

Consumers International
Annual Report of the Trustees
and Financial Statements

31 December 2016



Consumers International
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From our President, Bart Combée

Bart Combée became President at Consumers International's General Assembly in Brasilia on 21 November 2015 and is serving a four year term. Mr Combée is also the Chief Executive of Consumentenbond in the Netherlands.

I am pleased to report that Consumers International has had an excellent year of delivery for its members and consumers.

The updates to our governance that members voted for at our 2015 World Congress have greatly supported the organisation's ability to deliver results and impact.

Members voted for a new Board structure to enable quick and timely decision making and an expanded Council to allow for a broader representation of views. I'm delighted that new governance arrangements are working effectively and enabling robust strategic discussion with both the Council, who play an advisory role to the Board and met twice this year, and the decision-making Board who meet throughout the year.

All Board and Council members received a thorough induction into the new governance arrangements and have made a positive contribution during 2016, putting us into a stronger position for the coming years.

And we've seen many successes this year.

- Consumers International played a major role in the adoption of an ISO standard on mobile services and new international guidelines to prevent the mis-selling of financial services which will help create a better environment for consumers.
- In March more than 90 Consumers International members in 60 countries worked together to mark World Consumer Rights Day 2016 on the theme of antibiotic resistance, raising awareness of the overuse and misuse of antibiotics in the food supply chain.
- I've been particularly pleased to see the work to increase member engagement bear fruit this year. The interaction between members at the Asia Pacific regional event in Hong Kong in November was particularly inspiring and included members from beyond the region in preparation for World Consumer Rights Day and our 2017 G20 initiative.

I'd like to thank our members for their support of Consumers International and indeed their efforts for consumers around the world. I look forward to our ongoing impact and collaboration.

Bart Combée

Date: 27 June 2017

From our Director General, Amanda Long

2016 has been a year of excellent progress for Consumers International as we have driven forward our strategy.

Working with members, our campaigns and advocacy activity has seen some great results for consumers. We've met our financial targets for the year and I'm particularly pleased to report we've also increased our member engagement.

The depth and breadth of our membership is our greatest strength so increasing our engagement is an ongoing priority. This year we've improved our communications. We've translated more materials, launched a monthly newsletter in 4 languages and a set of digital tools that offer members the ability to campaign online. In the coming year we'll continue this work through improving our website and refreshing our brand to help us communicate with impact.

We've met our financial targets in a challenging climate and are putting in place a sustainable income plan for the coming years to ensure we are on the best possible footing for the future. We have successfully achieved this through careful budget management and by redesigning and restructuring our global network. We now have a flexible regional presence in Asia, Latin America, Africa, North America and Europe and the Middle East and our Regional Networkers in these locations are primarily focused on connecting with members.

This year we've worked together with our members to achieve results for consumers. Some of the highlights from the report include:

- Beginning preparations for the first ever G20 consumer summit which will be part of the official agenda for the German G20 Presidency. The summit will highlight the importance of consumer protection and empowerment in the digital economy as part of the need to build better consumer rights in the digital world. In doing this we are successfully making the link between economic growth and consumer empowerment, putting it on the agenda of the largest economies in the world. Building a digital world consumers can trust, will also be our theme for World Consumer Rights Day 2017.
- Following the revision of the UN Guidelines for Consumer Protection we've worked to support their implementation. In 2016 we worked with our membership to promote the first ever Intergovernmental Group of Experts (IGE) which was established under the revision with the responsibility of supporting implementation. Consumers International was part of its launch.
- Good progress on UN recognition for World Consumer Rights Day which we'll continue to build on in 2017.
- Supporting 47 members around the world to receive project funding to benefit consumers on sustainable consumption, digital issues and national consumer protection.

In 2017 we will build on this year's work by bringing an increased focus to our activities and the changes we want to see for consumers globally in the coming years. We largely expect to focus on digital, international trade and specific consumer protection issues. We will also continue to explore the partnership aspects of our strategy in support of our impact and income which will be developed more fully in 2017.

