they gradually increase the value of their own specific Terminal Gratuity Provision, which will be paid to them if they meet the conditions of the scheme.

### Other Provisions

Other provisions include staff-related liabilities such as claims against the department, and the cost of early retirement payments. It also includes claims made against the department by third parties and liabilities for other estate commitments.

# 12. Contingent Assets and Contingent Liabilities

## 12.1 Contingent Asset

The department has one contingent asset.

On 30 April 2012, the FCDO signed a binding sale agreement with the management of Actis LLP ('Actis') in relation to disposing of its 40% shareholding in Actis, a fund management entity. This sale agreement confirmed our intention to dispose of this shareholding to the management of Actis, in exchange for cash payments totalling US$13.0 million (£9 million) and a 10% interest in Actis management's carried interest in Actis Fund 3 and a 7.5% interest in Actis management's carried interest in Actis Fund 4. Carried interest only refers to profits generated by the funds over the period from the sale agreement date until the expiry of the funds. This is based on the performance of the fund as a whole but will only become payable once a predetermined hurdle rate (the minimum rate of return) has been achieved.

This target is based on investment market performance in the future, therefore it is not practical to assess the value of the carried interest element of the sale proceeds reliably.

We recognise carried interest as additional sales revenue only when it has been calculated as payable and confirmed by an external audit of Actis and the associated funds. During the year ended 31 March 2024 we received carried interest payments of £Nil (2022-23: £Nil).

## 12.2 Contingent Liabilities

The Department has the following quantifiable non-remote contingent liabilities:

| | 1 April 2023 £000 | Increase in year £000 | Liabilities crystallised in year £000 | Obligations expired in year £000 | 31 March 2024 £000 |
|---|---|---|---|---|---|
| Contributions due to IFIs | 3,044,093 | 450,000 | (1,831,101) | – | 1,662,992 |
| Callable Capital – GuarantCo | 130,000 | – | – | – | 130,000 |
| Pension liability – CABI | 18,195 | 871 | – | – | 19,066 |
| Dilapidations | – | 10,900 | – | – | 10,900 |
| Legal claims | 61,121 | 9,108 | (330) | (4,804) | 65,095 |
| **Total contingent liabilities** | **3,253,409** | **470,879** | **(1,831,431)** | **(4,804)** | **1,888,053** |

Contingent liabilities of £1,663.0 million (2022-23: £3,044.1 million) exist in respect of contributions due to International Financial Institutions (IFIs). Uncertainty exists as this is subject to certain future performance conditions, which have been subject to formal approval by Parliament but are not yet supported either by promissory notes or cash payments. The movement in the year is due to further replenishments to the IFIs which have been made in the year. The FCDO expects a high proportion of this amount to crystallise as a liability in the coming years.

Contingent liabilities of £130.0 million (2022-23 £130.0 million) exist in respect of callable capital to GuarantCo Ltd (GuarantCo), an entity that provides high grade local currency denominated guarantees supporting infrastructure projects in low-income countries. GuarantCo is funded by a mix of debt and equity, and the ratio of debt to equity must stay within certain limits to preserve GuarantCo's credit rating. The callable capital can be drawn down if the GuarantCo cash balance drops below a certain level. Based on current projections which are monitored regularly, this is unlikely to be called in the next 12 months. The FCDO also holds a financial investment in GuarantCo in the form of a debt instrument and is part of the PIDG Group of investments.

A contingent liability of £19.1 million (2022-23: £18.2 million) exists, related to the UK membership of CABI, an intergovernmental organisation established by a UN treaty level agreement. In the event of CABI's dissolution, the assets are shared among/liabilities met by the member governments. The potential liability is calculated in proportion to the member government's level of contribution. An obligation at 31 March 2024 is deemed to be unlikely due to preventative measures that have been carried out as a result of intervention by the UK's Pensions Regulator.

Dilapidation costs in respect of leases are an estimate of the expenditure required to return vacated leased buildings to their original condition at the date of commencement of the lease. The FCDO has a policy to not provide for dilapidations, and instead treat them as a contingent liability. Dilapidation costs can be difficult to predict as they are obligations under the terms of a lease which are the subject of negotiation at the time of exit from a lease. Until those negotiations are completed the costs remain uncertain.

Historically the amounts paid out for dilapidations are low. Based on prior experience, the FCDO calculates the contingent liability based on rent and period. For 2023-24 the calculation uses one month's global rent as an estimate of future potential liability. This gives a figure of £10.9 million, which reflects the highest reasonable estimate of the possible liability.

All other contingent liabilities are not individually material or are not disclosed separately for commercial reasons. These include varied areas of litigation, such as employment dispute, consular and sanctions cases. The potential liability relating to sanctions challenges is considered to be unquantifiable given the limited legal precedents to date and the unknown volume and variety of potential future challenges. Other risks include estates related legal action covering our liability for properties overseas.

In addition to contingent liabilities disclosed in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, the FCDO discloses, for parliamentary reporting and accountability purposes, certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to parliament in accordance with the requirement of HMT's Managing Public Money. These can be found in the Parliamentary Accountability and Audit Report of the Annual Report and Accounts.

## 12.3 Indemnities

The department has the following indemnity:

| | 1 April 2023 £000 | Increase in year £000 | Liabilities crystallised in year £000 | Obligations expired in year £000 | 31 March 2024 £000 |
|---|---|---|---|---|---|
| British Virgin Islands indemnity | **3,000** | – | – | – | **3,000** |

An indemnity of a maximum of £3.0 million was provided in 2021 in respect of a Governor established independent inquiry in the British Virgin Islands, tasked with establishing whether there is information that corruption, abuse of office or other serious dishonesty in relation to officials, whether statutory, elected or public may have taken place in recent years. The indemnity will cover the Commissioner and his team against any liability for any act done or omission made honestly and in good faith in the execution of his or her duty as such, or in the purported execution of his duty as such.

# 13. Guarantees

At 31 March 2024, the total outstanding amounts and corresponding fair values of our financial guarantees are as follows:

| | 2023-24 | | | 2022-23 | | |
|---|---|---|---|---|---|---|
| | Guaranteed amount outstanding Currency 000 | Guaranteed amount outstanding £000 | Fair Value £000 | Guaranteed amount outstanding Currency 000 | Guaranteed amount outstanding £000 | Fair Value £000 |
| Government of Egypt (USD) | $300,370 | 238,072 | 29,091 | $281,622 | 227,700 | 13,379 |
| Republic of Iraq (USD) | $459,771 | 364,412 | 50,835 | $472,993 | 382,430 | 44,691 |
| Hashemite Kingdom of Jordan (USD) | $345,905 | 274,162 | 19,125 | $311,317 | 251,710 | 14,814 |
| Government of Ukraine (USD) | $4,077,883 | 3,232,105 | 395,529 | $1,731,509 | 1,399,980 | 143,009 |
| Government of Ukraine (EUR) | €629,346 | 538,441 | 70,754 | €615,765 | 541,570 | 58,079 |
| African Development Bank (USD) | $1,599,950 | 1,268,110 | 127,605 | $1,602,226 | 1,295,450 | 97,986 |
| Government of India (USD) | $1,772,339 | 1,404,745 | 13,651 | – | – | – |
| Asian Development Bank (USD) | $102,000 | 80,845 | 3,282 | – | – | – |
| Ukrenergo (USD) | $54,801 | 46,885 | 12,871 | – | – | – |
| Government of Gibraltar (GBP) | | 425,000 | 143 | | 425,000 | 105,873 |
| | | **7,872,777** | **722,886** | | **4,523,840** | **477,831** |

The movement in the department's financial guarantees during 2023-24 is shown below:

| | 1 April 2023 £000 | Increase in year £000 | Liabilities crystallised in year £000 | Obligations expired in year £000 | 31 March 2024 £000 |
|---|---|---|---|---|---|
| Government of Egypt | 227,700 | 20,572 | – | (10,200) | 238,072 |
| Republic of Iraq | 382,430 | 23,682 | – | (41,700) | 364,412 |
| Hashemite Kingdom of Jordan | 251,710 | 31,492 | – | (9,040) | 274,162 |
| Government of Ukraine | 1,941,550 | 1,899,646 | – | (70,650) | 3,770,546 |
| African Development Bank | 1,295,450 | – | – | (27,340) | 1,268,110 |
| Government of India | – | 1,404,745 | – | – | 1,404,745 |
| Asian Development Bank | – | 80,845 | – | – | 80,845 |
| Ukrenergo | – | 46,885 | – | – | 46,885 |
| Government of Gibraltar | 425,000 | 425,000 | – | (425,000) | 425,000 |
| **Total Guarantees** | **4,523,840** | **3,932,867** | **–** | **(583,930)** | **7,872,777** |

Initial measurement of the fair value of guarantees issued at below market value, where no active market or observable equivalent exists is based on lifetime expected credit losses (ECLs) in accordance with the FReM. Guarantees are subsequently measured by recalculating the lifetime ECLs at the reporting date. The FCDO guarantees loans provided by the International Bank for Reconstruction and Development (IBRD) to the Government of Egypt (Egypt), the Republic of Iraq (Iraq), the Hashemite Kingdom of Jordan (Jordan), the Government of Ukraine (Ukraine) and the Government of India (India). These loans were issued at below fair value where there is no active market or observable market equivalents so have been fair valued using lifetime ECLs.

The guarantee to Egypt was entered into in 2018, guaranteeing US$150.0 million principal plus interest over 35 years. The guarantee to Iraq was entered into in 2017, guaranteeing US$372.0 million principal plus interest over 18 years. The guarantee to Jordan was split into two tranches and entered into in 2019 and 2020, guaranteeing US$126.0 million and US$39.0 million principal plus interest over 34 years. The guarantee to Ukraine is in five tranches entered into in 2022, 2023 and 2024. The first tranche guarantees €426.0 million principal plus interest over 18.5 years. The second, third and fourth tranches each guarantee US$500.0 million principal plus interest each over 19, 29 and 19 years respectively. The fifth tranche guarantees $516.2 million principal plus interest over 33.5 years. In 2023, the FCDO entered into a new guarantee with India, guaranteeing US$1.0 billion principal plus interest over 22 years.

The FCDO has two portfolio guarantees, where a single guarantee covers multiple sovereign loans rather than specified loans:

i. The Room to Run (R2R) guarantee covers US$2.0 billion of existing African Development Bank (AfDB) lending to 11 countries. The UK's share of the R2R guarantee (US$1.6 billion) is on a second loss basis, with private insurance companies guaranteeing the first US$400.0 million of losses. The first loss cover reduces the overall credit risk of the R2R guarantee. The R2R guarantee was issued with a fee equal to 0.1% of the value of the R2R cover. The fee is payable biannually to cover the ongoing provision of the guarantee and is significantly below fair value. The R2R guarantee has therefore been deemed to be issued at below fair value and has been valued using discounted lifetime ECLs rather than the transaction price.

ii. The International Finance Facility for Education (IFFEd) guarantee will enable participating MDBs to expand their total lending capacity specifically in support of education projects in lower-middle income countries (LMICs). IFFEd commits to pay a pro-rata share of principal and interest defaults on any loan in the participating MDB's (currently the Asian Development Bank) total sovereign portfolio. The UK's liability is capped at US$120 million, split between a paid in element of US$18 million and a contingent liability of US$102 million. The IFFEd guarantee was issued with no fee, therefore it is deemed to be issued at below fair value and has been valued using discounted lifetime ECLs.

In 2022, the FCDO signed a guarantee to enable additional EBRD lending to Ukrenergo, a state-owned electricity transmission operator in Ukraine. The FCDO's guarantee exposure is capped at €54.4 million for any loan repayment defaults until October 2027. Ukraine is not considered to have an active market and therefore the guarantee fair value has been calculated based on lifetime ECLs.

In 2020, the UK agreed to guarantee a 3-year £500 million revolving credit facility (RCF) entered into by the Government of Gibraltar (GoG). The guarantee enabled the GoG to borrow at more favourable rates while it managed the financial impact of COVID-19. The facility expired in December 2023 and has been replaced by a new 3-year facility on similar terms. As a result, there are two distinct guarantees. When arranging the original RCF, GOG obtained official quotes from lenders in the market. This provided assurance that the loan was issued in an active market with observable market equivalents and so was fair valued based on the present value of the benefit to the party receiving the guarantee. In respect of the new loan and guarantee, there was no requirement for GOG to obtain quotes from the market as NatWest agreed to issue a RCF facility on the same terms as previously agreed to. FCDO cannot demonstrate an active market and have therefore valued the guarantee using discounted lifetime ECLs.

Further information regarding the fair valuation of guarantees can be found in Accounting Policy 1.6 (g).

## Governance of Financial Guarantees

The FCDO has a governance board which is responsible for the strategy, policy, and oversight of FCDO's portfolio of investments and guarantees. The board, a sub-committee of the Investment and Delivery Committee (IADC), ensures that the FCDO's Contingent Liability Risk Framework is fit-for-purpose and in-line with best practice. The board also reviews and recommends any changes to the FCDO's risk appetite to the Accounting Officer. The FCDO's portfolio of existing and proposed guarantees are reviewed on a regular basis, and any new guarantee proposals are evaluated in the context of the risk framework and risk appetite prior to being submitted to the IADC and Ministers for approval.

Further details on individual FCDO financial guarantees can be found in the business cases disclosed on DevTracker (https://devtracker.fcdo.gov.uk).

### Sensitivity analysis

As stated in Note 1.6 (g), there is a level of estimation uncertainty in the valuation of financial guarantees issued below fair value and where there is no active market or observable market equivalent, due to the little data available to make accurate assumptions about loss given default. The FCDO's best estimate of the fair value of these guarantees at 31 March 2024 is £722.9 million (31 March 2023: £372.0 million) representing an increase of £350.9 million.

The increase is principally due to the new guarantees to the Government of Ukraine and Government of India entered into in the year, and increases to the existing guarantees due to deteriorating default rates and higher interest rates at 31 March 2024.

As described in Accounting Policy 1.6 (g), where applicable, the fair values have been calculated using probability weighting for different recovery rates on defaults: recovery within 1 year, recovery in 2-5 years, recovery in 6-10 years, recovery in 11-15 years and recovery in 15 years or more which we have equated to perpetual default. These scenarios were then probability weighted based on historical occurrences.

Historical performance may not always reflect future performance. For this reason, the FCDO calculate a best-case scenario, where defaults will always recover within one year and with a simultaneous 10% strengthening of GBP and fall in basic interest rates, and a worst-case scenario, where defaults will always last to perpetuity and with a simultaneous 10% weakening of GBP and rise in basic interest rates. We also perform credit rating sensitivity analysis on the guarantee to Government of Gibraltar by modelling lifetime ECL with an upgrade and downgrade of 1 notch as a shadow rating was required. This results in a minimum possible fair value of £303.7 million and a maximum possible fair value of £2,973.8 million. The stated fair value of £722.9 million is closer to the best-case scenario which reflects the high proportion of defaults that have historically recovered in 5 years or less.

## 14. Retirement Benefit Schemes

Retirement benefits for UK-based employees are provided through the Civil Service pension arrangements. Details are given in the Remuneration Report. For staff engaged overseas the FCDO observes local employment laws and, where local state pension provision does not meet the FCDO requirements, provides for the payment of pensions or other terminal benefits. Local staff terminal gratuities are provided at some Posts where other retirement schemes are not available or are insufficient. These are accounted for under IAS 37 and are included under Provisions shown in Note 11. Defined contribution schemes are operated at some Posts and the value of contributions in 2023-24, excluding contributions to local government schemes, was £5.3 million (2022-23: £1.5 million).

The FCDO also operates legacy defined benefit schemes in eight overseas locations. These are based on final salary and provide for pensions at retirement and for benefits on death or disablement in service. Posts retain responsibility for the stewardship of these schemes and funding is met by the FCDO out of in year resources. They are accounted for under IAS 19 and are subject to annual actuarial review. They are all closed to new members and are all funded other than for a scheme based in Cyprus (in respect of former BBC World Service staff who operated on the island) which is unfunded with the benefits being paid out of current resources. The estimated amount of contributions expected to be paid to the schemes in the next financial year 2024-25 is £0.1 million.

| | 2023-24 | | | 2022-23 | | |
|---|---|---|---|---|---|---|
| Pension Schemes Obligations (Liabilities) | Funded Schemes £000 | Unfunded Schemes £000 | Total £000 | Funded Schemes £000 | Unfunded Schemes £000 | Total £000 |
| Balance at 1 April | (17,808) | (16,659) | (34,467) | (20,273) | (24,139) | (44,412) |
| Employees contributions | (98) | – | (98) | (101) | – | (101) |
| Matched by annuity contracts | 23 | – | 23 | 63 | – | 63 |
| Interest cost | (943) | (654) | (1,597) | (817) | (371) | (1,188) |
| Changes in assumptions | (116) | 1,299 | 1,183 | 1,631 | 6,602 | 8,233 |
| Current service cost | (242) | – | (242) | (297) | – | (297) |
| Payments of pensions | 847 | 1,311 | 2,158 | 951 | 1,228 | 2,179 |
| Actuarial gains & losses | (848) | (1,868) | (2,716) | 1,456 | 847 | 2,303 |
| FX gain/loss | 860 | 489 | 1,349 | (421) | (826) | (1,247) |
| **Balance at 31 March** | **(18,325)** | **(16,082)** | **(34,407)** | **(17,808)** | **(16,659)** | **(34,467)** |

| FV Pension Schemes Assets | 2023-24 Funded Schemes £000 | 2023-24 Unfunded Schemes £000 | 2023-24 Total £000 | 2022-23 Funded Schemes £000 | 2022-23 Unfunded Schemes £000 | 2022-23 Total £000 |
|---|---|---|---|---|---|---|
| Balance at 1 April | 23,884 | – | 23,884 | 25,474 | – | 25,474 |
| Employees contributions | 98 | – | 98 | 101 | – | 101 |
| Matched by annuity contracts | (23) | – | (23) | (63) | – | (63) |
| Finance income | 1,314 | – | 1,314 | 1,086 | – | 1,086 |
| Employers contributions | 227 | – | 227 | 356 | – | 356 |
| Payments of pensions | (847) | – | (847) | (950) | – | (950) |
| Actuarial gains & losses | 251 | – | 251 | (2,534) | – | (2,534) |
| FX gain/loss | (1,170) | – | (1,170) | 413 | – | 413 |
| **Balance at 31 March** | **23,734** | **–** | **23,734** | **23,883** | **–** | **23,883** |

| | |
|---|---|
| **Net liability** | **(10,673)** |
| **Summary** | |
| Net assets | 5,409 |
| Net liabilities | (16,082) |
| **Net Asset Liability** | **(10,673)** |

# 15. Capital and Other Commitments

## 15.1 Capital Commitments

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Core Department & Agencies £000 | Departmental Group £000 | Core Department & Agencies £000 | Departmental Group £000 |
| Estates Projects | 88,247 | 88,247 | 67,637 | 67,637 |
| IT Infrastructure | 10,456 | 10,456 | 7,887 | 7,887 |
| Vehicles | 344 | 344 | 567 | 567 |
| | **99,047** | **99,047** | **76,091** | **76,091** |

Estates Projects has entered into a number of commitments for new projects based on the additional receipts from the sale of land in Tokyo.

## 15.2 Other Financial Commitments

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Core Department & Agencies £000 | Departmental Group £000 | Core Department & Agencies £000 | Departmental Group £000 |
| Not later than 1 year | 55,760 | 55,760 | 66,948 | 66,948 |
| Later than 1 year but not later than 5 years | 101,998 | 101,998 | 41,986 | 41,986 |
| Later than 5 years | 93,435 | 93,435 | – | – |
| | **251,193** | **251,193** | **108,934** | **108,934** |

The department has entered into non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangements), for contracts to support Estates Operations and IT services. The payments to which the department are committed is as follows.

## 15.3 Commitments under short term and low value leases

### Operating Leases

Total future minimum lease payments under short term and low value leases are given in the table below for each of the following periods:

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Core Department & Agencies £000 | Departmental Group £000 | Core Department & Agencies £000 | Departmental Group £000 |
| **Land and Buildings** | | | | |
| Not later than 1 year | 3,605 | 3,605 | 1,601 | 1,601 |
| Later than 1 year but not later than 5 years | 154 | 154 | 144 | 144 |
| Later than 5 years | – | – | 99 | 99 |
| | **3,759** | **3,759** | **1,844** | **1,844** |
| **Other** | | | | |
| Not later than 1 year | 99 | 99 | 15 | 15 |
| Later than 1 year but not later than 5 years | 132 | 132 | 9 | 9 |
| Later than 5 years | 2 | 2 | – | – |
| | **233** | **233** | **24** | **24** |
| | | | | |
| **Total** | **3,992** | **3,992** | **1,868** | **1,868** |

The majority of the FCDO's leases became finance leases from 1 April 2022, and are reported in Note 16.

## 15.4 Commitments under PFI Contracts and other service concession arrangements

### 15.4.1 Within CSoFP

**Berlin Embassy**

The contract in respect of the building, operation and maintenance of the British Embassy Berlin for a term of 30 years from 23 June 2000 with an option to extend for a further 30 years. This is the only PFI contract the FCDO has entered into. The property meets the criteria determined by IFRIC 12, and therefore the embassy is included in the accounts within Property, Plant and Equipment. The initial capitalisation of the contract was reflected in the FCO's accounts for 2002-03.

| | 2023-24<br>£000 | 2022-23<br>£000 |
|---|---|---|
| Not later than 1 year | 3,790 | 3,904 |
| Later than 1 year but not later than 5 years | 15,159 | 15,615 |
| Later than 5 years | 4,737 | 8,783 |
| | **23,686** | **28,302** |
| | | |
| Less interest element | (5,727) | (7,580) |
| **Present value of obligations** | **17,959** | **20,722** |
| | | |
| The above liability is disclosed under Note 10 as follows: | | |
| Amounts falling due within 1 year | 2,329 | 2,223 |
| Amounts falling due after 1 year | 15,630 | 18,499 |
| | **17,959** | **20,722** |

Private Finance Initiative (PFI) transactions have been accounted for in accordance with HMT and FReM requirements. Where the terms of the PFI meet the definition of service concession arrangements in IFRIC 12 Service Concession Arrangements, the infrastructure asset is recognised as a non-current asset and the liability to pay for it is accounted for as a finance lease. Contract payments are apportioned between a reduction in the capital obligation and charges to the CSoCNE for service performance and finance cost.

### 15.4.2 Future charge to the CSoCNE the service charge element

Contractual payments comprise two elements: imputed finance lease charges and service charges. The liability to pay for the Berlin Embassy is in substance a finance lease obligation.

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Core Department & Agencies<br>£000 | Departmental Group<br>£000 | Core Department & Agencies<br>£000 | Departmental Group<br>£000 |
| Not later than 1 year | 2,633 | 2,633 | 2,450 | 2,450 |
| Later than 1 year but not later than 5 years | 10,532 | 10,532 | 9,799 | 9,799 |
| Later than 5 years | 5,266 | 5,266 | 7,349 | 7,349 |
| | **18,431** | **18,431** | **19,598** | **19,598** |

# 16. Leases

The vast majority of the FCDO's leases are for operational land and buildings, comprised of two distinct elements:

» Leases for offices and official residences. These are managed by chartered surveyors within the Estates team. Lease terms are taken out in the name of the Secretary of State, and will vary from 1 year to many years; and

» Residential Post Hirings. These are typically shorter agreements, leased in the name of the local UK Mission. Lease terms vary from a few months to four-five years, and exceptionally in a few locations, up to nine years.

There are 3,451 residential properties in the portfolio and 320 non-residential properties. The gross value of the residential properties is £365.9 million, with the non-residential properties having a gross value before depreciation of £621.4 million.

The most significant leases are:

» King Charles Street, which is held under a Terms of Occupation Agreement (TOA) with the Government Property Agency (GPA). Lease liability £326 million.

» UK Mission New York. Lease liability £35.4 million.

» Abercrombie House, held under a TOA with GPA. Lease liability £12.6 million.

» Abuja compound Nigeria. Lease liability £9.1million.

## 16.1 Quantitative disclosure around right of use assets

| Consolidated | 2023-24<br>Land<br>£000 | Buildings excluding dwellings<br>£000 | Dwellings<br>£000 | Plant & Machinery<br>£000 | Vehicles<br>£000 | Total<br>£000 |
|---|---|---|---|---|---|---|
| **Cost or valuation** | | | | | | |
| At 1 April 2023 | – | 603,448 | 287,266 | 129 | 126 | 890,969 |
| Additions | – | 22,380 | 109,845 | 138 | 85 | 132,448 |
| Disposals | – | (4,420) | (31,256) | – | – | (35,676) |
| **At 31 March 2024** | **–** | **621,408** | **365,855** | **267** | **211** | **987,741** |
| | | | | | | |
| **Depreciation** | | | | | | |
| At 1 April 2023 | – | 49,736 | 83,944 | 70 | 35 | 133,785 |
| Charged in year | – | 49,119 | 98,075 | 91 | 72 | 147,357 |
| Disposals | – | (3,881) | (19,967) | – | – | (23,848) |
| **At 31 March 2024** | **–** | **94,974** | **162,052** | **161** | **107** | **257,294** |
| | | | | | | |
| **Carrying Amount at 31 March 2024** | **–** | **526,434** | **203,803** | **106** | **104** | **730,447** |

| Consolidated | 2022-23<br>Land<br>£000 | Buildings excluding dwellings<br>£000 | Dwellings<br>£000 | Plant & Machinery<br>£000 | Vehicles<br>£000 | Total<br>£000 |
|---|---|---|---|---|---|---|
| **Cost or valuation** | | | | | | |
| At 1 April 2022 | – | 520,688 | 173,881 | 102 | 80 | 694,751 |
| Additions | – | 82,760 | 113,385 | 27 | 46 | 196,218 |
| **At 31 March 2023** | **–** | **603,448** | **287,266** | **129** | **126** | **890,969** |
| | | | | | | |
| **Depreciation** | | | | | | |
| At 1 April 2022 | – | – | – | – | – | – |
| Charged in year | – | 49,736 | 83,944 | 70 | 35 | 133,785 |
| **At 31 March 2023** | **–** | **49,736** | **83,944** | **70** | **35** | **133,785** |
| | | | | | | |
| **Carrying Amount at 31 March 2023** | **–** | **553,712** | **203,322** | **59** | **91** | **757,184** |

Ground leases are disclosed in Note 16.5 below.

## 16.2 Quantitative disclosures around lease liabilities

A maturity analysis of contractual undiscounted cash flows relating to lease liabilities is given below. The cash flows and balances are presented net of irrecoverable VAT.

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Core Department & Agencies £000 | Departmental Group £000 | Core Department & Agencies £000 | Departmental Group £000 |
| **Buildings excluding dwellings** | | | | |
| Not later than one year | 51,058 | 51,170 | 58,759 | 58,759 |
| Later than one year and not later than five years | 155,924 | 156,215 | 197,012 | 197,012 |
| Later than five years | 380,466 | 380,466 | 374,963 | 374,963 |
| Subtotal Land | 587,448 | 587,851 | 630,734 | 630,734 |
| Less: Unaccrued interest | (70,320) | (70,320) | (74,912) | (74,662) |
| **Present value of obligations** | **517,128** | **517,531** | **555,822** | **556,072** |
| | | | | |
| **Dwellings** | | | | |
| Not later than one year | 75,173 | 75,173 | 78,422 | 78,422 |
| Later than one year and not later than five years | 93,146 | 93,146 | 96,508 | 96,508 |
| Later than five years | 25,087 | 25,087 | 19,306 | 20,231 |
| Subtotal Buildings | 193,406 | 193,406 | 194,236 | 195,161 |
| Less: Unaccrued interest | (21,047) | (21,047) | (16,992) | (16,992) |
| **Present value of obligations** | **172,359** | **172,359** | **177,244** | **178,169** |
| | | | | |
| **Other (Plant & Machinery and Vehicles)** | | | | |
| Not later than one year | 130 | 130 | 74 | 74 |
| Later than one year and not later than five years | 113 | 113 | 75 | 75 |
| Later than five years | – | – | 4 | 4 |
| Subtotal Other | 243 | 243 | 153 | 153 |
| Less: Unaccrued interest | (6) | (6) | – | – |
| **Present value of obligations** | **237** | **237** | **153** | **153** |
| | | | | |
| **Total present value of obligations** | **689,724** | **690,127** | **733,219** | **734,394** |
| | | | | |
| *Comprising:* | | | | |
| Current | 111,174 | 111,577 | 122,835 | 124,010 |
| Non-current | 578,550 | 578,550 | 610,384 | 610,384 |
| **Balance at 31 March 2024** | **689,724** | **690,127** | **733,219** | **734,394** |

The FCDO and its departmental group have no borrowings therefore use HM Treasury issued discount rate of 4.72% (2022-23: 3.51%).

## 16.3 Amounts recognised in the Consolidated Statement of Comprehensive Net Expenditure

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Core Department & Agencies £000 | Departmental Group £000 | Core Department & Agencies £000 | Departmental Group £000 |
| Interest on lease liabilities | 9,607 | 9,607 | 6,841 | 6,841 |
| Foreign exchange | 15,305 | 15,305 | 21,344 | 21,344 |
| Depreciation | 201,559 | 201,559 | 166,019 | 166,019 |
| Expenses relating to short-term liabilities | 2,551 | 2,551 | 507 | 507 |
| Expenses relating to leases of low value assets | 1,272 | 1,272 | 5,654 | 5,654 |
| | **230,294** | **230,294** | **200,365** | **200,365** |

## 16.4 Amounts recognised in the Consolidated Statement of Cashflows

| | 2023-24 | | 2022-23 | |
|---|---|---|---|---|
| | Core Department & Agencies £000 | Departmental Group £000 | Core Department & Agencies £000 | Departmental Group £000 |
| Acquisition of right of use assets | 1,523 | 1,523 | 2,063 | 2,063 |
| Interest expense | 9,607 | 9,607 | 6,841 | 6,841 |
| Repayment of principal on leases | 154,991 | 154,991 | 152,488 | 152,488 |
| | **166,121** | **166,121** | **161,392** | **161,392** |

## 16.5 Right of Use assets – ground leases

The cost measurement model in IFRS 16 is used as an appropriate proxy for current value in existing use for the majority of leases except for those which meet one of the following:

» A longer-term lease that has no provisions to update lease payments for market conditions or if there is a significant period of time between those updates; and

» The fair value or current value in existing use of the underlying asset is likely to fluctuate significantly due to changes in market prices.

In these circumstances the ROU is initially measured at cost, and then subsequently measured at current value in existing use or fair value.

For more information on valuation methodology see Note 1.18. Unlike other leases within Note 16, ground leases are subject to revaluation and held at current cost.

| | 2023-24 | | | | |
|---|---|---|---|---|---|
| | Non-residential Land £000 | Buildings excluding dwellings £000 | Residential Land £000 | Dwellings £000 | Total £000 |
| **Cost or valuation** | | | | | |
| At 1 April 2023 | 45,033 | 759,129 | 45,182 | 646,492 | 1,495,836 |
| Revaluation | (2,058) | 408,476 | (697) | 175,340 | 581,061 |
| Impairments (net of reversals) | (24) | (2,228) | 221 | 2,389 | 358 |
| Disposals | – | (156) | (17) | (128) | (301) |
| **At 31 March 2024** | **42,951** | **1,165,221** | **44,689** | **824,093** | **2,076,954** |
| | | | | | |
| **Depreciation** | | | | | |
| At 1 April 2023 | – | 434,987 | – | 382,574 | 817,561 |
| Charged in year | – | 33,649 | – | 20,552 | 54,201 |
| Revaluation | – | 313,177 | – | 170,342 | 483,519 |
| Impairments (net of reversals) | – | (776) | – | 1,274 | 498 |
| Disposals | – | (3) | – | (59) | (62) |
| **At 31 March 2024** | **–** | **781,034** | **–** | **574,683** | **1,355,717** |
| | | | | | |
| **Net Book Value 1 April 2023** | **45,033** | **324,142** | **45,182** | **263,918** | **678,275** |
| | | | | | |
| **Net Book Value 31 March 2024** | **42,951** | **384,187** | **44,689** | **249,410** | **721,237** |

| | 2022-23 | | | | |
|---|---|---|---|---|---|
| | Non-residential Land £000 | Buildings excluding dwellings £000 | Residential Land £000 | Dwellings £000 | Total £000 |
| **Cost or valuation** | | | | | |
| At 1 April 2022 | 41,702 | 735,542 | 43,283 | 582,945 | 1,403,472 |
| Revaluation | 2,859 | 41,744 | 1,515 | 67,181 | 113,299 |
| Impairments (net of reversals) | 472 | (18,157) | 384 | 705 | (16,596) |
| Disposals | – | – | – | (4,339) | (4,339) |
| **At 31 March 2023** | **45,033** | **759,129** | **45,182** | **646,492** | **1,495,836** |
| | | | | | |
| **Depreciation** | | | | | |
| At 1 April 2022 | – | 403,113 | – | 331,750 | 734,863 |
| Charged in year | – | 18,657 | – | 13,577 | 32,234 |
| Revaluation | – | 26,532 | – | 39,440 | 65,972 |
| Impairments (net of reversals) | – | (13,315) | – | 365 | (12,950) |
| Disposals | – | – | – | (2,558) | (2,558) |
| **At 31 March 2023** | **–** | **434,987** | **–** | **382,574** | **817,561** |
| | | | | | |
| **Net Book Value 31 March 2023** | **45,033** | **324,142** | **45,182** | **263,918** | **678,275** |

## 17. Third Party Assets

The department held the below cash amounts provided to the FCDO by other development agencies as part of jointly funded programmes. These funds are held in the capacity of project manager/lead donor and are disbursed when required by the programme. These are not held in the FCDO's name and as such are not included in cash held by the Core Department, as set out in note 8.

| | 2023-24 £000 | 2022-23 £000 |
|---|---|---|
| Amounts held in third party account | 1,514 | 1,528 |
| | **1,514** | **1,528** |

## 18. Restatement relating to the transfer of UKCI

The transfer of the investment in UK Climate Investments LLP (UKCI) from BEIS (subsequently DESNZ) to the FCDO was agreed as part of SR21, with the FCDO deciding to make the onward transfer of UKCI to BII. The transfer agreement between DESNZ, the FCDO and BII was signed on 31 March 2023 with the actual transfer taking place on 5 October 2023.

In accordance with the FReM, the FCDO has accounted for the change as a Machinery of Government (MOG) transfer by merger.

As a result of this change and as required by IAS1, the FCDO has restated the comparative balances and has included a third statement of financial position at 1 April 2022. The CSoCNE has not been restated because the values are not material. The movement in reserves of £9.0m (included in the CSoCTE) relates mainly to the increase in the value of UKCI investments during 2022-23.

The tables below set out the changes to the comparative figures.[76]

**Impact of restatements on opening balances for the Core Department & Agencies at 31 March 2023 and 1 April 2022**

| | Balance at 31 March 2023 per FCDO published accounts £000 | Inclusion of UKCI £000 | Restated FCDO Balance at 31 March 2023 £000 | Balance at 31 March 2022 per FCDO published accounts £000 | Inclusion of UKCI £000 | Restated FCDO Balance at 1 April 2022 £000 |
|---|---|---|---|---|---|---|
| **Consolidated Statement of Financial Position** | | | | | | |
| Non-Current Assets | 18,218,380 | 153,046 | 18,371,426 | 16,372,324 | 144,040 | 17,211,115 |
| Current Assets | 1,112,890 | – | 1,112,890 | 629,477 | – | 629,477 |
| Current Liabilities | (6,339,254) | – | (6,339,254) | (6,471,875) | – | (6,594,710) |
| Non-Current Liabilities | (2,131,553) | – | (2,131,553) | (1,029,248) | – | (1,576,645) |
| General Fund | 2,883,081 | 153,046 | 3,036,127 | 2,211,882 | 144,040 | 2,380,441 |
| Revaluation Reserve | 7,977,382 | – | 7,977,382 | 7,288,796 | – | 7,288,796 |

76 Restated balances at 1 April 2022 reflect both the inclusion of UKCI and cumulative adjustments related to the implementation of IFRS16.

### Impact of restatements on opening balances for the Departmental Group at 31 March 2023 and 1 April 2022

| | Balance at 31 March 2023 per FCDO published accounts £000 | Inclusion of UKCI £000 | Restated FCDO Balance at 31 March 2023 £000 | Balance at 31 March 2022 per FCDO published accounts £000 | Inclusion of UKCI £000 | Restated FCDO Balance at 1 April 2022 £000 |
|---|---|---|---|---|---|---|
| **Consolidated Statement of Financial Position** | | | | | | |
| Non-Current Assets | 18,219,187 | 151,829 | 18,371,016 | 16,372,339 | 142,947 | 17,210,037 |
| Current Assets | 1,121,889 | 2,174 | 1,124,063 | 639,503 | 2,104 | 641,606 |
| Current Liabilities | (6,351,286) | (957) | (6,352,243) | (6,477,784) | (1,011) | (6,602,449) |
| Non-Current Liabilities | (2,131,553) | – | (2,131,553) | (1,029,259) | – | (1,575,836) |
| General Fund | 2,880,294 | 153,046 | 3,033,340 | 2,216,003 | 144,040 | 2,384,562 |
| Revaluation Reserve | 7,977,943 | – | 7,977,943 | 7,288,796 | – | 7,288,796 |

## 19. Related Parties

The FCDO is the 100% shareholder in British International Investment plc. During the year to 31 March 2024 the FCDO subscribed for a further 280.0 million shares for £280.0 million consideration (2022-23: 289.5 million shares for £289.5 million consideration). These transactions were funded through the use of promissory notes (refer to note 10). The FCDO also received 153.0 million additional BII shares in exchange for the FCDO's investment in UKCI (details in note 18).