As a global membership organisation we have a reach that spans the world. By working together, with a range of partners, we drive change in the global marketplace on a scale that individual members cannot achieve alone. Every day, our members around the world achieve life enhancing advancements for and with consumers. Many of them have been the trusted, national voices for

Consumers International

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

their consumers for decades, responsible for dramatic improvements to peoples' lives. I'd like to express my great thanks to our members and partners for the work that they do to support Consumers International to ensure everyone has access to safe and sustainable goods and services.

Amanda Long

Date: 27 June 2017

Trustees

The Board of Trustees, is pleased to present this report and the financial statements for the year ended 31 December 2016.

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, the Charities Statement of Recommended Practice (FRS 102) and the Companies Act 2006. The audited accounts reflect the worldwide results for the organisation, including the activities of its constituent regional hubs.

The Trustees confirm that they have paid due regard to the Charity Commission's general guidance on public benefit: "Charities and Public Benefit".

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Board of Trustee members 2015-2019 (Appointed)

- Alan Kirkland - CHOICE, Australia; **Treasurer**
- Bart Combée - Consumentenbond, Netherlands; **President**
- Samuel Ochieng - Consumer Information Network (CIN), Kenya (Resigned: 15 July 2016)
- Marta Tellado - Consumer Reports (CR), USA
- Anja Philip - Danish Consumer Council
- Marimuthu Nadason - Federation of Malaysian Consumer Associations (FOMCA)
- Gilly Wong - Hong Kong Consumer Council (HKCC); **Vice President**
- María José Troya - Tribuna Ecuatoriana De Consumidores Y Usuarios, Ecuador; **Honorary Secretary**
- Ivo Mechels - Test Achats Belgium (Appointed : 10 February 2016)
- Rosemary Siyachitema - Consumer Council of Zimbabwe (Appointed : 11 November 2016)

Council members 2015-2019 (Elected – Advisory)

- Asociacion Peruana De Consumidores Y Usuarios (ASPEC), Peru - Crisólogo Cáceres Valle
- Association Des Consommateurs Du Mali (ASCOMA) - Salimata Diarra
- Test Achats, Belgium – Ivo Mechels (appointed 10 February 2016)
- Centro Para La Defensa Del Consumidor (CDC), El Salvador - Danilo Manuel Pérez Montiel
- CHOICE, Australia; **Treasurer** - Alan Kirkland
- Confederation of Consumer Societies (KONFOP), Russian Federation - Dmitriy Yanin
- Consumentenbond, The Netherlands; **President** - Bart Combée
- Consumer Council of Fiji - Premila Kumar
- Consumer Council of Zimbabwe - Rosemary Siyachitema
- Consumer Information Network (CIN), Kenya - Samuel Ochieng (retired 15 July 2016)
- Consumer Reports (CR), USA - Marta Tellado
- Consumer Unity and Trust Society (CUTS), India - George Cheriyan
- Consumers Korea – Kim, Jaiok (retired November 2016)
- Consumers Korea – Miran Mun (appointed November 2016)
- Danish Consumer Council - Anja Philip
- Federation of Malaysian Consumer Associations (FOMCA) - Marimuthu Nadason
- Hong Kong Consumer Council (HKCC); **Vice President** - Gilly Wong
- Instituto Brasileiro Defesa Do Consumidor (IDEC) -Marcelo Gomes Sodré
- Namibia Consumer Trust - Michael Gaweseb

- Namibia Consumer Trust - Michael Gaweseb
- Sudanese Consumers Protection Society (SCPS) - Yasir Suliman
- Tribuna Ecuatoriana De Consumidores Y Usuarios, Ecuador; **Honorary Secretary** - María José Troya
- Verbraucherzentrale Bundesverband (VZBV), Germany - Klaus Müller

Key Management Personnel

- Director General (DG) (Amanda Long)
- Campaigns and Communications Director (Phillipa Hunt)
- Finance and Resourcing Director (Natalie Carsey)
- Advocacy Director (Justin MacMullan)

ABOUT CONSUMERS INTERNATIONAL

We believe in a world where everyone has access to safe and sustainable goods and services. We bring together over 200 member organisations in more than 100 countries to empower and champion the rights of consumers everywhere.