The FCDO consolidates Wilton Park as an Executive Agency plus four Non-Departmental Public Bodies (NDPBs) and two advisory bodies. The FCDO has also consolidated the results of UKCI for the period 1 April to 5 October 2023 after which UKCI was transferred to BII (see note 18).

In addition, the FCDO sponsors a number of bodies outside its accounting boundary (and therefore not consolidated in these accounts), including FCDO Services and the British Council as listed in the Parliamentary Accountability and Audit Report on Page 167. These bodies are regarded as related parties with which the Department has had various material transactions during the year.

The FCDO provides the One HMG platform overseas and consequently it has had regular transactions with the following Partners across Government:

- British Council
- Cabinet Office
- Department for Business and Trade (DBT (formally known as Department for International Trade (DIT))
- HM Treasury (HMT)
- HM Revenue and Customs (HMRC)
- Home Office, including UK Visas and Immigration (UKVI)
- Ministry of Defence (MOD)
- National Crime Agency (NCA)

Sir Philip Barton, Permanent Under-Secretary, declared that his sister works for Oxford University Clinical Research Unit which received funding from the FCDO of £8,709,195 in 2023-24 (2022-23: £7,628,341) for a joint global health trial and a global convening programme. Beverley Tew, a non-executive director, is a Trustee of Plan International UK (a global children's charity) which received payments totalling £2,225,442 in 2023-24 (2022-23: £2,691,049). Charlotte Watts, the FCDO's

Chief Scientific Advisor, is a Board Member of CAMFED (a women and girl's charity) which received payments of £663,792 in 2023-24.

Further to this, no minister, Board member, key manager or other related party has undertaken any material transactions with the department during the year. Please refer to Section 2.2 Remuneration Report for details of salaries paid to ministers, Board members and senior managers. There are no potential conflicts of interest to report.

## 20. Entities within the departmental accounting boundary

**Associated entities inside the Departmental accounting boundary**

Within its accounting boundary (and thus consolidated in these accounts) the FCDO has four Non-Departmental Public Bodies (NDPBs), one Executive Agency and two advisory NDPBs. The entities within the boundary during 2023-24 were: Wilton Park Executive Agency, The Great Britain-China Centre (GBCC), the Marshall Aid Commemoration Commission (MACC), the Westminster Foundation for Democracy Limited (WFD) and Commonwealth Scholarship Commission in the United Kingdom (CSC).

UK Climate Investments and its subsidiaries were within the accounting boundary until 5 October 2023.

**Advisory NDPBs**

Income and expenditure for the FCDO incorporated financing of the following NDPBs, in full or in part, in the current financial year which is included within the core department and agencies columns of the Primary Statements: The UK India Advisory Council and Independent Commission for Aid Impact (ICAI).

For more information on these entities, see page 122 of the Corporate Governance Statement.

## 21. Events after the Reporting Period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.

The FCDO has updated its disclosures in its financial statements to reflect information regarding certain events after the reporting period. None of the events provides evidence of conditions that existed at the end of the reporting period (adjusting events) and therefore no adjustments have been made to the financial statements.

In May 2024, the Government called a General Election to be held on 4 July 2024. Parliament was dissolved on 30 May 2024. Parliament returned for the election of the Speaker on 9 July 2024 and the State Opening of Parliament was 17 July 2024. The results of the election have changed the ministerial leadership structure of the FCDO. The leadership during the financial year for which this report covers can be seen on page 15.

In May 2024, the Office for National Statistics indicated that they would review the classification of BII plc, a self-financing public finance corporation, 100% owned by the FCDO. The outcome of the review is expected to be published in August 2024 and therefore these accounts have been prepared in line with the current classification.

The FCDO intends to issue a Letter of Comfort to the Great Britain-China Centre (GBCC) in July 2024. The Letter of Comfort gives assurance to GBCC that the FCDO will provide them with sufficient financial resources in order to ensure they can meet their financial obligations and they can continue as a going concern, for at least 12 months from the date that their 2023-24 accounts were certified by the Comptroller & Auditor General.

On 24 July 2024, the Prime Minister, Sir Keir Starmer, laid a Written Ministerial Statement in Parliament announcing a Machinery of Government change impacting the FCDO. Responsibility for the UK's relationship with the European Union, including co-chairing the Ministerial structures under the UK's treaties with the European Union moved from the FCDO to the Cabinet Office effective from 1 April 2024. This involved transfer of all budget, assets and liabilities relating to this function.

The Accounting Officer authorised these financial statements for issue on the same date as the Comptroller & Auditor General's Audit Certificate. The accounts do not reflect events after this date.

Loading humanitarian aid for Gaza onto an RAF aircraft in Jordan.

# SECTION 4
# Annexes


UK aid
from the British people

# Annex A: FCDO programme outturn

Annex A sets out the FCDO's actual ODA and Non-ODA programme resource outturn for 2023-24. It should be noted that these figures do not reflect the full range of UK ODA spending in these individual countries, as they do not include spend delivered via core contributions to multilateral organisations, or regional programmes delivered by the FCDO's central departments. Other UK Government departments also spend a large amount of ODA overseas. Details of ODA spent by other UK Government departments can be found in their Annual Report and Accounts and in the Statistics for International Development.

Initial allocations for 2024-25 were set internally to deliver the Ministerial priorities, based on the FCDO's Spending Review 2021 settlement.

The department's spending plans for 2024-25 were revisited to ensure HMG continues to spend around 0.5% of Gross National Income (GNI) on ODA. These initial allocations can be found in the FCDO Annual report and accounts 2022-23. All future plans are subject to revision as, by its nature, the Department's work is dynamic. Programme allocations are continually reviewed to respond to changing global needs, including humanitarian crises, fluctuations in GNI and other ODA allocation decisions.

The Government remains committed to transparency and will provide updates to spending plans for 2024-25 in due course. Annex A is unaudited.

| | 2023-24 Programme Outturn | | |
|---|---|---|---|
| | FCDO ODA £000 | FCDO Non-ODA[1] £000 | FCDO Total £000 |
| **Regional Programmes** | | | |
| **Africa** | **795,523** | **46** | **795,569** |
| Democratic Republic of the Congo | 47,296 | – | 47,296 |
| Ethiopia | 136,201 | – | 136,201 |
| Ghana and Liberia | 6,124 | – | 6,124 |
| Kenya | 28,745 | – | 28,745 |
| Malawi | 21,754 | – | 21,754 |
| Mozambique | 22,127 | – | 22,127 |
| Nigeria | 74,508 | – | 74,508 |
| Other African countries[2] | 1,122 | 46 | 1,168 |
| Africa Programmes and Expertise Department[3] | 82,773 | – | 82,773 |
| Rwanda | 15,443 | – | 15,443 |
| Sahel, Sudan and South Sudan Department[4] | 41,191 | – | 41,191 |
| Sierra Leone | 25,790 | – | 25,790 |
| Somalia | 90,079 | – | 90,079 |
| South Africa | 6,148 | – | 6,148 |
| South Sudan | 61,145 | – | 61,145 |
| Sudan | 49,651 | – | 49,651 |
| Tanzania | 17,999 | – | 17,999 |
| Uganda | 21,304 | – | 21,304 |
| Zambia | 16,671 | – | 16,671 |
| Zimbabwe | 29,452 | – | 29,452 |
| | | | |
| **Americas and Overseas Territories** | **105,001** | **41,732** | **146,733** |
| Brazil | 83 | 301 | 384 |
| Caribbean Development Team | 23,724 | – | 23,724 |
| Colombia | – | 215 | 215 |
| Mexico | – | 225 | 225 |
| Other American Countries[5] | – | 886 | 886 |
| Overseas Territories | 81,099 | 39,309 | 120,408 |
| USA and Canada | – | 759 | 759 |
| Venezuela | 95 | 37 | 132 |
| | | | |
| **Europe** | **25,238** | **11,087** | **36,325** |
| Albania | – | 1,773 | 1,773 |
| Bosnia and Herzegovina | – | 518 | 518 |
| Kosovo | – | 10 | 10 |
| Montenegro | – | 52 | 52 |
| North Macedonia | – | 17 | 17 |
| Other European Countries[6] | – | 3,071 | 3,071 |
| Serbia | – | 66 | 66 |
| Turkey | 18,409 | 5,580 | 23,989 |
| Western Balkans | 6,829 | – | 6,829 |

| | 2023-24 Programme Outturn | | |
|---|---|---|---|
| | FCDO ODA £000 | FCDO Non-ODA[1] £000 | FCDO Total £000 |
| **Eastern Europe & Central Asia** | **251,318** | **231** | **251,549** |
| Central Asia[7] | 10,698 | 159 | 10,857 |
| Eastern Neighbourhood[8] | 17,292 | 61 | 17,353 |
| Other Eastern European & Central Asian Countries[9] | 377 | 11 | 388 |
| Ukraine | 222,951 | – | 222,951 |
| | | | |
| **Indo Pacific** | **185,614** | **4,666** | **190,280** |
| ASEAN[10] | 3,619 | 718 | 4,337 |
| Bangladesh | 50,850 | 20 | 50,870 |
| China | 506 | 683 | 1,189 |
| India | 3,004 | 878 | 3,882 |
| Indo Pacific Regional Team | 48,288 | – | 48,288 |
| Indonesia | 6,171 | 55 | 6,226 |
| Myanmar | 38,983 | – | 38,983 |
| Nepal | 28,311 | – | 28,311 |
| Other South Asia Countries[11] | 114 | – | 114 |
| Other North East Asia Countries and Territories[12] | – | 921 | 921 |
| Other South East Asia and Pacific Countries[13] | 5,768 | 1,391 | 7,159 |
| | | | |
| **Middle East and North Africa** | **468,241** | **10,276** | **478,517** |
| Afghanistan | 113,446 | – | 113,446 |
| Bahrain | – | 990 | 990 |
| Egypt | 4,094 | – | 4,094 |
| Iraq | 6,044 | 68 | 6,112 |
| Jordan | 22,209 | – | 22,209 |
| Kuwait | – | 1,124 | 1,124 |
| Lebanon | 10,016 | – | 10,016 |
| Libya | – | 232 | 232 |
| Middle East & North Africa Regional Team | 13,992 | – | 13,992 |
| Occupied Palestinian Territories | 97,599 | – | 97,599 |
| Oman | – | 2,720 | 2,720 |
| Other Middle East and North Africa Countries[14] | – | 3,050 | 3,050 |
| Pakistan | 37,339 | 175 | 37,514 |
| Saudi Arabia | – | 1,917 | 1,917 |
| Syria | 76,991 | – | 76,991 |
| Yemen | 86,511 | – | 86,511 |
| **Regional Programmes Total** | **1,830,935** | **68,038** | **1,898,973** |
| | | | |
| **Policy Priorities, International Organisations and Humanitarian** | | | |
| **British Investment Partnerships** | **539,144** | **5,709** | **544,853** |
| British Investment Partnerships | 524,836 | 3,149 | 527,985 |
| UK Representation to UN Food and Agriculture Agencies in Rome | 14,308 | 2,560 | 16,868 |
| **Centre for Delivery** | **208** | **–** | **208** |
| Better Delivery | 208 | – | 208 |

| | 2023-24 Programme Outturn | | |
|---|---|---|---|
| | FCDO ODA £000 | FCDO Non-ODA[1] £000 | FCDO Total £000 |
| **Defence and International Security** | **–** | **5,570** | **5,570** |
| Counter-Proliferation | – | 3,552 | 3,552 |
| National Security | – | 1,968 | 1,968 |
| Security Policy Department | – | 50 | 50 |
| **Development & Open Societies** | **66,634** | **379** | **67,013** |
| Anti-corruption and illicit Finance | 11,090 | 108 | 11,198 |
| Civil Society and Civic Space | 37,873 | – | 37,873 |
| Democratic Governance and Media Freedom | 4,489 | 271 | 4,760 |
| Development and Open Societies | **–** | **–** | **–** |
| Development Partnerships and Multilateral Effectiveness Department | 419 | – | 419 |
| Development Policy Department | 7,503 | – | 7,503 |
| Safeguarding Unit | 5,260 | – | 5,260 |
| **Trade & Economic Security** | **9,183** | **750** | **9,933** |
| Trade & Economic Security Directorate | 9,183 | 750 | 9,933 |
| **Economics and Evalution** | **1,809** | **338** | **2,147** |
| Evaluation and Statistics | 1,809 | 338 | 2,147 |
| **Education, Gender & Equality** | **142,119** | **927** | **143,046** |
| Gender and Equalities Department | 34,603 | 927 | 35,530 |
| Girls Education Department | 70,383 | – | 70,383 |
| Scholarships, Tertiary Education and Partnerships | 37,133 | – | 37,133 |
| **Energy, Climate and Environment** | **649,474** | **5** | **649,479** |
| Adaptation, Nature and Resilience Department (incl. Africa Adaptation) | 15,859 | – | 15,859 |
| Climate Finance and International Systems Department | 579,215 | – | 579,215 |
| Climate, Strategy & Co-ordination Department | 525 | – | 525 |
| International Energy Unit | – | – | - |
| International Forest Unit | 27,443 | – | 27,443 |
| Just Energy Transition Partnerships | 35 | – | 35 |
| Performance and Operations Department | – | 1 | 1 |
| UK Partnership for Accelerating Climate Transitions | 26,397 | 4 | 26,401 |
| **Europe** | **532,212** | **–** | **532,212** |
| EU Attribution | 432,000 | – | 432,000 |
| Europe Department | 100,212 | – | 100,212 |
| **Health** | **1,770,952** | **–** | **1,770,952** |
| Global Health Multilateral Organisations | – | – | – |
| Global Health Institutions Department | 1,649,156 | – | 1,649,156 |
| Health Directorate Central | – | – | - |
| Human Development Department | 121,796 | – | 121,796 |
| Vaccines, Therapeutics and Diagnostics | – | – | – |
| **Humanitarian, Migration & Food Security** | **273,698** | **–** | **273,698** |
| Humanitarian, Migration & Food Security | 273,698 | – | 273,698 |
| **Information Threats & Influence** | **–** | **14,364** | **14,364** |
| Information Threats & Influence Directorate | – | 14,364 | 14,364 |
| **International Finance** | **2,525,991** | **–** | **2,525,991** |
| International Finance Institutions Department | 2,289,313 | – | 2,289,313 |
| Private Sector Department | 168,586 | – | 168,586 |
| Public Finance and Tax Department | 68,092 | – | 68,092 |

| | 2023-24 Programme Outturn | | |
|---|---|---|---|
| | FCDO ODA £000 | FCDO Non-ODA[1] £000 | FCDO Total £000 |
| **Multilateral and Human Rights** | **16,902** | **2,101** | **19,003** |
| Multilateral and Human Rights Directorate | 16,902 | 2,101 | 19,003 |
| **Office for Conflict, Stabilisation and Mediation** | **13,420** | **365** | **13,785** |
| Office for Conflict, Stabilisation & Mediation | 13,420 | 365 | 13,785 |
| **Research and Evidence** | **313,886** | **8,638** | **322,524** |
| Evidence, Use and Capability | – | – | – |
| Research and Development | 313,886 | 8,638 | 322,524 |
| **Technology and Analysis** | **3,625** | **1,412** | **5,037** |
| Global Statistics and International Technology Department | 3,625 | 1,412 | 5,037 |
| | | | |
| **Policy Priorities, International Organisations and Humanitarian** | **6,859,257** | **40,558** | **6,899,815** |
| | | | |
| **Non-Departmental Public Bodies & Scholarships** | | | |
| British Council (Grant in Aid) | 133,500 | 43,106 | 176,606 |
| British Council (Loan facility) | – | 58,000 | 58,000 |
| Commonwealth Scholarship Commission | 28,032 | – | 28,032 |
| Chevening Scholarship | 55,903 | 1,729 | 57,632 |
| Great Britain China Centre | – | 350 | 350 |
| Independent Commission for Aid Impact | 1,988 | – | 1,988 |
| Marshall Aid Commemoration Commission | – | 2,699 | 2,699 |
| Westminster Foundation for Democracy | 6,150 | 350 | 6,500 |
| Wilton Park | 1,400 | 1,254 | 2,654 |
| **Non-Departmental Public Bodies & Scholarships Total** | **226,973** | **107,488** | **334,461** |
| | | | |
| **BBC World Service Total** | **76,900** | **27,500** | **104,400** |
| | | | |
| **Multilateral Subscriptions to International Organisations Total** | **70,320** | **126,355** | **196,675** |
| | | | |
| **Other Central Programmes Total[17]** | **(347,233)** | **9,975** | **(337,258)** |
| | | | |
| **Conflict, Stability and Security Fund (CSSF) Total[18]** | **365,410** | **354,519** | **719,929** |
| | | | |
| **Total** | **9,082,562** | **734,433** | **9,816,995** |

1 Non-ODA outturn for 2023-24 is presented at a regional and Directorate level.

2 Other African Countries includes Angola, Botswana, Cameroon, Chad, Cote d'Ivoire, Djibouti, Eritrea, Eswatini, Guinea, Lesotho, Madagascar, Mali, Mauritania, Mauritius, Namibia, Niger, Senegal, Seychelles, and the Gambia.

5 Other American Countries includes Antigua & Barbuda, Argentina, Bahamas, Barbados, Belize, Bolivia, Chile, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Latin America Department, Network Ops, Panama, Paraguay, Peru, Saint Lucia, Trinidad and Tobago, and Uruguay.

6 Other European Countries includes Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Holy See, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland and Europe Department.

7 Central Asia includes Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan.

8 Eastern Neighbourhood includes Armenia, Azerbaijan, Georgia, Moldova.

9 Other Eastern European and Central Asian Countries includes Belarus and regional spend which cannot be attributed to a single country.

10 ASEAN is Association of South East Asian Nations which includes: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.

11 Other South Asia Countries includes Maldives and Sri Lanka.

12 Other North East Asia Countries and Territories includes China, Mongolia, North Korea, Taiwan, Japan, Hong Kong and South Korea.

13 Other South East Asia and Pacific Countries includes Australia, Brunei, Cambodia, Fiji, Laos, Malaysia, New Zealand, Papua New Guinea, Philippines, Samoa, Singapore, Solomon Islands, Thailand, Tonga, Vietnam and Vanuatu.

14 Other Middle East and North Africa Countries includes Israel, MENA Directors' Office, Morocco, the United Arab Emirates, Tunisia, and Qatar.

15 In 2023-24 Development and Parliament and Open Societies and Human Rights were merged into Development & Open Societies Directorate.

16 Economic Security was renamed to Trade & Economic Security.

17 The 2023-24 ODA outturn figure relates to loan reflows and returned funds and the expenditure is offset elsewhere.

18 CSSF spend by regional, cross regional and non-discretionary theme is reported in the CSSF Annual Report. The CSSF Annual Report 2023-24 will be published on gov.uk. From April 2024 this has been renamed to the UK Integrated Security Fund.

# Annex B: Annual Reporting of Statistical Information

The International Development (Reporting and Transparency) Act 2006 requires the Secretary of State to report to Parliament on an annual basis. The schedule to the Act sets out the statistical reporting that is required. This information is published each autumn for the preceding year in the FCDO's publication Statistics on International Development (SID) – the official source of information on the UK's international development spending known as Official Development Assistance (ODA). Provisional figures for 2023 are provided in Table B.1.

The statistical reporting requirements of the Act are itemised below, with the tables within this Annex showing where the corresponding information can be located. Information is included for the most recent period and each of the four periods before.

The UK Aid budget is spent by a number of departments other than the FCDO. The Statistics on International Development[77] publication sets out detailed information on aid spend by department and summary information on the main aims of each department's aid budget. This data follows Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) definitions.[78]

Departments with large aid budgets will also include information in their own annual report. Table B.3 gives information on the largest ODA spending department for the most recent period by recipient country.

The statistical information included in this Annex are correct at the time of publication and supersedes information for the same period in previous annual reports[79].

Please note that final UK ODA figures for 2023 will be published in "Statistics on International Development: Final UK Aid Spend 2023 (SID 2023)" in September 2024. Annex B is unaudited.

77 For more information on the SID publication, please see https://www.gov.uk/guidance/statistics-on-international-development

78 For more information on the OECD DAC definition, please see their development finance standards page: https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/

79 Occasionally, FCDO may be required to make revisions to Statistics on International Development; see our revisions statement for information about this process. To access the most up-to-date figures, please see: https://www.gov.uk/government/collections/statistics-on-international-development

# Table B.1: Total UK Net Official Development Assistance (ODA)

| | 2019 £ million | 2020 £ million | 2021 £ million | 2022 £ million | 2023[1] £ million |
|---|---|---|---|---|---|
| **Total Bilateral ODA** | **10,404** | **9,532** | **7,234** | **9,640** | **9,857** |
| as a % of GNI | 0.48 | 0.46 | 0.32 | 0.38 | 0.37 |
| *of which: Administration costs[2]* | 760 | 784 | 740 | 678 | 686 |
| *of which: Debt Relief* | - | 194 | - | - | - |
| *of which: Non FCDO Department[3]* | - | 44 | - | - | - |
| **Total Multilateral ODA** | **4,772** | **4,945** | **4,189** | **3,146** | **5,517** |
| as a % of GNI | 0.22 | 0.24 | 0.18 | 0.13 | 0.21 |
| *of which: Total European Commission* | 1,832 | 1,517 | 1,319 | 836 | 532 |
| *Total World Bank* | 962 | 990 | 749 | 402 | 2,085 |
| *Total UN Agencies* | 799 | 582 | 523 | 472 | 611 |
| *Total Other Organisations[4]* | **1,179** | **1,856** | **1,598** | **1,436** | **2,289** |
| **TOTAL ODA** | **15,176** | **14,477** | **11,423** | **12,786** | **15,374** |
| **as a % of GNI** | **0.70** | **0.70** | **0.50** | **0.51** | **0.58** |

1 These are provisional figures from 'Statistics on International Development: Provisional UK Aid Spend 2023'. Final estimates will be published in autumn 2024 in 'Statistics on International Development: Final UK Aid Spend 2023'.