We are their voice in international policy-making forums and the global marketplace to ensure they are treated safely, fairly and honestly.

We are resolutely independent, unconstrained by businesses or political parties. We work in partnership and exercise our influence with integrity, tenacity and passion to deliver tangible results.

Charitable objects and activities

Consumers International is a charity registered with the Charity Commission in England and Wales. It is also a not-for-profit company limited by guarantee registered in England and Wales. Consumers International was formerly known as the International Organisation of Consumers Unions (IOCU) and was started as a not-for-profit NGO in 1960. The object for which the charity was formed is to promote the voluntary sector for the public benefit by supporting and promoting the development of charities and voluntary organisations with the object of promoting consumer rights. The Consumers International strategy sets out our major activity areas and progress is measured and monitored by the Consumers International management team and Board with the support of monitoring tools which including key performance indicators. Our strategy and achievements for 2016 are set out in this report.

Our strategy

We will work to ensure all consumers are treated safely, fairly and honestly and have the power to challenge unfair, unsafe and unethical practice.

We won't do this alone. In a time where companies often have huge global reach we need to think big and act together. We'll increase the collective power and influence of Consumers International and our member organisations and we'll increase our focus on partnership, to give consumers a powerful voice in the global marketplace. Together we'll solve the big problems consumers experience in their everyday lives.

As work to deliver our strategy has developed we have begun to define our work in terms of three global impact areas for consumers where we believe we can have the biggest impact. These are:

- Building a digital world consumers can trust
- Making international trade work for consumers
- Advancing excellence in global consumer protection (specific projects)

Consumers International combines our work on international advocacy, campaigning and projects around key consumer areas. These issues are chosen according to the impact they have on consumers around the world, their relevance to our membership and the opportunity for Consumers International to make a real difference.

ACHIEVEMENTS AND PERFORMANCE

International advocacy and campaigning

Building a digital world consumers can trust

The rapid development of digital technology has delivered social and economic benefits for millions of consumers around the world. However the continued success of the digital economy will only be possible if further developments are not just available to all but trusted enough to be integrated into people's everyday lives.

Consumers International has a major role to play in securing consumers' rights online as responsibility cannot be managed by one country alone; it requires international collaboration across governments, international organisations and businesses. This year and into next year we're focused on expanding our work in this important area.

This year Consumers International completed a project supported by GIZ that compared approaches to privacy and data protection in Germany, Brazil and China. The project that brought together national regulators, academics and civil society was a significant learning opportunity for actors in all three countries. We contributed an international chapter for a report that was published in April 2015 and disseminated it in national and international arenas. We also organised a series of workshops in Beijing and Brasilia that gathered public servants, authorities, consumer and business representatives, and allowed networking between the three countries on data protection issues.

The project findings and research also served as evidence for the inclusion of data protection and privacy in the updated UN Guidelines for Consumer Protection.

Consumers International began preparations for a major new initiative with the G20 that will be delivered in 2017. Working with the German government that will hold the presidency of the G20 in 2017 and Consumers International's member in Germany the Federation of German Consumer Organisations (VZBV) we will co-host a G20 Consumer Summit on World Consumer Rights Day and launch a set of recommendations calling on the G20 countries to take action to support consumer protection and empowerment in the digital economy.

Staying at the forefront of technological developments is a particular challenge for consumer protection and in April Consumers International launched a new report with the support of the Open Society Foundation, that looked at current and future applications of smart and Internet of Things technologies; the risks and opportunities for consumers; and the extent to which existing consumer protection frameworks are able to address and remedy potential problems. The report 'Connection and Protection in the Digital Age: The Internet of Things and challenges for consumer protection' included research from high and low income countries that showed while the benefits of greater connections are demonstrating potential, many of the problems for consumers in the Internet of Things are no longer theoretical.

Making international trade work for consumers

International trade has a major impact on consumers around the world. Trade agreements can influence the price and choice of products and services as well as regulations covering consumer protection. Consumers International is working to ensure that consumers are properly represented in the trade debate so that negotiations meet consumers' needs. This year and into next year we'll be increasing our activity in this area.