2 This is in line with OECD DAC Statistical Reporting Directives.

3 Export Credits Guarantee Department (operational name: UK Export Finance).

4 Includes Regional Development Banks and other multilateral agencies on the DAC List of Multilateral Organisations.

# Table B.2: Total UK Net ODA and Humanitarian Assistance by recipient country[1]

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Africa** | | | | | | | |
| **Algeria** | UK Net Bilateral ODA | 6,613 | 8,327 | 6,898 | 6,185 | 2,511 | CSSF 59%, FCDO 41% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.07% | 0.08% | 0.07% | 0.09% | 0.03% | |
| **Angola** | UK Net Bilateral ODA | 446 | 1,105 | 1,010 | 1,466 | 334 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.01% | 0.02% | 0.00% | |
| **Benin** | UK Net Bilateral ODA | 389 | 174 | 18 | 30 | 58 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Botswana** | UK Net Bilateral ODA | 1,113 | 1,979 | 1,903 | 2,356 | 696 | FCDO 58%, DHSC 46%, Other -4% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.02% | 0.02% | 0.03% | 0.01% | |
| **Burkina Faso** | UK Net Bilateral ODA | 1,825 | 1,498 | 344 | 201 | 170 | SG 72%, BEIS 28% |
| | of which Humanitarian Assistance | – | – | – | – | 123 | |
| | Percentage of Total Net Bilateral ODA | 0.02% | 0.01% | 0.00% | 0.00% | 0.00% | |
| **Burundi** | UK Net Bilateral ODA | 4,025 | 5,017 | 2,995 | 802 | 1,030 | FCDO 100% |
| | of which Humanitarian Assistance | 3,690 | 3,601 | 1,074 | 523 | - | |
| | Percentage of Total Net Bilateral ODA | 0.04% | 0.05% | 0.03% | 0.01% | 0.01% | |
| **Cameroon** | UK Net Bilateral ODA | 10,341 | 11,187 | 15,092 | 8,030 | 2,388 | FCDO 96%, DEFRA 3%, Other 1% |
| | of which Humanitarian Assistance | 7,750 | 6,244 | 11,714 | 4,996 | 2,000 | |
| | Percentage of Total Net Bilateral ODA | 0.11% | 0.11% | 0.16% | 0.11% | 0.02% | |
| **Cabo Verde** | UK Net Bilateral ODA | 387 | 248 | 156 | 216 | 294 | DEFRA 97%, FCDO 3% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Central African Republic** | UK Net Bilateral ODA | 14,531 | 15,111 | 19,839 | 9,923 | 10,401 | FCDO 100% |
| | of which Humanitarian Assistance | 14,531 | 15,111 | 19,334 | 9,923 | 10,401 | |
| | Percentage of Total Net Bilateral ODA | 0.16% | 0.15% | 0.21% | 0.14% | 0.11% | |
| **Chad** | UK Net Bilateral ODA | 15 | 1,939 | 4,243 | 1,201 | 185 | FCDO 100% |
| | of which Humanitarian Assistance | – | 1,900 | 1,100 | 200 | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.02% | 0.04% | 0.02% | 0.00% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Comoros** | UK Net Bilateral ODA | 132 | 128 | 113 | 149 | 188 | DEFRA 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Congo** | UK Net Bilateral ODA | 1,792 | 5,534 | 802 | 71 | 34 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.02% | 0.05% | 0.01% | 0.00% | 0.00% | |
| **Congo Dem Rep.** | UK Net Bilateral ODA | 203,708 | 184,033 | 136,071 | 72,960 | 46,879 | FCDO 100% |
| | of which Humanitarian Assistance | 105,142 | 80,355 | 66,016 | 33,821 | 28,233 | |
| | Percentage of Total Net Bilateral ODA | 2.21% | 1.77% | 1.43% | 1.01% | 0.49% | |
| **Cote d'Ivoire** | UK Net Bilateral ODA | 592 | 1,189 | 1,364 | 3,454 | 2,614 | FCDO 81%, BEIS 18% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.01% | 0.01% | 0.05% | 0.03% | |
| **Djibouti** | UK Net Bilateral ODA | 50 | 608 | 1,147 | 280 | 157 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.01% | 0.00% | 0.00% | |
| **Egypt** | UK Net Bilateral ODA | 22,510 | 23,630 | 17,153 | 16,325 | 8,816 | FCDO 88%, CSSF 12% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.24% | 0.23% | 0.18% | 0.23% | 0.09% | |
| **Equatorial Guinea** | UK Net Bilateral ODA | – | – | – | 29 | 35 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Eritrea** | UK Net Bilateral ODA | 2,753 | 4,393 | 1,908 | 1,637 | 762 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | 630 | |
| | Percentage of Total Net Bilateral ODA | 0.03% | 0.04% | 0.02% | 0.02% | 0.00% | |
| **Eswatini** | UK Net Bilateral ODA | 281 | 315 | 426 | 399 | 131 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | |
| **Ethiopia** | UK Net Bilateral ODA | 301,341 | 299,246 | 253,887 | 119,790 | 90,131 | FCDO 99%, BEIS 0.3%, Other 0.6% |
| | of which Humanitarian Assistance | 89,832 | 85,887 | 103,037 | 70,429 | 39,768 | |
| | Percentage of Total Net Bilateral ODA | 3.27% | 2.88% | 2.66% | 1.66% | 0.93% | |
| **Gabon** | UK Net Bilateral ODA | 15 | 21 | – | – | – | z |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Gambia** | UK Net Bilateral ODA | 16,134 | 17,281 | 20,118 | 17,991 | 14,356 | BEIS 98%, FCDO 2% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.17% | 0.17% | 0.21% | 0.25% | 0.15% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Ghana** | UK Net Bilateral ODA | 37,680 | 47,080 | 34,450 | 25,002 | 15,404 | FCDO 74%, BEIS 12%, Other 14% |
| | of which Humanitarian Assistance | – | – | 168 | 24 | – | |
| | Percentage of Total Net Bilateral ODA | 0.41% | 0.45% | 0.36% | 0.35% | 0.16% | |
| **Guinea** | UK Net Bilateral ODA | 344 | 647 | 562 | 753 | 119 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.01% | 0.01% | 0.00% | |
| **Guinea-Bissau** | UK Net Bilateral ODA | 23 | 68 | 88 | 310 | 27 | DEFRA 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Kenya** | UK Net Bilateral ODA | 116,123 | 134,334 | 91,958 | 71,993 | 44,931 | FCDO 85%, BEIS 9%, Other 7% |
| | of which Humanitarian Assistance | 8,329 | 11,783 | 11,700 | 7,201 | 4,104 | |
| | Percentage of Total Net Bilateral ODA | 1.26% | 1.29% | 0.96% | 1.00% | 0.47% | |
| **Lesotho** | UK Net Bilateral ODA | 259 | 253 | 523 | 899 | 366 | FCDO 58%, BEIS 42% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.01% | 0.01% | 0.00% | |
| **Liberia** | UK Net Bilateral ODA | 604 | 9,334 | 2,939 | 2,932 | 3,664 | FCDO 76%, DHSC 15%, Other 9% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.09% | 0.03% | 0.04% | 0.04% | |
| **Libya** | UK Net Bilateral ODA | 13,162 | 16,427 | 13,282 | 12,789 | 5,229 | CSSF 68%, FCDO 32% |
| | of which Humanitarian Assistance | 585 | 96 | 26 | 925 | – | |
| | Percentage of Total Net Bilateral ODA | 0.14% | 0.16% | 0.14% | 0.18% | 0.05% | |
| **Madagascar** | UK Net Bilateral ODA | 2,364 | 3,178 | 1,643 | 6,337 | 4,603 | FCDO 72%, DEFRA 24%, Other 5% |
| | of which Humanitarian Assistance | – | – | – | 4,800 | 3,000 | |
| | Percentage of Total Net Bilateral ODA | 0.03% | 0.03% | 0.02% | 0.09% | 0.05% | |
| **Malawi** | UK Net Bilateral ODA | 83,759 | 81,104 | 65,713 | 42,298 | 31,726 | FCDO 83%, SG 12%, Other 6% |
| | of which Humanitarian Assistance | 4,632 | 7,058 | 4,464 | 1,595 | 1,530 | |
| | Percentage of Total Net Bilateral ODA | 0.91% | 0.78% | 0.69% | 0.58% | 0.33% | |
| **Mali** | UK Net Bilateral ODA | 6,265 | 5,197 | 8,963 | 8,476 | 8,144 | CSSF 50%, FCDO 32%, Other 18% |
| | of which Humanitarian Assistance | 200 | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.07% | 0.05% | 0.09% | 0.12% | 0.08% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Mauritania** | UK Net Bilateral ODA | 36 | 13 | (5) | 526 | 101 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | |
| **Mauritius** | UK Net Bilateral ODA | 508 | 2,005 | 866 | 892 | 556 | FCDO 81%, BEIS 19% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.02% | 0.01% | 0.01% | 0.01% | |
| **Morocco** | UK Net Bilateral ODA | 5,279 | 9,658 | 8,193 | 7,041 | 2,310 | FCDO 47%, CSSF 40%, Other 12% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.06% | 0.09% | 0.09% | 0.10% | 0.02% | |
| **Mozambique** | UK Net Bilateral ODA | 70,895 | 103,584 | 55,851 | 37,493 | 48,998 | FCDO 100% |
| | of which Humanitarian Assistance | 2,490 | 36,467 | 8,308 | 3,453 | 3,406 | |
| | Percentage of Total Net Bilateral ODA | 0.74% | 0.65% | 0.50% | 0.47% | 0.47% | |
| **Namibia** | UK Net Bilateral ODA | 417 | 1,125 | 1,351 | 1,449 | 738 | FCDO 62%, BEIS 38% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.77% | 1.00% | 0.59% | 0.52% | 0.51% | |
| **Niger** | UK Net Bilateral ODA | 881 | 993 | 645 | 1,085 | 357 | CSSF 64%, FCDO 28%, Other 8% |
| | of which Humanitarian Assistance | – | – | 100 | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.01% | 0.01% | 0.01% | 0.00% | |
| **Nigeria** | UK Net Bilateral ODA | 295,502 | 256,835 | 240,577 | 140,146 | 110,113 | FCDO 92%, CSSF 7%, Other 1% |
| | of which Humanitarian Assistance | 89,565 | 78,277 | 78,058 | 37,714 | 9,167 | |
| | Percentage of Total Net Bilateral ODA | 3.20% | 2.47% | 2.52% | 1.94% | 1.14% | |
| **Rwanda** | UK Net Bilateral ODA | 54,746 | 62,046 | 42,380 | 34,946 | 25,657 | FCDO 92%, SG 5%, Other 3% |
| | of which Humanitarian Assistance | 48 | 3,392 | 1,800 | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.59% | 0.60% | 0.43% | 0.48% | 0.27% | |
| **Sao Tome & Principe** | UK Net Bilateral ODA | 146 | 55 | – | – | 61 | DEFRA 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Senegal** | UK Net Bilateral ODA | 784 | 2,373 | 2,609 | 2,891 | 1,099 | FCDO 76%, DHSC 18%, Other 6% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.02% | 0.03% | 0.04% | 0.01% | |
| **Seychelles** | UK Net Bilateral ODA | – | – | – | – | – | z |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Sierra Leone** | UK Net Bilateral ODA | 93,712 | 76,313 | 74,088 | 50,048 | 33,382 | FCDO 97%, DHSC 2% |
| | of which Humanitarian Assistance | (1,595) | (259) | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 1.03% | 0.74% | 0.78% | 0.69% | 0.35% | |
| **Somalia** | UK Net Bilateral ODA | 193,766 | 175,871 | 232,457 | 100,696 | 99,762 | FCDO 90%, CSSF 10% |
| | of which Humanitarian Assistance | 88,186 | 62,409 | 63,824 | 39,443 | 68,059 | |
| | Percentage of Total Net Bilateral ODA | 2.10% | 1.69% | 2.44% | 1.39% | 1.03% | |
| **South Africa** | UK Net Bilateral ODA | 29,290 | 33,246 | 48,065 | 102,251 | 22,961 | FCDO 56%, BEIS 33%, Other 11% |
| | of which Humanitarian Assistance | – | – | – | – | 500 | |
| | Percentage of Total Net Bilateral ODA | 0.32% | 0.32% | 0.50% | 1.41% | 0.23% | |
| **South Sudan** | UK Net Bilateral ODA | 151,313 | 207,398 | 155,765 | 96,175 | 76,111 | FCDO 100% |
| | of which Humanitarian Assistance | 84,783 | 77,081 | 61,529 | 33,034 | 19,377 | |
| | Percentage of Total Net Bilateral ODA | 1.64% | 1.99% | 1.63% | 1.33% | 0.79% | |
| **St Helena** | UK Net Bilateral ODA | 41,301 | 39,205 | 45,887 | 38,678 | 39,859 | FCDO 93%, CSSF 5%, Other 2% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.45% | 0.38% | 0.48% | 0.53% | 0.41% | |
| **Sudan** | UK Net Bilateral ODA | 89,447 | 93,229 | 139,241 | 94,213 | 29,724 | FCDO 100% |
| | of which Humanitarian Assistance | 44,916 | 55,732 | 52,634 | 20,471 | 12,456 | |
| | Percentage of Total Net Bilateral ODA | 0.97% | 0.90% | 1.46% | 1.30% | 0.31% | |
| **Tanzania** | UK Net Bilateral ODA | 152,043 | 137,160 | 96,367 | 60,605 | 33,334 | FCDO 95%, BEIS 3%, Other 2% |
| | of which Humanitarian Assistance | 8,871 | 15,608 | 11,977 | 5,378 | 4,150 | |
| | Percentage of Total Net Bilateral ODA | 1.65% | 1.32% | 1.01% | 0.84% | 0.35% | |
| **Togo** | UK Net Bilateral ODA | – | 5 | – | – | 12 | BEIS 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Tunisia** | UK Net Bilateral ODA | 11,753 | 16,865 | 14,454 | 9,974 | 4,518 | CSSF 66%, FCDO 34% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.13% | 0.16% | 0.15% | 0.14% | 0.05% | |
| **Uganda** | UK Net Bilateral ODA | 107,413 | 153,768 | 89,327 | 64,352 | 44,672 | FCDO 78%, BEIS 19%, Other 3% |
| | of which Humanitarian Assistance | 29,575 | 43,464 | 21,130 | 6,753 | 8,969 | |
| | Percentage of Total Net Bilateral ODA | 1.16% | 1.48% | 0.94% | 0.89% | 0.46% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Zambia** | UK Net Bilateral ODA | 28,131 | 51,000 | 40,930 | 27,921 | 19,473 | FCDO 95%, SG 5% |
| | of which Humanitarian Assistance | – | – | 1,169 | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.30% | 0.49% | 0.42% | 0.39% | 0.20% | |
| **Zimbabwe** | UK Net Bilateral ODA | 93,865 | 99,005 | 97,808 | 50,968 | 37,813 | FCDO 94%, BEIS 3%, Other 3% |
| | of which Humanitarian Assistance | – | – | 24,448 | 4,512 | 1,400 | |
| | Percentage of Total Net Bilateral ODA | 1.02% | 0.95% | 1.03% | 0.70% | 0.39% | |
| **Africa, regional** | UK Net Bilateral ODA | 425,042 | 395,119 | 345,337 | 270,906 | 232,619 | FCDO 87%, DHSC 4%, Other 9% |
| | of which Humanitarian Assistance | 524 | 1,488 | 10,247 | 4,705 | 2,471 | |
| | Percentage of Total Net Bilateral ODA | 4.61% | 3.80% | 3.62% | 3.74% | 2.41% | |
| **Eastern Africa, regional[4]** | UK Net Bilateral ODA | – | 5,190 | 12,669 | 22,908 | 13,089 | DHSC 37%, BEIS 33%, Other 30% |
| | of which Humanitarian Assistance | – | – | 200 | 566 | 533 | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.05% | 0.13% | 0.32% | 0.14% | |
| **Middle Africa, regional** | UK Net Bilateral ODA | 11,386 | 9,670 | 8,079 | 7,585 | 9,042 | BBC WS 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.12% | 0.09% | 0.08% | 0.10% | 0.09% | |
| **North of Sahara, regional** | UK Net Bilateral ODA | 5,757 | 10,958 | 7,984 | 5,061 | 2,431 | CSSF 81%, BEIS 19% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.06% | 0.11% | 0.08% | 0.07% | 0.03% | |
| **South of Sahara, regional** | UK Net Bilateral ODA | 148,213 | 156,400 | 137,013 | 56,138 | 49,599 | FCDO 66%, BEIS 25%, Other 9% |
| | of which Humanitarian Assistance | 66,495 | 65,289 | 61,204 | 9,653 | 21,629 | |
| | Percentage of Total Net Bilateral ODA | 1.61% | 1.50% | 1.44% | 0.78% | 0.51% | |
| **Southern Africa, regional** | UK Net Bilateral ODA | – | – | 1,561 | 2,058 | 2,774 | DHSC 50%, DEFRA 41%, Other 9% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.02% | 0.03% | 0.03% | |
| **Western Africa, regional** | UK Net Bilateral ODA | – | 5,378 | 4,635 | 4,439 | 3,458 | DHSC 49%, FCDO 37%, Other 14% |
| | of which Humanitarian Assistance | – | – | – | – | 1,280 | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.05% | 0.05% | 0.06% | 0.04% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Asia & Middle East** | | | | | | | |
| **Afghanistan** | UK Net Bilateral ODA | 248,699 | 289,773 | 225,552 | 187,213 | 352,512 | FCDO 106%, CSSF -6% |
| | of which Humanitarian Assistance | 53,658 | 69,690 | 52,324 | 136,491 | 336,015 | |
| | Percentage of Total Net Bilateral ODA | 2.69% | 2.79% | 2.37% | 2.59% | 3.66% | |
| **Armenia** | UK Net Bilateral ODA | 862 | 2,675 | 2,256 | 4,213 | 1,768 | FCDO 78%, CSSF 18%, Other 3% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.03% | 0.02% | 0.06% | 0.02% | |
| **Azerbaijan** | UK Net Bilateral ODA | 776 | 2,953 | 1,773 | 2,291 | 1,514 | FCDO 67%, CSSF 31%, Other 2% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.03% | 0.02% | 0.03% | 0.02% | |
| **Bangladesh** | UK Net Bilateral ODA | 189,905 | 256,296 | 203,360 | 87,196 | 54,673 | FCDO 99%, BEIS 1% |
| | of which Humanitarian Assistance | 79,932 | 124,930 | 87,224 | 29,577 | 23,640 | |
| | Percentage of Total Net Bilateral ODA | 2.06% | 2.46% | 2.13% | 1.21% | 0.57% | |
| **Bhutan** | UK Net Bilateral ODA | 255 | 392 | 395 | 197 | 148 | FCDO 116%, DEFRA 33%, Other -49% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Cambodia** | UK Net Bilateral ODA | 4,156 | 2,755 | 2,109 | 2,035 | 1,083 | FCDO 47%, DEFRA 37%, Other 16% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.05% | 0.03% | 0.02% | 0.03% | 0.01% | |
| **China (People's Republic of)** | UK Net Bilateral ODA | 55,649 | 68,267 | 64,120 | 51,735 | 14,934 | FCDO 62%, BEIS 38% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.60% | 0.66% | 0.67% | 0.72% | 0.15% | |
| **Georgia** | UK Net Bilateral ODA | 1,277 | 4,566 | 3,968 | 5,239 | 4,060 | FCDO 75%, CSSF 21%, Other 5% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.04% | 0.04% | 0.07% | 0.04% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **India** | UK Net Bilateral ODA | 94,665 | 107,514 | 94,881 | 80,194 | 45,728 | FCDO 82%, BEIS 15%, Other 2% |
| | of which Humanitarian Assistance | – | 59 | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 1.03% | 1.03% | 1.00% | 1.11% | 0.47% | |
| **Indonesia** | UK Net Bilateral ODA | 29,932 | 33,496 | 33,304 | 29,494 | 24,060 | FCDO 70%, BEIS 18%, Other 11% |
| | of which Humanitarian Assistance | 3,879 | 812 | 198 | 849 | (116) | |
| | Percentage of Total Net Bilateral ODA | 0.32% | 0.32% | 0.35% | 0.41% | 0.25% | |
| **Iran** | UK Net Bilateral ODA | 1,405 | 1,566 | 2,877 | 434 | 286 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | 2,000 | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.02% | 0.02% | 0.03% | 0.01% | 0.00% | |
| **Iraq** | UK Net Bilateral ODA | 73,945 | 77,307 | 46,402 | 50,693 | 19,434 | FCDO 55%, CSSF 45% |
| | of which Humanitarian Assistance | 28,535 | 28,287 | 12,086 | 9,285 | 321 | |
| | Percentage of Total Net Bilateral ODA | 0.80% | 0.74% | 0.49% | 0.70% | 0.20% | |
| **Jordan** | UK Net Bilateral ODA | 138,147 | 131,206 | 81,385 | 62,380 | 41,942 | FCDO 90%, CSSF 8%, Other 2% |
| | of which Humanitarian Assistance | 9,698 | 34,347 | 27,384 | 16,042 | 12,768 | |
| | Percentage of Total Net Bilateral ODA | 1.39% | 0.93% | 0.57% | 0.64% | 0.30% | |
| **Kazakhstan** | UK Net Bilateral ODA | 1,822 | 2,803 | 2,819 | 1,959 | 1,705 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 1.50% | 1.26% | 0.85% | 0.86% | 0.44% | |
| **Korea, Dem. Rep.** | UK Net Bilateral ODA | 199 | 304 | 218 | 135 | – | z |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Kyrgyz Republic** | UK Net Bilateral ODA | 4,051 | 5,322 | 4,878 | 4,837 | 2,910 | FCDO 97%, CSSF 2% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.04% | 0.05% | 0.05% | 0.07% | 0.03% | |
| **Lao People's Democratic Republic** | UK Net Bilateral ODA | 584 | 1,138 | 1,527 | 1,094 | 586 | FCDO 67%, DEFRA 25%, Other 8% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.01% | 0.02% | 0.02% | 0.01% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Lebanon** | UK Net Bilateral ODA | 96,479 | 148,716 | 120,418 | 57,943 | 21,686 | FCDO 58%, CSSF 38%, Other 4% |
| | of which Humanitarian Assistance | 36,732 | 54,500 | 44,348 | 18,799 | 10,219 | |
| | Percentage of Total Net Bilateral ODA | 1.05% | 1.43% | 1.26% | 0.80% | 0.22% | |
| **Malaysia** | UK Net Bilateral ODA | 9,511 | 11,348 | 10,264 | 10,930 | 4,286 | FCDO 72%, BEIS 24%, Other 4% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.10% | 0.11% | 0.11% | 0.15% | 0.04% | |
| **Maldives** | UK Net Bilateral ODA | 284 | 635 | 595 | 1,628 | 1,633 | CSSF 82%, FCDO 13%, Other 5% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.01% | 0.02% | 0.02% | |
| **Mongolia** | UK Net Bilateral ODA | 1,290 | 1,773 | 2,408 | 1,803 | 957 | FCDO 46%, DEFRA 45%, Other 9% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.02% | 0.03% | 0.02% | 0.01% | |
| **Myanmar** | UK Net Bilateral ODA | 100,262 | 113,030 | 103,257 | 66,288 | 46,785 | FCDO 92%, CSSF 5%, Other 3% |
| | of which Humanitarian Assistance | 17,724 | 32,224 | 29,348 | 21,495 | 11,942 | |
| | Percentage of Total Net Bilateral ODA | 0.89% | 0.78% | 0.78% | 0.62% | 0.36% | |
| **Nepal** | UK Net Bilateral ODA | 95,507 | 90,053 | 84,261 | 59,299 | 37,241 | FCDO 94%, BEIS 3%, Other 3% |
| | of which Humanitarian Assistance | 11,676 | 15,527 | 20,701 | 11,982 | 4,045 | |
| | Percentage of Total Net Bilateral ODA | 1.03% | 0.87% | 0.88% | 0.82% | 0.39% | |
| **Pakistan** | UK Net Bilateral ODA | 330,961 | 304,986 | 199,987 | 127,766 | 57,843 | FCDO 88%, CSSF 7%, Other 4% |
| | of which Humanitarian Assistance | 15,772 | 4,705 | 30,117 | 7,110 | 19,430 | |
| | Percentage of Total Net Bilateral ODA | 3.59% | 2.93% | 2.10% | 1.77% | 0.60% | |
| **Philippines** | UK Net Bilateral ODA | 10,150 | 13,638 | 19,196 | 13,671 | 8,090 | FCDO 43%, CSSF 27%, Other 29% |
| | of which Humanitarian Assistance | – | 246 | 898 | 19 | 1,000 | |
| | Percentage of Total Net Bilateral ODA | 0.11% | 0.13% | 0.20% | 0.19% | 0.08% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Sri Lanka** | UK Net Bilateral ODA | 8,444 | 8,897 | 9,659 | 8,584 | 4,581 | FCDO 74%, CSSF 30%, Other -4% |
| | of which Humanitarian Assistance | – | – | – | – | 1,840 | |
| | Percentage of Total Net Bilateral ODA | 0.09% | 0.09% | 0.10% | 0.12% | 0.05% | |
| **Syrian Arab Republic** | UK Net Bilateral ODA | 230,843 | 222,943 | 181,201 | 91,069 | 63,416 | FCDO 81%, CSSF 19%, Other 1% |
| | of which Humanitarian Assistance | 160,000 | 194,462 | 148,013 | 56,930 | 32,824 | |
| | Percentage of Total Net Bilateral ODA | 2.50% | 2.14% | 1.90% | 1.26% | 0.66% | |
| **Tajikistan** | UK Net Bilateral ODA | 5,127 | 2,677 | 4,462 | 2,852 | 1,199 | FCDO 66%, CSSF 29%, Other 5% |
| | of which Humanitarian Assistance | – | – | – | 1,000 | – | |
| | Percentage of Total Net Bilateral ODA | 0.06% | 0.03% | 0.05% | 0.04% | 0.01% | |
| **Thailand** | UK Net Bilateral ODA | 8,908 | 13,903 | 11,496 | 9,465 | 3,392 | FCDO 89%, BEIS 10%, Other 1% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.10% | 0.13% | 0.12% | 0.13% | 0.04% | |
| **Timor-Leste** | UK Net Bilateral ODA | 311 | 282 | 173 | 159 | 37 | FCDO 54%, DEFRA 46% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Turkmenistan** | UK Net Bilateral ODA | 281 | 608 | 548 | 369 | 161 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.01% | 0.01% | 0.00% | |
| **Uzbekistan** | UK Net Bilateral ODA | 2,243 | 4,945 | 3,288 | 2,448 | 1,562 | FCDO 89%, CSSF 8%, Other 3% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.02% | 0.05% | 0.03% | 0.03% | 0.02% | |
| **Vietnam** | UK Net Bilateral ODA | 10,458 | 11,677 | 7,831 | 10,542 | 6,682 | FCDO 57%, BEIS 31%, Other 13% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.11% | 0.11% | 0.08% | 0.15% | 0.07% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **West Bank & Gaza Strip** | UK Net Bilateral ODA | 49,400 | 80,726 | 51,852 | 41,310 | 22,524 | FCDO 61%, CSSF 37%, Other 2% |
| | of which Humanitarian Assistance | 8,755 | 16,245 | 1,800 | 7,720 | 18 | |
| | Percentage of Total Net Bilateral ODA | 0.54% | 0.78% | 0.54% | 0.57% | 0.23% | |
| **Yemen** | UK Net Bilateral ODA | 166,368 | 260,424 | 221,108 | 114,414 | 77,350 | FCDO 93%, CSSF 7% |
| | of which Humanitarian Assistance | 147,751 | 219,246 | 158,678 | 79,895 | 46,601 | |
| | Percentage of Total Net Bilateral ODA | 1.80% | 2.50% | 2.32% | 1.58% | 0.80% | |
| **Asia, Regional** | UK Net Bilateral ODA | 134,380 | 127,380 | 101,717 | 83,277 | 39,270 | FCDO 41%, BEIS 30%, Other 29% |
| | of which Humanitarian Assistance | 53 | 248 | 4,385 | 764 | 2,012 | |
| | Percentage of Total Net Bilateral ODA | 1.46% | 1.22% | 1.07% | 1.15% | 0.41% | |
| **Central Asia, regional** | UK Net Bilateral ODA | 3,280 | 4,871 | 2,098 | 1,643 | 2,106 | CSSF 96%, FCDO 4% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.04% | 0.05% | 0.02% | 0.02% | 0.02% | |
| **Far East Asia, regional** | UK Net Bilateral ODA | 19 | 2,987 | 3,766 | 4,401 | 11,891 | FCDO 71%, BEIS 18%, Other 11% |
| | of which Humanitarian Assistance | – | – | 198 | 50 | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.03% | 0.04% | 0.06% | 0.12% | |
| **Middle East, regional** | UK Net Bilateral ODA | 56,030 | 38,894 | 25,763 | 24,538 | 53,100 | FCDO 80%, BBC WS 17%, Other 3% |
| | of which Humanitarian Assistance | 1,321 | 816 | 432 | 404 | 335 | |
| | Percentage of Total Net Bilateral ODA | 0.61% | 0.37% | 0.27% | 0.34% | 0.55% | |
| **South & Central Asia, regional** | UK Net Bilateral ODA | 63,402 | 891 | 5,399 | 4,069 | 2,841 | DHSC 84%, BEIS 13%, Other 3% |
| | of which Humanitarian Assistance | – | 104 | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.69% | 0.01% | 0.06% | 0.06% | 0.03% | |
| **South Asia, regional** | UK Net Bilateral ODA | 4,685 | 13,481 | 31,267 | 14,126 | 14,424 | FCDO 46%, BEIS 33%, Other 20% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.05% | 0.13% | 0.33% | 0.20% | 0.15% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Rest of the World** | | | | | | | |
| **Albania** | UK Net Bilateral ODA | 1,126 | 2,759 | 1,348 | 3,504 | 2,211 | CSSF 53%, FCDO 47% |
| | of which Humanitarian Assistance | – | – | – | 977 | 23 | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.03% | 0.01% | 0.05% | 0.02% | |
| **Antigua and Barbuda** | UK Net Bilateral ODA | 96 | 253 | 196 | 91 | – | z |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Argentina** | UK Net Bilateral ODA | 2,375 | 4,414 | 3,639 | 3,308 | 1,645 | FCDO 90%, BEIS 10% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.03% | 0.04% | 0.04% | 0.05% | 0.02% | |
| **Belarus** | UK Net Bilateral ODA | 1,233 | 1,996 | 1,535 | 2,635 | 1,196 | CSSF 74%, FCDO 26% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.02% | 0.02% | 0.04% | 0.01% | |
| **Belize** | UK Net Bilateral ODA | 773 | 1,694 | 1,559 | 1,151 | 237 | FCDO 62%, DEFRA 38% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.02% | 0.02% | 0.02% | 0.00% | |
| **Bolivia** | UK Net Bilateral ODA | 573 | 1,573 | 1,501 | 1,503 | 817 | DEFRA 54%, FCDO 37%, Other 9% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.02% | 0.02% | 0.02% | 0.01% | |
| **Bosnia and Herzegovina** | UK Net Bilateral ODA | 2,529 | 6,640 | 4,220 | 4,794 | 3,758 | CSSF 59%, FCDO 41% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.03% | 0.06% | 0.04% | 0.07% | 0.04% | |
| **Brazil** | UK Net Bilateral ODA | 24,957 | 34,134 | 33,923 | 28,247 | 14,556 | FCDO 57%, BEIS 32%, Other 11% |
| | of which Humanitarian Assistance | - | - | - | - | - | |
| | Percentage of Total Net Bilateral ODA | 0.27% | 0.33% | 0.36% | 0.39% | 0.15% | |
| **Chile** | UK Net Bilateral ODA | – | – | – | – | – | z |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Colombia** | UK Net Bilateral ODA | 35,085 | 49,589 | 73,442 | 42,215 | 51,011 | FCDO 86%, CSSF 9%, Other 5% |
| | of which Humanitarian Assistance | 100 | 8,245 | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.38% | 0.48% | 0.77% | 0.58% | 0.53% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Costa Rica** | UK Net Bilateral ODA | 645 | 1,179 | 697 | 822 | 336 | FCDO 68%, DEFRA 32% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.01% | 0.01% | 0.01% | 0.00% | |
| **Cuba** | UK Net Bilateral ODA | 4,650 | 2,090 | 1,837 | 1,476 | 561 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.05% | 0.02% | 0.02% | 0.02% | 0.01% | |
| **Dominica** | UK Net Bilateral ODA | 395 | 1,060 | 981 | 711 | 783 | FCDO 91%, BEIS 9% |
| | of which Humanitarian Assistance | – | 85 | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.01% | 0.01% | 0.01% | |
| **Dominican Republic** | UK Net Bilateral ODA | 447 | 526 | 542 | 881 | 404 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.01% | 0.01% | 0.00% | |
| **Ecuador** | UK Net Bilateral ODA | 407 | 1,068 | 1,269 | 1,058 | 906 | CSSF 33%, BEIS 27%, Other 40% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.01% | 0.01% | 0.01% | |
| **El Salvador** | UK Net Bilateral ODA | 333 | 868 | 706 | 700 | 60 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.01% | 0.01% | 0.00% | |
| **Fiji** | UK Net Bilateral ODA | 251 | 3,431 | 2,761 | 1,284 | 772 | DEFRA 52%, FCDO 35%, Other 13% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.03% | 0.03% | 0.02% | 0.01% | |
| **Grenada** | UK Net Bilateral ODA | 179 | 118 | 52 | 93 | 184 | BEIS 57%, FCDO 43% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Guatemala** | UK Net Bilateral ODA | 2,251 | 1,224 | 878 | 1,764 | 1,283 | BEIS 77%, FCDO 12%, Other 11% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.02% | 0.01% | 0.01% | 0.02% | 0.01% | |
| **Guyana** | UK Net Bilateral ODA | 1,122 | 2,009 | 1,678 | 1,448 | 164 | FCDO 78%, DEFRA 22% |
| | of which Humanitarian Assistance | – | – | – | – | - | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.02% | 0.02% | 0.02% | 0.00% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Haiti** | UK Net Bilateral ODA | 190 | 439 | 194 | 983 | 276 | FCDO 92%, DEFRA 7%, Other 1% |
| | of which Humanitarian Assistance | 32 | – | – | 485 | 203 | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | |
| **Honduras** | UK Net Bilateral ODA | 379 | 328 | 271 | 282 | 141 | FCDO 78%, DEFRA 22% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Jamaica** | UK Net Bilateral ODA | 8,044 | 9,756 | 8,587 | 6,134 | 3,958 | FCDO 95%, CSSF 3%, Other 2% |
| | of which Humanitarian Assistance | – | 12 | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.09% | 0.09% | 0.09% | 0.08% | 0.04% | |
| **Kiribati** | UK Net Bilateral ODA | 9 | 31 | 25 | 7 | – | z |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Kosovo** | UK Net Bilateral ODA | 3,130 | 6,650 | 7,154 | 5,351 | 3,093 | CSSF 80%, FCDO 20% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.03% | 0.06% | 0.08% | 0.07% | 0.03% | |
| **Marshall Islands** | UK Net Bilateral ODA | 57 | 83 | – | – | – | z |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Mexico** | UK Net Bilateral ODA | 16,462 | 24,320 | 34,964 | 20,364 | 6,714 | FCDO 95%, BEIS 5% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.18% | 0.23% | 0.37% | 0.28% | 0.07% | |
| **Micronesia** | UK Net Bilateral ODA | 70 | 141 | 93 | – | – | z |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Moldova** | UK Net Bilateral ODA | 228 | 846 | 1,287 | 2,267 | 1,456 | FCDO 52%, CSSF 48% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.01% | 0.03% | 0.02% | |
| **Montenegro** | UK Net Bilateral ODA | 1,011 | 3,810 | 1,491 | 1,898 | 306 | CSSF 89%, FCDO 11% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.04% | 0.02% | 0.03% | 0.00% | |
| **Montserrat** | UK Net Bilateral ODA | 26,144 | 24,847 | 33,993 | 27,146 | 32,578 | FCDO 92%, CSSF 8% |
| | of which Humanitarian Assistance | 196 | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.28% | 0.24% | 0.36% | 0.38% | 0.34% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Nicaragua** | UK Net Bilateral ODA | – | – | – | – | 28 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | –- | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **North Macedonia** | UK Net Bilateral ODA | 366 | 329 | 326 | 415 | 394 | DEFRA 59%, FCDO 41% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.01% | 0.00% | |
| **Panama** | UK Net Bilateral ODA | 2,969 | 4,168 | 2,655 | 4,059 | 2,333 | CSSF 60%, FCDO 40% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.03% | 0.04% | 0.03% | 0.06% | 0.02% | |
| **Papua New Guinea** | UK Net Bilateral ODA | 881 | 1,698 | 1,398 | 867 | 685 | FCDO 55%, CSSF 45% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.02% | 0.01% | 0.01% | 0.01% | |
| **Paraguay** | UK Net Bilateral ODA | 1,276 | 1,443 | 1,246 | 1,196 | 571 | CSSF 35%, DEFRA 34%, Other 31% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.01% | 0.01% | 0.02% | 0.01% | |
| **Peru** | UK Net Bilateral ODA | 806 | 582 | 752 | 827 | 466 | FCDO 97%, DEFRA 3% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.01% | 0.01% | 0.11% | 0.00% | |
| **Saint Lucia** | UK Net Bilateral ODA | 6,184 | 10,204 | 8,021 | 7,939 | 1,885 | FCDO 65%, BEIS 34%, Other 1% |
| | of which Humanitarian Assistance | – | – | – | 538 | – | |
| | Percentage of Total Net Bilateral ODA | 0.07% | 0.10% | 0.08% | 0.10% | 0.02% | |
| **Saint Vincent & Grenadines** | UK Net Bilateral ODA | 3,890 | 3,412 | 2,761 | 2,968 | 1,019 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.04% | 0.03% | 0.03% | 0.01% | 0.01% | |
| **Samoa** | UK Net Bilateral ODA | 896 | 796 | 898 | 599 | 544 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% | |
| **Serbia** | UK Net Bilateral ODA | 78 | 563 | 395 | 305 | 114 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | |
| **Solomon Islands** | UK Net Bilateral ODA | 64 | 84 | 60 | 818 | 161 | FCDO 66%, CSSF 34% |
| | of which Humanitarian Assistance | – | – | – | 550 | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **States Ex-Yugoslavia unspecified** | UK Net Bilateral ODA | – | (2,349) | 170 | 77 | 1,593 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | -0.02% | 0.00% | 0.00% | 0.02% | |
| **Suriname** | UK Net Bilateral ODA | 39 | 64 | 39 | 5 | – | z |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Tonga** | UK Net Bilateral ODA | 59 | 72 | 26 | 138 | 119 | CSSF 52%, FCDO 48% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Türkiye** | UK Net Bilateral ODA | 72,447 | 56,147 | 52,166 | 37,872 | 30,044 | FCDO 90%, CSSF 9% |
| | of which Humanitarian Assistance | 17,912 | 3,516 | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.78% | 0.54% | 0.55% | 0.52% | 0.31% | |
| **Tuvalu** | UK Net Bilateral ODA | 44 | 48 | 13 | 18 | 11 | FCDO 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Ukraine** | UK Net Bilateral ODA | 28,167 | 28,637 | 25,385 | 31,210 | 341,838 | FCDO 81%, CSSF 12%, Other 7% |
| | of which Humanitarian Assistance | 12,394 | 5,797 | 4,266 | 656 | 198,950 | |
| | Percentage of Total Net Bilateral ODA | 0.31% | 0.28% | 0.27% | 0.43% | 3.55% | |
| **Uruguay** | UK Net Bilateral ODA | – | – | – | – | – | z |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | |
| **Vanuatu** | UK Net Bilateral ODA | 7 | 1,449 | 74 | 689 | (49) | BEIS 238%, CSSF -41%, Other -96% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.00% | 0.01% | 0.00% | |
| **Venezuela** | UK Net Bilateral ODA | 1,300 | 8,732 | 20,555 | 2,525 | 1,040 | FCDO 74%, CSSF 21%, Other 4% |
| | of which Humanitarian Assistance | – | 6,300 | 18,600 | 110 | – | |
| | Percentage of Total Net Bilateral ODA | 0.01% | 0.08% | 0.22% | 0.03% | 0.01% | |
| **America, Regional** | UK Net Bilateral ODA | 10,709 | 6,670 | 8,478 | 7,450 | 6,653 | FCDO 63%, BEIS 20%, Other 17% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.12% | 0.06% | 0.09% | 0.10% | 0.07% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Caribbean & Central America, regional[2]** | UK Net Bilateral ODA | 24,698 | 4,359 | 1,669 | 1,078 | – | z |
| | of which Humanitarian Assistance | – | 3,439 | 350 | 1,005 | – | |
| | Percentage of Total Net Bilateral ODA | 0.27% | 0.04% | 0.02% | 0.01% | 0.00% | |
| **Caribbean, regional[3]** | UK Net Bilateral ODA | 110,482 | 28,084 | 18,155 | 16,343 | 35,518 | FCDO 100% |
| | of which Humanitarian Assistance | 968 | 212 | 73 | 363 | 1,158 | |
| | Percentage of Total Net Bilateral ODA | 1.19% | 0.27% | 0.19% | 0.23% | 0.37% | |
| **Central America, regional[4]** | UK Net Bilateral ODA | – | 2,835 | 855 | 487 | 76 | DEFRA 81%, FCDO 63%, Other -44% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.03% | 0.01% | 0.01% | 0.00% | |
| **Europe, Regional** | UK Net Bilateral ODA | 77,821 | 74,880 | 65,661 | 57,286 | 63,210 | CSSF 63%, FCDO 35%, Other 2% |
| | of which Humanitarian Assistance | – | 5,878 | 975 | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.84% | 0.72% | 0.69% | 0.79% | 0.66% | |
| **Melanesia, regional[4]** | UK Net Bilateral ODA | – | 1,078 | 4,688 | 860 | 516 | BEIS 100% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.00% | 0.01% | 0.05% | 0.01% | 0.01% | |
| **North & Central America, Regional[2]** | UK Net Bilateral ODA | 8,299 | 5,838 | 9,242 | 4,256 | 7,175 | FCDO 80%, CSSF 18%, Other 2% |
| | of which Humanitarian Assistance | 45 | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.09% | 0.06% | 0.10% | 0.06% | 0.07% | |
| **Oceania, Regional** | UK Net Bilateral ODA | 3,387 | 8,299 | 5,838 | 9,242 | 4,256 | FCDO 73%, CSSF 25%, Other 2% |
| | of which Humanitarian Assistance | – | 45 | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.04% | 0.09% | 0.06% | 0.10% | 0.06% | |
| **South America, regional** | UK Net Bilateral ODA | 73,720 | 17,958 | 10,624 | 16,291 | 23,957 | BEIS 62%, FCDO 22%, Other 17% |
| | of which Humanitarian Assistance | – | – | – | – | – | |
| | Percentage of Total Net Bilateral ODA | 0.80% | 0.17% | 0.11% | 0.23% | 0.25% | |
| **Total Africa** | UK Net Bilateral ODA | 2,861,202 | 2,985,052 | 2,609,742 | 1,726,729 | 1,241,006 | FCDO 86%, BEIS 6%, Other 9% |
| | Percentage of Total Net Bilateral ODA | – | – | – | – | – | |
| | Percentage of Gross National Income | 0.14% | 0.14% | 0.13% | 0.08% | 0.05% | |

| Country | ODA Breakdown | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand | Main Spend Departments in 2022 (% Share) |
|---|---|---|---|---|---|---|---|
| **Total Asia** | UK Net Bilateral ODA | 2,234,952 | 2,468,098 | 1,973,838 | 1,323,933 | 1,050,400 | FCDO 88%, BEIS 4%, Other 7% |
| | Percentage of Total Net Bilateral ODA | – | – | – | – | – | |
| | Percentage of Gross National Income | 0.11% | 0.11% | 0.10% | 0.06% | 0.04% | |
| **Rest of the World** | UK Net Bilateral ODA | 560,412 | 447,527 | 457,210 | 359,355 | 649,385 | FCDO 54%, HO 23%, Other 23% |
| | Percentage of Total Net Bilateral ODA | – | – | – | – | – | |
| | Percentage of Gross National Income | 0.03% | 0.02% | 0.02% | 0.02% | 0.03% | |
| **Unspecified Region** | UK Net Bilateral ODA | 3,572,480 | 4,502,673 | 4,490,776 | 3,823,885 | 6,698,886 | Home Office 36%, FCDO 32%, Other 32% |
| | Percentage of Total Net Bilateral ODA | – | – | – | 1 | 1 | |
| | Percentage of Gross National Income | 0.17% | 0.21% | 0.22% | 0.17% | 0.27% | |
| **Total UK Net Bilateral ODA** | UK Net Bilateral ODA | 9,229,046 | 10,403,350 | 9,531,566 | 7,233,902 | 9,639,677 | FCDO 48%, Home Office 25%, Other 27% |
| | Percentage of Total Net Bilateral ODA | 100% | 100% | 100% | 100% | 100% | |
| | Percentage of Gross National Income | 0.44% | 0.48% | 0.46% | 0.32% | 0.38% | |
| **Low Income Countries** | UK Net Bilateral ODA | 2,483,537 | 2,810,334 | 2,392,750 | 1,429,993 | 1,260,705 | FCDO 91%, CSSF 4%, Other 5% |
| | Percentage of Total Net Bilateral ODA | – | – | – | – | – | |
| | Percentage of Gross National Income | 0.12% | 0.13% | 0.12% | 0.06% | 0.05% | |
| **Total UK Net Multilateral ODA** | UK Net Multilateral ODA | 5,312,977 | 4,772,317 | 4,945,381 | 4,188,720 | 3,146,008 | FCDO 60%, Home Office 19%, Other 21% |
| | Percentage of Gross National Income | 0.25% | 0.22% | 0.24% | 0.18% | 0.13% | |

1 ODA can be negative due to returns from ODA eligible investments or from projects and programmes.

2 The DAC renamed the region category "North & Central America, regional" to "Caribbean & Central America, regional" for ODA 2019 reporting.

3 The DAC replaced 'West Indies, regional' with the "Caribbean, regional" in 2021.

4 The DAC introduced new recipient codes for 2019 ODA reporting in order to improve granularity of geography regional programmes.

# Table B.3: Largest spending department of UK net ODA by recipient country

Foreign Commonwealth and Development Office is the majority spending department in the following countries:

| Country | FCDO Net ODA Spend in 2022 £ thousand | Total UK Net ODA Spend in 2022 £ thousand | Percentage of Total ODA by dept[1] £ thousand |
|---|---|---|---|
| Afghanistan | 374,520 | 352,512 | FCDO 106%, CSSF -6% |
| Africa, regional | 203,022 | 232,619 | FCDO 87%, DHSC 4%, Other 9% |
| America, regional | 4,200 | 6,653 | FCDO 63%, BEIS 20%, Other 17% |
| Angola | 334 | 334 | FCDO 100% |
| Argentina | 1,473 | 1,645 | FCDO 90%, BEIS 10% |
| Armenia | 1,386 | 1,768 | FCDO 78%, CSSF 18%, Other 3% |
| Asia, regional | 16,259 | 39,270 | FCDO 41%, BEIS 30%, Other 29% |
| Azerbaijan | 1,010 | 1,514 | FCDO 67%, CSSF 31%, Other 2% |
| Bangladesh | 54,069 | 54,673 | FCDO 99%, BEIS 1% |
| Belize | 148 | 237 | FCDO 62%, DEFRA 38% |
| Benin | 58 | 58 | FCDO 100% |
| Bhutan | 172 | 148 | FCDO 116%, DEFRA 33%, Other -49% |
| Botswana | 403 | 696 | FCDO 58%, DHSC 46%, Other -4% |
| Brazil | 8,339 | 14,556 | FCDO 57%, BEIS 32%, Other 11% |
| Burundi | 1,030 | 1,030 | FCDO 100% |
| Cambodia | 512 | 1,083 | FCDO 47%, DEFRA 37%, Other 16% |
| Cameroon | 2,290 | 2,388 | FCDO 96%, DEFRA 3%, Other 1% |
| Caribbean, regional | 35,428 | 35,518 | FCDO 100% |
| Central African Rep. | 10,401 | 10,401 | FCDO 100% |
| Chad | 185 | 185 | FCDO 100% |
| China | 9,324 | 14,934 | FCDO 62%, BEIS 38% |
| Colombia | 43,741 | 51,011 | FCDO 86%, CSSF 9%, Other 5% |
| Congo | 34 | 34 | FCDO 100% |
| Congo, Dem. Rep. | 46,869 | 46,879 | FCDO 100% |
| Costa Rica | 229 | 336 | FCDO 68%, DEFRA 32% |
| Cote d'Ivoire | 2,129 | 2,614 | FCDO 81%, BEIS 18% |
| Cuba | 561 | 561 | FCDO 100% |
| Developing countries, unspecified | 5,160,681 | 9,844,893 | FCDO 52%, HO 24%, Other 24% |
| Djibouti | 157 | 157 | FCDO 100% |
| Dominica | 715 | 783 | FCDO 91%, BEIS 9% |
| Dominican Republic | 404 | 404 | FCDO 100% |
| Egypt | 7,795 | 8,816 | FCDO 88%, CSSF 12% |
| El Salvador | 60 | 60 | FCDO 100% |
| Equatorial Guinea | 35 | 35 | FCDO 100% |
| Eritrea | 762 | 762 | FCDO 100% |
| Eswatini | 131 | 131 | FCDO 100% |
| Ethiopia | 89,342 | 90,131 | FCDO 99%, Other 1% |
| Far East Asia, regional | 8,451 | 11,891 | FCDO 71%, BEIS 18%, Other 11% |

| Country | FCDO Net ODA Spend in 2022 £ thousand | Total UK Net ODA Spend in 2022 £ thousand | Percentage of Total ODA by dept[1] £ thousand |
|---|---|---|---|
| Georgia | 3,034 | 4,060 | FCDO 75%, CSSF 21%, Other 5% |
| Ghana | 11,344 | 15,404 | FCDO 74%, BEIS 12%, Other 14% |
| Guinea | 119 | 119 | FCDO 100% |
| Guyana | 128 | 164 | FCDO 78%, DEFRA 22% |
| Haiti | 252 | 276 | FCDO 92%, DEFRA 7%, Other 1% |
| Honduras | 109 | 141 | FCDO 78%, DEFRA 22% |
| India | 37,328 | 45,728 | FCDO 82%, BEIS 15%, Other 2% |
| Indonesia | 16,949 | 24,060 | FCDO 70%, BEIS 18%, Other 11% |
| Iran | 286 | 286 | FCDO 100% |
| Iraq | 10,778 | 19,434 | FCDO 55%, CSSF 45%, Other -1% |
| Jamaica | 3,756 | 3,958 | FCDO 95%, CSSF 3%, Other 2% |
| Jordan | 37,578 | 41,942 | FCDO 90%, CSSF 8%, Other 2% |
| Kazakhstan | 1,705 | 1,705 | FCDO 100% |
| Kenya | 37,985 | 44,931 | FCDO 85%, BEIS 9%, Other 7% |
| Kyrgyz Republic | 2,821 | 2,910 | FCDO 97%, CSSF 2% |
| Laos | 391 | 586 | FCDO 67%, DEFRA 25%, Other 8% |
| Lebanon | 12,626 | 21,686 | FCDO 58%, CSSF 38%, Other 4% |
| Lesotho | 211 | 366 | FCDO 58%, BEIS 42% |
| Liberia | 2,783 | 3,664 | FCDO 76%, DHSC 15%, Other 9% |
| Madagascar | 3,292 | 4,603 | FCDO 72%, DEFRA 24%, Other 5% |
| Malawi | 26,230 | 31,726 | FCDO 83%, SG 12%, Other 6% |
| Malaysia | 3,075 | 4,286 | FCDO 72%, BEIS 24%, Other 4% |
| Mauritania | 101 | 101 | FCDO 100% |
| Mauritius | 452 | 556 | FCDO 81%, BEIS 19% |
| Mexico | 6,363 | 6,714 | FCDO 95%, BEIS 5% |
| Middle East, regional | 42,612 | 53,100 | FCDO 80%, BBC WS 17%, Other 3% |
| Moldova | 760 | 1,456 | FCDO 52%, CSSF 48% |
| Mongolia | 438 | 957 | FCDO 46%, DEFRA 45%, Other 9% |
| Montserrat | 29,944 | 32,578 | FCDO 92%, CSSF 8% |
| Morocco | 1,097 | 2,310 | FCDO 47%, CSSF 40%, Other 12% |
| Mozambique | 48,867 | 48,998 | FCDO 100% |
| Myanmar | 43,099 | 46,785 | FCDO 92%, CSSF 5%, Other 3% |
| Namibia | 455 | 738 | FCDO 62%, BEIS 38% |
| Nauru | 28 | 28 | FCDO 100% |
| Nepal | 35,041 | 37,241 | FCDO 94%, BEIS 3%, Other 3% |
| Nigeria | 101,345 | 110,113 | FCDO 92%, CSSF 7%, Other 1% |
| Oceania, regional | 5,760 | 7,175 | FCDO 80%, CSSF 18%, Other 2% |
| Pakistan | 51,154 | 57,843 | FCDO 88%, CSSF 7%, Other 4% |
| Panama | 379 | 685 | FCDO 55%, CSSF 45% |
| Paraguay | 451 | 466 | FCDO 97%, DEFRA 3% |
| Peru | 1,225 | 1,885 | FCDO 65%, BEIS 34%, Other 1% |
| Philippines | 3,510 | 8,090 | FCDO 43%, CSSF 27%, Other 29% |
| Rwanda | 23,557 | 25,657 | FCDO 92%, SG 5%, Other 3% |
| Samoa | 78 | 78 | FCDO 100% |