Consumers International also continued coordinating the Secretariat of the Transatlantic Consumer Dialogue (TACD), a forum of 77 US and EU consumer organisations which develops and agrees on joint policy recommendations to promote the consumer interest and input into EU and US political negotiations and agreements.

One sector that is changing rapidly as a result of digital technology is financial services. 2016 saw the completion of an important new International Standards Organisation technical standard on Mobile Payments that Consumers International had made a major contribution to. We also represented consumer organisations on the International Telecommunications working group on consumer experience and protection in financial inclusion. With the support of the Bill and Melinda Gates Foundation this group looked at how approaches to regulation can help to support consumers in low and middle income countries who are often accessing financial services for the first time through the use of digital technology.

Looking forward, we will continue to build on relationships with important stakeholders. We have a good working relationship with the World Trade Organization (WTO) having participated in its public forums for the past two years and intend to hold a joint stakeholder forum in Geneva in 2017. We are also participating in a working group of the Codex Committee on food labelling which is poised to develop guidelines on front of pack labelling on food packaging. These guidelines will have implications for trade, since traffic light labelling and similar schemes were raised by WTO members as a matter of concern at the Technical Barriers to Trade Committee in 2014.

Advancing excellence in global consumer protection

For over thirty years the UN Guidelines for Consumer Protection have helped guide the development of consumer protection frameworks in countries around the world. Between 2012 and 2015, Consumers International made a major contribution to the first comprehensive revision of the Guidelines which was finally adopted by the UN General Assembly at the end of 2015.

Consumers International is now working to support the implementation of the Guidelines. In 2016 we worked with our membership to promote the Intergovernmental Group of Experts (IGE) which was established under the revision and has responsibility to support implementation. Consumers International's Director General was proud to join the high level panel that opened the very well attended first meeting of the IGE where Consumers International have official observer status. Consumers International also signed an Memorandum of Understanding with the UN Conference on Trade and Development, enhancing our relationship with the UN agency responsible for the Guidelines as well as other important consumer issues such as trade.

Consumers International also produced a set of new materials that includes a short film and a booklet that introduces the Guidelines and explains their importance to people in government, business and civil society.

One of the first steps to improve consumer protection is to raise awareness of consumer rights amongst consumers, businesses, civil society and government. With this in mind, Consumers International launched a new campaign in 2016 that called for the United Nations to officially recognise World Consumer Rights Day. In the first year of the campaign we have achieved fantastic progress with our proposal being discussed at the IGE and receiving widespread support from many national delegations.

Antibiotics off the Menu

By 2050, drug resistant infections are predicted to kill 10 million people a year. Overuse and misuse of antibiotics in farming is a major driver of antibiotic resistance. Almost two-thirds of the world's antibiotics are administered to farm animals, often to make them grow faster and to offset stressful and unsanitary factory farm conditions, rather than to treat sickness.

In 2016 we campaigned for three of the world's biggest restaurant chains, KFC, Subway and McDonald's, to make global, time-bound commitments to stop sourcing meat from animals routinely given important antibiotics.

In February we produced a report on the global policies of McDonald's, KFC and Subway, with the help of 19 members who wrote letters to national or regional headquarters of the three chains. In March it was the subject of World Consumer Rights Day.

During World Antibiotics Awareness Week (WAAW) in November, our open letter, signed by other NGOs, scientists and doctors, was published in The Guardian. Our WAAW activity received coverage from news outlets in Asia Pacific and North and Latin America. We also launched our interactive 'Antibiotics in the Food Chain' quiz in four languages, along with other campaign materials. Additionally, we fed into the Codex Alimentarius review of the Codex AMR code of practice, with Consumers International representatives attending a meeting in London in December.

Sustainable consumption

In 2016 Consumers International secured a further three years' funding (2017-2019) from the German Environment Ministry (BMUB) to support our role as co-lead of the UN's 10YFP Consumer Information Programme for Sustainable Consumption and Production. The programme works with governments, business, academia and civil society to help make consumer information on product sustainability clearer and more reliable. In 2016, it helped to establish projects in over 10 countries, and produced reports and tools on topics including product durability and behavioural science.