| Country | FCDO Net ODA Spend in 2022 £ thousand | Total UK Net ODA Spend in 2022 £ thousand | Percentage of Total ODA by dept[1] £ thousand |
|---|---|---|---|
| Senegal | 832 | 1,099 | FCDO 76%, DHSC 18%, Other 6% |
| Serbia | 1,019 | 1,019 | FCDO 100% |
| Sierra Leone | 32,435 | 33,382 | FCDO 97%, DHSC 2% |
| Solomon Islands | 359 | 544 | FCDO 66%, CSSF 34% |
| Somalia | 89,430 | 99,762 | FCDO 90%, CSSF 10% |
| South Africa | 12,832 | 22,961 | FCDO 56%, BEIS 33%, Other 11% |
| South Asia, regional | 6,692 | 14,424 | FCDO 46%, BEIS 33%, Other 20% |
| South of Sahara, regional | 32,525 | 49,599 | FCDO 66%, BEIS 25%, Other 9% |
| South Sudan | 75,998 | 76,111 | FCDO 100% |
| Sri Lanka | 3,385 | 4,581 | FCDO 74%, CSSF 30%, Other -3% |
| St. Helena | 37,062 | 39,859 | FCDO 93%, CSSF 5%, Other 2% |
| St. Lucia | 114 | 114 | FCDO 100% |
| St. Vincent & Grenadines | 161 | 161 | FCDO 100% |
| States Ex-Yugoslavia unspecified | 1,592 | 1,592 | FCDO 100% |
| Sudan | 29,617 | 29,724 | FCDO 100% |
| Syria | 51,338 | 63,416 | FCDO 81%, CSSF 19%, Other 1% |
| Tajikistan | 794 | 1,199 | FCDO 66%, CSSF 29%, Other 5% |
| Tanzania | 31,550 | 33,334 | FCDO 95%, BEIS 3%, Other 2% |
| Thailand | 3,008 | 3,392 | FCDO 89%, BEIS 10%, Other 1% |
| Timor-Leste | 20 | 37 | FCDO 54%, DEFRA 46% |
| Turkey | 27,475 | 30,044 | FCDO 91%, CSSF 9% |
| Turkmenistan | 161 | 161 | FCDO 100% |
| Tuvalu | 11 | 11 | FCDO 100% |
| Uganda | 35,022 | 44,672 | FCDO 78%, BEIS 19%, Other 3% |
| Ukraine | 277,339 | 341,838 | FCDO 81%, CSSF 12%, Other 6% |
| Uzbekistan | 1,383 | 1,562 | FCDO 89%, CSSF 8%, Other 3% |
| Vanuatu | 47 | -49 | BEIS 238%, CSSF -41%, Other -96% |
| Venezuela | 774 | 1,040 | FCDO 74%, CSSF 21%, Other 4% |
| Vietnam | 3,785 | 6,682 | FCDO 57%, BEIS 31%, Other 13% |
| West Bank & Gaza Strip | 13,760 | 22,524 | FCDO 61%, CSSF 37%, Other 2% |
| Yemen | 72,164 | 77,350 | FCDO 93%, CSSF 7% |
| Zambia | 18,456 | 19,473 | FCDO 95%, SG 5% |
| Zimbabwe | 35,465 | 37,813 | FCDO 94%, BEIS 3%, Other 3% |

The Department for Business, Energy and Industrial Strategy is the majority spending department in the following countries:

| Country | BEIS Net ODA Spend in 2022 £ thousand | Total UK Net ODA Spend in 2022 £ thousand | Percentage of Total ODA by dept £ thousand |
|---|---|---|---|
| Gambia | 14,098 | 14,356 | BEIS 98%, FCDO 2% |
| Grenada | 105 | 184 | BEIS 57%, FCDO 43% |
| Guatemala | 986 | 1,283 | BEIS 77%, FCDO 12%, Other 11% |
| Melanesia, regional | 516 | 516 | BEIS 100% |
| South America, regional | 14,741 | 23,957 | BEIS 62%, FCDO 22%, Other 17% |
| Togo | 12 | 12 | BEIS 100% |

The Department for Health and Social Care is the majority spending department in the following countries:

| Country | DHSC Net ODA Spend in 2022 £ thousand | Total UK Net ODA Spend in 2022 £ thousand | Percentage of Total ODA by dept £ thousand |
|---|---|---|---|
| Eastern Africa, regional | 4,838 | 13,089 | DHSC 37%, BEIS 33%, Other 30% |
| South & Central Asia, regional | 2,381 | 2,841 | DHSC 84%, BEIS 13%, Other 3% |
| Southern Africa, regional | 1,395 | 2,774 | DHSC 50%, DEFRA 41%, Other 8% |
| Western Africa, regional | 1,695 | 3,458 | DHSC 49%, FCDO 37%, Other 14% |

1 Net ODA is calculated as amounts extended minus amounts received. For some countries, the amount returned to a Department was more than the amount that was extended in that year, meaning that Net ODA was negative. Therefore, some Departments' Net ODA spend is greater than total UK Net ODA for a particular country, leading to a percentage greater than 100%.

2 Figures may not add up to 100% due to rounding.

# Table B.4: UK Gross Bilateral ODA by Sector

| Sector Description | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand |
|---|---|---|---|---|---|
| **Social Infrastructure & Services:** | | | | | |
| Education | 699,494 | 796,800 | 548,655 | 459,751 | 357,948 |
| Health | 982,078 | 1,028,970 | 1,296,410 | 794,400 | 752,453 |
| Population policies/programmes and reproductive health | 369,751 | 433,877 | 304,903 | 199,977 | 221,717 |
| Water supply and sanitation | 208,044 | 177,522 | 111,094 | 78,997 | 51,183 |
| Government & Civil Society | 1,204,098 | 1,322,996 | 1,048,725 | 799,320 | 765,297 |
| Other social infrastructure and services | 215,440 | 248,824 | 259,458 | 153,867 | 97,334 |
| **Economic Infrastructure & Services:** | | | | | |
| Transport and storage | 141,699 | 70,547 | 69,331 | 52,410 | 69,755 |
| Communications | 4,891 | 5,909 | 46,698 | 32,395 | 29,145 |
| Energy | 229,752 | 386,051 | 215,317 | 358,845 | 307,659 |
| Banking and financial services | 649,617 | 823,275 | 565,964 | 452,090 | 266,038 |
| Business and other services | 117,309 | 87,116 | 45,569 | 38,816 | 12,145 |
| **Production sectors:** | | | | | |
| Agriculture, forestry and fishing | 319,664 | 372,144 | 271,529 | 197,476 | 196,909 |
| Industry, mining and construction | 343,827 | 442,299 | 334,226 | 244,234 | 113,245 |
| Trade policies and regulations | 71,290 | 90,799 | 75,609 | 60,782 | 22,408 |
| Tourism | 1,333 | 845 | 1,095 | 499 | 130 |
| **Multi sector/cross cutting:** | | | | | |
| General environmental protection | 352,626 | 344,219 | 248,847 | 223,074 | 341,677 |
| Other multisector | 693,297 | 731,095 | 611,974 | 387,688 | 316,303 |
| **Non Sector Allocable:** | | | | | |
| General budget support | – | – | – | – | – |
| Developmental food aid/food security assistance | 35,549 | 71,013 | 65,324 | 19,282 | 61,729 |
| Action relating to debt | 3,534 | – | 194,386 | – | 147 |
| Humanitarian Assistance | 1,303,539 | 1,539,587 | 1,531,078 | 746,865 | 1,112,386 |
| Administrative costs of donors | 657,700 | 761,210 | 786,535 | 741,256 | 678,348 |
| Support to non-governmental organisations[1] | 297,421 | 324,967 | 305,506 | 208,502 | 202,842 |
| Refugees in Donor Countries | 369,676 | 477,390 | 627,815 | 1,052,240 | 3,690,427 |
| Non Sector Allocable[2] | 84,070 | 39,768 | 86,823 | 42,019 | 90,619 |
| **Total UK Gross Bilateral ODA** | **9,355,699** | **10,577,223** | **9,652,871** | **7,344,785** | **9,757,844** |

1 This category is limited to spend with NGOs where there are crosscutting activities in a programme or no sectors to allocate (e.g. unearmarked contributions).

2 Excludes spend through NGOs.

# Table B.5: Imputed UK share of Multilateral Net ODA by country, 2017-2021[1,2]

| Country | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand |
|---|---|---|---|---|---|
| **North Africa** | | | | | |
| Algeria | 6,044 | 5,960 | 7,601 | 3,335 | 2,788 |
| Egypt | 12,290 | 12,200 | 13,673 | 27,208 | 10,658 |
| Libya | 8,506 | 11,868 | 5,975 | 5,645 | 3,329 |
| Morocco | 20,510 | 18,524 | 43,406 | 24,036 | 7,371 |
| Tunisia | 15,660 | 19,520 | 28,371 | 17,935 | 14,323 |
| North of Sahara, regional | 4,809 | 4,027 | 12,790 | 5,280 | 1,148 |
| **Sub-Saharan Africa** | | | | | |
| Angola | 14,341 | 18,027 | 8,309 | 15,064 | 6,599 |
| Benin | 32,593 | 28,629 | 36,468 | 20,531 | 18,933 |
| Botswana | 2,272 | 2,655 | 1,837 | 11,685 | 3,478 |
| Burkina Faso | 89,002 | 66,255 | 60,412 | 44,598 | 32,241 |
| Burundi | 28,196 | 34,564 | 25,185 | 24,580 | 21,149 |
| Cabo Verde | 3,241 | 8,877 | 6,224 | 5,347 | 2,901 |
| Cameroon | 46,729 | 54,317 | 39,975 | 37,656 | 30,337 |
| Central African Republic | 41,342 | 42,675 | 36,630 | 25,365 | 27,307 |
| Chad | 48,321 | 34,589 | 41,760 | 26,145 | 20,267 |
| Comoros | 4,937 | 5,876 | 4,894 | 3,640 | 3,917 |
| Congo | 9,550 | 10,079 | 7,803 | 13,961 | 13,388 |
| Côte d'Ivoire | 56,602 | 44,242 | 52,469 | 42,589 | 27,550 |
| Democratic Republic of the Congo | 149,610 | 144,461 | 141,873 | 140,131 | 98,785 |
| Djibouti | 7,311 | 14,834 | 9,162 | 6,849 | 6,571 |
| Equatorial Guinea | 427 | 504 | 533 | 1,162 | 569 |
| Eritrea | 6,991 | 5,926 | 4,138 | 1,894 | 3,947 |
| Eswatini | 4,633 | 4,225 | 3,531 | 4,477 | 3,263 |
| Ethiopia | 354,174 | 175,621 | 179,702 | 82,159 | 66,784 |
| Gabon | 1,358 | 951 | 1,200 | 1,728 | 1,397 |
| Gambia | 14,729 | 17,480 | 13,365 | 11,405 | 10,646 |
| Ghana | 47,137 | 36,791 | 86,546 | 33,899 | 31,534 |
| Guinea | 30,696 | 34,340 | 27,445 | 23,968 | 18,573 |
| Guinea-Bissau | 13,907 | 9,629 | 7,510 | 7,956 | 13,775 |
| Kenya | 140,938 | 121,968 | 127,846 | 91,434 | 59,195 |
| Lesotho | 10,028 | 12,091 | 9,893 | 8,783 | 6,346 |
| Liberia | 23,566 | 24,344 | 23,819 | 23,990 | 13,069 |
| Madagascar | 42,435 | 35,374 | 42,558 | 31,655 | 23,790 |
| Malawi | 52,076 | 63,831 | 51,436 | 42,957 | 37,567 |
| Mali | 74,985 | 83,650 | 53,157 | 33,922 | 34,779 |
| Mauritania | 18,202 | 20,587 | 22,076 | 16,281 | 7,701 |
| Mauritius | 3,315 | 3,429 | 1,570 | 2,048 | 2,773 |
| Mozambique | 65,706 | 75,296 | 85,880 | 60,535 | 61,483 |
| Namibia | 6,609 | 5,369 | 3,999 | 3,287 | 3,989 |
| Niger | 65,640 | 79,787 | 66,500 | 54,284 | 40,194 |
| Nigeria | 195,347 | 154,223 | 120,433 | 105,130 | 91,006 |
| Rwanda | 71,700 | 51,440 | 55,564 | 45,376 | 19,545 |
| Saint Helena | 1,223 | 15 | 794 | 123 | 303 |

| Country | 2018<br>£ thousand | 2019<br>£ thousand | 2020<br>£ thousand | 2021<br>£ thousand | 2022<br>£ thousand |
|---|---|---|---|---|---|
| Sao Tome and Principe | 2,767 | 2,961 | 5,411 | 3,152 | 2,772 |
| Senegal | 35,781 | 49,936 | 41,645 | 26,286 | 20,286 |
| Seychelles | – | – | – | – | – |
| Sierra Leone | 21,217 | 31,724 | 32,598 | 29,373 | 17,715 |
| Somalia | 37,657 | 63,010 | 64,209 | 63,208 | 24,402 |
| South Africa | 17,770 | 13,506 | 19,808 | 21,234 | 15,910 |
| South Sudan | 26,814 | 52,354 | 32,452 | 40,712 | 34,939 |
| Sudan | 41,611 | 51,363 | 56,287 | 167,887 | 32,323 |
| Tanzania | 124,010 | 88,133 | 78,751 | 107,036 | 63,887 |
| Togo | 15,837 | 24,888 | 22,924 | 12,283 | 19,198 |
| Uganda | 79,585 | 85,414 | 97,118 | 85,062 | 57,210 |
| Zambia | 48,725 | 39,194 | 30,610 | 31,440 | 33,074 |
| Zimbabwe | 34,659 | 43,299 | 48,652 | 30,831 | 22,152 |
| Africa, regional | 127,746 | 96,146 | 121,005 | 139,810 | 133,835 |
| Eastern Africa, regional | – | 532 | 10,391 | 8,048 | 7,971 |
| Middle Africa, regional | – | – | 245 | 1,244 | 437 |
| South of Sahara, regional | 105,335 | 241,231 | 85,614 | 126,709 | 66,125 |
| Southern Africa, regional | – | – | 478 | 121 | 1,002 |
| Western Africa, regional | – | 2,862 | 2,664 | 6,783 | 6,288 |
| **Middle East** | | | | | |
| Iran | **3,025** | **4,501** | **3,846** | **3,458** | **1,731** |
| Iraq | 27,892 | 24,576 | 24,301 | 15,305 | 4,324 |
| Jordan | 27,920 | 28,284 | 46,010 | 18,621 | 10,435 |
| Lebanon | 27,573 | 26,408 | 24,519 | 14,291 | 14,241 |
| Syrian Arab Republic | 57,673 | 48,534 | 34,401 | 34,886 | 21,697 |
| West Bank and Gaza Strip | 58,553 | 57,220 | 51,869 | 20,344 | 18,921 |
| Yemen | 77,950 | 74,385 | 33,167 | 35,461 | 23,878 |
| Middle East, regional | 8,659 | 12,036 | 7,972 | 11,147 | 10,106 |
| **South and Central Asia** | | | | | |
| Afghanistan | **93,705** | **80,099** | **87,456** | **55,201** | **21,708** |
| Armenia | 8,477 | 4,778 | 15,715 | 4,945 | 2,651 |
| Azerbaijan | 4,413 | 2,836 | 3,413 | 2,614 | 2,211 |
| Bangladesh | 255,466 | 126,528 | 124,127 | 71,770 | 41,003 |
| Bhutan | 7,949 | 4,732 | 6,379 | 3,181 | 4,448 |
| Georgia | 22,348 | 11,070 | 47,331 | 9,867 | 4,813 |
| India | 177,533 | 83,136 | 69,504 | 44,264 | 61,180 |
| Kazakhstan | 1,990 | 2,155 | 1,893 | 1,272 | 3,477 |
| Kyrgyzstan | 14,828 | 8,689 | 12,580 | 10,758 | 5,754 |
| Maldives | 1,043 | 1,871 | 2,898 | 7,958 | 2,172 |
| Myanmar | 51,001 | 39,596 | 53,563 | 23,851 | 10,325 |
| Nepal | 91,494 | 67,454 | 51,851 | 40,299 | 13,988 |
| Pakistan | 112,512 | 85,018 | 116,209 | 78,566 | 37,352 |
| Sri Lanka | 69,438 | 9,769 | 31,317 | 12,642 | 3,889 |
| Tajikistan | 21,113 | 10,625 | 18,555 | 11,809 | 8,157 |
| Turkmenistan | 1,386 | 954 | 1,315 | 7,940 | 652 |
| Uzbekistan | 27,979 | 16,969 | 30,377 | 22,224 | 14,584 |
| Central Asia, regional | 3,267 | 5,989 | 3,213 | 4,102 | 5,522 |
| South & Central Asia, regional | 242 | 419 | 3 | 261 | 463 |

| Country | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand |
|---|---|---|---|---|---|
| South Asia, regional | 4,278 | 4,153 | 2,456 | 12,222 | 4,611 |
| **Far East Asia** | | | | | |
| Cambodia | 24,317 | 17,360 | 18,796 | 12,203 | 11,282 |
| China (People's Republic of) | 6,099 | 4,380 | 5,655 | 5,386 | 4,803 |
| Democratic People's Republic of Korea | 5,077 | 6,169 | 4,130 | 395 | 408 |
| Indonesia | 15,408 | 13,892 | 62,627 | 19,892 | 21,589 |
| Lao People's Democratic Republic | 128,050 | 53,434 | 8,003 | 10,839 | 3,477 |
| Malaysia | 1,426 | 1,141 | 1,485 | 1,228 | 1,702 |
| Mongolia | 17,676 | 3,726 | 22,326 | 18,224 | 2,907 |
| Philippines | 11,395 | 12,519 | 10,056 | 8,593 | 8,141 |
| Thailand | 3,817 | 3,086 | 7,200 | 7,770 | 3,751 |
| Timor-Leste | 3,834 | 4,703 | 4,005 | 11,588 | 3,171 |
| Viet Nam | 113,370 | 40,664 | 58,368 | 30,479 | 16,976 |
| Asia, regional | 6,765 | 6,706 | 9,410 | 7,208 | 4,985 |
| Far East Asia, regional | 8,619 | 13,234 | 14,902 | 20,157 | 9,566 |
| **Latin America and the Caribbean** | | | | | |
| Antigua and Barbuda | 1,413 | 1,161 | 15,438 | 98 | – |
| Belize | 1,791 | 1,292 | 1,635 | 7,340 | 1,553 |
| Costa Rica | 1,695 | 942 | 25,781 | 1,061 | 1,166 |
| Cuba | 2,319 | 4,177 | 20,931 | 25,538 | 3,106 |
| Dominica | 3,047 | 3,720 | 2,507 | 2,322 | 1,573 |
| Dominican Republic | 4,908 | 8,040 | 3,255 | 4,513 | 3,126 |
| El Salvador | 13,941 | 5,628 | 3,350 | 1,949 | 2,330 |
| Grenada | 14,074 | 750 | 2,214 | 1,864 | 620 |
| Guatemala | 10,049 | 7,093 | 20,252 | 5,109 | 4,624 |
| Haiti | 35,155 | 26,946 | 24,757 | 24,034 | 13,071 |
| Honduras | 8,875 | 9,438 | 18,508 | 9,417 | 4,341 |
| Jamaica | 5,291 | 4,153 | 2,957 | 2,984 | 3,343 |
| Mexico | 2,607 | 2,510 | 2,175 | 4,948 | 1,418 |
| Montserrat | 722 | 973 | 439 | 401 | 260 |
| Nicaragua | 12,783 | 8,207 | 22,413 | 7,294 | 5,786 |
| Panama | 1,020 | 827 | 1,535 | 740 | 1,197 |
| Saint Lucia | 1,329 | 1,298 | 3,289 | 4,314 | 573 |
| Saint Vincent and the Grenadines | 1,533 | 3,340 | 2,797 | 4,373 | 1,667 |
| Caribbean & Central America, regional | 3,791 | 12,210 | 4,533 | 4,528 | 1,988 |
| Caribbean, regional | 3,666 | 13,984 | 4,710 | 7,092 | 6,726 |
| Central America, regional | – | 227 | 886 | 1,612 | 1,411 |
| **South America** | | | | | |
| Argentina | 2,148 | 1,183 | 38,487 | 1,386 | 2,811 |
| Bolivia | 11,119 | 8,760 | 7,252 | 4,219 | 3,842 |
| Brazil | 6,120 | 3,766 | 18,290 | 2,804 | 2,907 |
| Chile | – | – | – | – | – |
| Colombia | 13,506 | 14,736 | 24,635 | 6,652 | 19,154 |
| Ecuador | 4,358 | 5,518 | 4,829 | 2,609 | 17,411 |
| Guyana | 9,560 | 1,818 | 1,934 | 2,673 | 918 |
| Paraguay | 9,641 | 3,150 | 3,732 | 2,784 | 1,567 |
| Peru | 4,159 | 4,587 | 4,432 | 3,507 | 5,730 |
| Suriname | 886 | 1,130 | 1,186 | 818 | 2,709 |

| Country | 2018 £ thousand | 2019 £ thousand | 2020 £ thousand | 2021 £ thousand | 2022 £ thousand |
|---|---|---|---|---|---|
| Uruguay | – | – | – | – | – |
| Venezuela | 4,378 | 11,465 | 6,331 | 4,127 | 2,517 |
| America, regional | 14,219 | 8,731 | 13,683 | 12,753 | 12,506 |
| South America, regional | 7,124 | 5,153 | 3,767 | 36,344 | 54,418 |
| **Europe** | | | | | |
| Albania | 9,706 | 8,468 | 9,776 | 9,024 | 6,470 |
| Belarus | 3,871 | 3,579 | 4,603 | 2,238 | 2,444 |
| Bosnia and Herzegovina | 12,214 | 10,924 | 15,034 | 7,463 | 4,660 |
| Kosovo | 16,470 | 16,847 | 26,684 | 10,648 | 6,851 |
| Moldova | 7,020 | 13,169 | 20,274 | 15,917 | 9,630 |
| Montenegro | 4,724 | 4,778 | 8,895 | 3,915 | 1,851 |
| North Macedonia | 10,511 | 6,015 | 16,530 | 7,382 | 5,219 |
| Serbia | 22,708 | 20,240 | 22,409 | 15,908 | 9,225 |
| States Ex-Yugoslavia unspecified | 158 | 119 | 560 | 1,061 | 384 |
| Türkiye | 55,593 | 113,186 | 94,244 | 104,936 | 46,888 |
| Ukraine | 34,496 | 35,622 | 129,660 | 19,831 | 55,944 |
| Europe, regional | 48,940 | 60,082 | 49,335 | 34,078 | 32,251 |
| **Pacific Countries** | | | | | |
| Cook Islands | 300 | 170 | – | – | – |
| Fiji | 2,819 | 3,009 | 5,447 | 7,560 | 3,749 |
| Kiribati | 7,862 | 985 | 636 | 408 | 1,075 |
| Marshall Islands | 6,135 | 1,115 | 521 | 981 | 1,448 |
| Micronesia | 3,361 | 925 | 732 | 4,422 | 381 |
| Nauru | 271 | 190 | 59 | 65 | 3,445 |
| Niue | 132 | 105 | 171 | 282 | 117 |
| Palau | 47 | 184 | 596 | 353 | 123 |
| Papua New Guinea | 34,352 | 17,154 | 17,008 | 19,679 | 7,881 |
| Samoa | 5,117 | 5,445 | 2,606 | 738 | 1,310 |
| Solomon Islands | 3,001 | 3,961 | 2,721 | 2,024 | 1,959 |
| Tokelau | 6 | 16 | 8 | 15 | 4 |
| Tonga | 8,233 | 1,395 | 3,444 | 2,739 | 1,158 |
| Tuvalu | 873 | 551 | 801 | 1,464 | 420 |
| Vanuatu | 5,260 | 2,820 | 2,360 | 2,479 | 10,626 |
| Wallis and Futuna | 1,537 | 239 | 837 | 158 | 284 |
| Melanesia, regional | – | 43 | 156 | 31 | – |
| Micronesia, regional | – | – | – | 2,088 | – |
| Oceania, regional | 4,793 | 11,340 | 25,906 | 12,890 | 6,315 |
| **Unspecified Country/Region** | | | | | |
| Developing countries, unspecified | 317,496 | 325,734 | 309,310 | 487,869 | 356,584 |
| Country Unallocated[3] | 294,979 | 407,597 | 402,776 | 383,397 | 469,097 |
| **Total Multilateral Net ODA** | **5,312,974** | **4,772,321** | **4,945,396** | **4,188,723** | **3,146,007** |
| of which: Low Income Countries[4] | 1,686,472 | 1,534,770 | 1,424,989 | 1,205,388 | 830,454 |
| proportion of country-specific total | 39% | 43% | 37% | 42% | 43% |

1 It is not possible to track directly the destination or purpose of UK funding to the general core budgets of the multilateral organisations, where the multilaterals have general control over the use of the funding. However, a good indication of where UK funding goes is provided by OECD DAC data where the multilaterals report aid spend by country and sector. These estimates have been calculated on the basis of the UK's share of the multilaterals' reported aid spending to the OECD.

2 The OECD data cover most of the main multilaterals the UK funds. In 2019, around 8% of the UK's core multilateral funding is not covered by the OECD data, and this unreported spending is allocated to country unallocated category. More details on the estimates' quality is found in the accompanying Imputed Multilateral Share report.

3 UK core contributions to multilaterals that did not report disbursement or commitment data to the OECD DAC.

4 Countries are defined as 'Low Income' based on the World Banks GNI per capita classification used for the corresponding ODA reporting year. The classification is used by the OECD DAC to define the list of receiving countries under the ODA rules.

# Annex C: Regulatory Reporting

## Core Tables (unaudited)

The common core tables and annual accounts have both been prepared on a Clear Line of Sight basis since 2011-12. The expectation is that there should be consistency between these two sources of data. The common core tables below reflect total departmental budgets including the core FCDO, bodies sponsored by the FCDO and expenditure on conflict, stability and security.

In the FCDO Main Estimate 2021-22, the former FCO and DFID estimate rows were merged. The data below is presented in the format of the 2021-22 estimate structure. From 2022-23 estimate row D, Strategic priorities and other programme spending, were replaced with three estimate rows entitled: Regional bilateral programmes; Core multilateral programmes; and Centrally managed programmes. More information is available in the Main Estimates Memorandum 2022-23.

https://www.gov.uk/government/publications/foreign-commonwealth-development-office-main-estimates-memorandum-2022-to-2023

It is not possible to link the data presented in the core tables to our core priorities as the FCDO is not structured in this way. Our resources, both people and projects, often support multiple priorities particularly overseas, therefore data is not captured in this way.

Plans for 2024-25, as set out below, represent notional spending plans and remain subject to change.

See the Financial Review page 72 for trend analysis.

See footnotes for further details. Annex C is unaudited.

## Table 1. Public Spending

| | 2017-18 Outturn £000 | 2018-19 Outturn £000 | 2019-20 Outturn £000 | 2020-21 Outturn £000 | 2021-22 Outturn £000 | 2022-23 Outturn £000 | 2023-24 Outturn £000 | 2024-25 Plans £000 |
|---|---|---|---|---|---|---|---|---|
| **Resource DEL** | | | | | | | | |
| Section A: Operating Costs, frontline diplomacy and overseas network | 1,178,674 | 1,311,408 | 1,451,245 | 1,446,249 | 1,494,995 | 1,595,687 | 1,777,085 | 1,738,731 |
| Section B: Funding for NDPBs within Departmental Group (Net) | 36,065 | 37,026 | 37,011 | 34,424 | 39,051 | 41,383 | 39,607 | 44,991 |
| Section C: British Council | 171,000 | 188,300 | 191,500 | 148,700 | 190,500 | 164,709 | 176,606 | 162,500 |
| Section D: Strategic priorities and other programme spending[1] | 6,782,629 | 6,327,746 | 7,131,070 | 6,333,649 | 4,190,539 | – | – | – |
| Section E: International subscriptions, scholarships and BBC World Service | 290,414 | 292,436 | 300,327 | 329,536 | 319,072 | 336,954 | 359,929 | 296,210 |
| Section F: Conflict, Stability and Security Fund[2] | 829,999 | 894,527 | 863,229 | 886,302 | 680,811 | 664,640 | 719,677 | 864,030 |
| Prosperity Fund[3] | 37,583 | 66,366 | 133,797 | 213,060 | | | | |
| Equality and Human Rights Commission (ALB) (Net) | – | 18,257 | – | – | – | – | – | – |
| Government Equalities Office | – | 18,418 | – | – | – | – | – | – |
| Regional bilateral programmes | – | – | – | – | – | 1,732,174 | 1,580,882 | 2,061,838 |
| Core multilateral programmes | – | – | – | – | – | 1,747,696 | 2,493,442 | 1,612,102 |
| Centrally managed programmes | – | – | – | – | – | 613,075 | 428,984 | 1,105,560 |
| **Non-Voted** | | | | | | | | |
| Section G: European Union Attributed Aid | 439,000 | 452,000 | 475,000 | 522,000 | 684,224 | 532,000 | 432,000 | 286,000 |
| | **9,765,364** | **9,606,484** | **10,583,179** | **9,913,920** | **7,599,192** | **7,428,318** | **8,008,212** | **8,171,962** |
| | | | | | | | | |
| **Resource AME** | | | | | | | | |
| **Voted** | | | | | | | | |
| Section H: Other central programme and technical costs | 444,715 | (123,418) | (158,584) | 617,378 | (123,836) | 485,362 | 202,607 | 520,700 |
| **Total Resource AME** | **444,715** | **(123,418)** | **(158,584)** | **617,378** | **(123,836)** | **485,362** | **202,607** | **520,700** |
| **Total Resource** | **10,210,079** | **9,483,066** | **10,424,595** | **10,531,298** | **7,475,356** | **7,913,680** | **8,210,819** | **8,692,662** |

1 In the Resource DEL table above the Integrated Activity Fund (IAF) is included in Section D: Strategic priorities and other programme spending. In FCO's 2018-19 and 2019-20 accounts the IAF was presented with the Prosperity Fund in the estimate row entitled Prosperity and Integrated Activity Funds

2 In 2023-24 and 2024-25 the budget for the Conflict, Stability and Security Fund will be superseded by the UK Integrated Security Fund.

3 In FCO's 2017-18 accounts the Prosperity Fund was included in the row entitled Administration and programme expenditure.

4 Plans for 2023-24 and 2024-25 are notional.

5 2022-23 to 2024-25 include budget for the Machinery of Government change from the Cabinet Office for responsibility for the UK-EU relationship. Outturn for 2020-21 £4,484k and 2021-22 £3,916k is not included in the figures above.

| | 2017-18 Outturn £000 | 2018-19 Outturn £000 | 2019-20 Outturn £000 | 2020-21 Outturn £000 | 2021-22 Outturn £000 | 2022-23 Outturn £000 | 2023-24 Outturn £000 | 2024-25 Plans £000 |
|---|---|---|---|---|---|---|---|---|
| **Capital DEL** | | | | | | | | |
| Section A: Operating Costs, frontline diplomacy and overseas network[1] | (270,872) | 122,682 | 124,008 | 109,340 | 144,496 | 348,260 | 296,294 | 333,137 |
| Section C: British Council | – | – | – | 52,000 | 4,800 | 81,290 | 58,000 | – |
| Section D: Strategic priorities and other programme spending | 2,723,264 | 3,070,905 | 2,016,732 | 2,668,045 | 1,579,767 | – | – | – |
| Section E: International subscriptions, scholarships and BBC World Service | – | – | – | – | – | 379 | 1,173 | – |
| Section F: Conflict, Stability and Security Fund[2] | 9,012 | 17,334 | 23,807 | 37,000 | 20,570 | 5,140 | 564 | – |
| Prosperity Fund | – | 35,354 | 19,394 | 4,692 | – | – | – | – |
| Regional bilateral programmes | – | – | – | – | – | 151,744 | 164,086 | 1,228,543 |
| Core multilateral programmes | – | – | – | – | – | 1,006,458 | 2,440,853 | 750,689 |
| Centrally managed programmes | – | – | – | – | – | 558,364 | 488,015 | 446,332 |
| | **2,461,404** | **3,246,275** | **2,183,941** | **2,871,077** | **1,749,633** | **2,151,635** | **3,448,985** | **2,758,701** |
| | | | | | | | | |
| **Capital AME** | | | | | | | | |
| **Voted** | | | | | | | | |
| Section I: CDC Group plc | 395,000 | 736,000 | 955,000 | 650,000 | 660,650 | 289,500 | 433,000 | 420,000 |
| **Total Capital AME** | **395,000** | **736,000** | **955,000** | **650,000** | **660,650** | **289,500** | **433,000** | **420,000** |
| | | | | | | | | |
| **Total Capital** | **2,856,404** | **3,982,275** | **3,138,941** | **3,521,077** | **2,410,283** | **2,441,135** | **3,881,985** | **3,178,701** |

1 The 2022-23 Main Estimate Capital DEL figure includes budget for the adoption of IFRS16, adjustments will be made to 2023-24 and 2024-25 for IFRS16 at future Estimates.

2 In 2023-24 and 2024-25 the budget for the Conflict, Stability and Security Fund will be superseded by the UK Integrated Security Fund.

3 Plans for 2022-23 to 2024-25 are notional.

## Table 2. Administration Budget

| | 2017-18 Outturn £000 | 2018-19 Outturn £000 | 2019-20 Outturn £000 | 2020-21 Outturn £000 | 2021-22 Outturn £000 | 2022-23 Outturn £000 | 2023-24 Outturn £000 | 2024-25 Plans £000 |
|---|---|---|---|---|---|---|---|---|
| **Administration** | | | | | | | | |
| Section A: Operating Costs, frontline diplomacy and overseas network[1] | 274,921 | 229,839 | 227,642 | 242,635 | 258,672 | 303,833 | 301,269 | 352,749 |
| Section B: Funding for NDPBs within Departmental Group (Net) | 1,949 | 1,933 | 805 | 800 | 662 | 1,240 | – | 424 |
| Equality and Human Rights Commission (ALB) (Net) | – | 13,154 | – | – | – | – | – | – |
| Government Equalities Office | – | 7,615 | – | – | – | – | – | – |
| | **276,870** | **252,541** | **228,447** | **243,435** | **259,334** | **305,073** | **301,269** | **353,173** |

1 2022-23 to 2024-25 include budget for the Machinery of Government change from the Cabinet Office for responsibility for the UK-EU relationship. Outturn for 2020-21 £4,484k and 2021-22 £3,916k is not included in the figures above.

# Annex D: Arm's Length Bodies

Further information on arm's length bodies is included within the Governance Statement on page 122. The following bodies are those within our accounting boundary for 2023-24 that contribute to the departmental group. Annex D is unaudited.

| Financial Information by ALB | ICAI | CSC | Wilton Park | GBCC | MACC | WFD |
|---|---|---|---|---|---|---|
| Total Grants from FCDO (£000) | 2,964 | 28,224 | 1,043 | 350 | 2,700 | 6,500 |
| Total Operating Income (£000) | – | – | 7,304 | 1,676 | – | 8,835 |
| Total Operating Expenditure (£000) | 2,964 | 26,228 | 9,490 | 1,945 | 3,211 | 15,712 |
| **Total Net Operating Expenditure (£000)** | **–** | **1,996** | **(1,143)** | **81** | **(511)** | **(377)** |
| Finance Income (£000) | – | – | 41 | 7 | 145 | 31 |
| Finance Expense (£000) | – | – | – | – | – | – |
| **Net Expenditure for the year (£000)** | **–** | **1,996** | **(1,102)** | **88** | **(366)** | **(346)** |

| Staffing Information by ALB | ICAI | CSC[1] | Wilton Park | GBCC | MACC[1] | WFD |
|---|---|---|---|---|---|---|
| No. of permanent staff | 8 | – | 87 | 5 | – | 57 |
| No. of other staff | 4 | – | 3 | 2 | – | 5 |
| **Total number of staff** | **12** | – | **90** | **7** | – | **62** |
| Permanent staff costs (£000) | 560 | – | 4,747 | 372 | – | 4,185 |
| Other staff costs (£000) | 340 | – | 149 | 92 | – | 141 |
| **Total staff costs (£000)** | **900** | – | **4,896** | **464** | – | **4,326** |

1 There are no staff employed in CSC and MACC. Day to day functions are carried out by external administrators.

E03136255
ISBN 978-1-5286-4967-4