Car safety

A campaign win was achieved in October 2016 when Nissan announced a date for the end of production of the Tsuru, a car that had received a Zero Star safety rating. The Tsuru is manufactured in Mexico, where it has been the bestselling car and commonly used as a taxi. Consumers International and our members launched a campaign on Zero Star Cars, including the Tsuru, in November 2015, working with partners Latin NCAP and Global NCAP. During that time Consumers International and its members in USA, India and across Latin America, called on global car manufacturers, including Nissan and General Motors, to change their practices, and have worked to inform consumers of how dangerous Zero Star Cars can be. Consumers International and our members also successfully campaigned for a new UN declaration calling on countries to adopt UN car safety standards. We also saw the introduction of a declaration for adoption of UN standards of car safety. As part of the legacy activity for this campaign we launched a guide on buying a safer car targeted at consumers based in India, Latin America and the Middle East.

Financial Services

In 2016 Consumers International welcomed two important milestones in our campaign to stop inappropriate sales incentive schemes for banks' front line staff that can lead to the mis-selling of financial services.

The campaign was launched in 2015 with the publication of a new report 'Risky Business: the case for reform of sales incentives schemes in banks' that included international research from regulators, banks and consumer organisations.

Consumers International's work contributed to the development of new guidance on this issue from the European Banking Authority and FinCoNet, the international network for financial consumer protection, which will encourage banks to take action to monitor such schemes and put steps in place to ensure they do not lead to mis-selling.

World Consumer Rights Day: Antibiotics off the menu

World Consumer Rights Day (WCRD) 2016 was on the theme of antibiotic resistance. Antibiotic resistance constitutes a global health crisis to which the overuse of antibiotics in farming is a major contributing factor. If urgent action is not taken to tackle antibiotic resistance we could face a future where common infections and minor injuries can kill again.

The activity focused on three global restaurant chains, McDonald's, Subway and KFC. Our report 'Antibiotics Off the Menu,' published on 25th February 2016, found that McDonald's had made a commitment to stop sourcing chicken routinely given antibiotics in the USA and Canada. Subway had committed to stop serving meat from any animal given antibiotics in the USA. KFC had made no meaningful commitments anywhere.

More than 90 Consumers International members in 60 countries marked the day across the world. This included 37 members sending letters to the companies. Member activities were displayed in the run up to, during, and after WCRD on a map on the Consumers International website. The map also marked where the companies had made commitments. With the help of members, we also collected a bank of campaign photos displaying the campaign hashtag outside KFC, Subway and McDonald's branches around the world. These were shared on the interactive map and on Facebook. The campaign hashtag #antibioticsoffthemenue reached seven million people.

Campaigns, communications and brand development

This year we've increased member engagement and improved our communications.

Campaign development

In 2016 we launched a new set of digital campaigning tools for our members use. We ran two pilots of the tools in support of our campaigns on car safety in Latin America followed by antibiotic overuse in the supply chain of fast food restaurants. A range of members from Peru, Mexico, Japan, Belgium, Italy, Indonesia and Spain were involved in trialling the tools.

We also provided members with rapid information on global consumer issues as they arose and helped facilitate members campaigning by sharing and amplifying members activity on digital

issues and ticketing scams. You can read about our campaigning work and successes under '*International advocacy and campaigning*'.

Communication and brand development

We expanded our member engagement in 2016 increasing members support and engagement with international advocacy, campaigns and Consumers International activities. We have improved the Consumers International website, introduced a global monthly newsletter which shares information on our campaigns and advocacy, member news from around the world and consumer updates. The newsletter has received positive feedback from members and is being translated into 4 languages. Our Regional Networkers in Asia Pacific, Middle East, Latin America and the Caribbean and Africa are well placed to engage and connect with members in their regions of the world.

We also began work to update the Consumers International brand. While our remit, to protect and empower consumers around the world, remains the same as it has for the past 60 years, the way we tell that story needs to evolve and develop over time. In 2017 we will be ensuring that our brand has a stronger visual identity with a more modern look, to reflect our core strategy, while maintaining key elements of our historical brand. This will help ensure that we can communicate more powerfully with our audiences and put us in the best possible position to deliver change for consumers.

Fundraising and Partnerships

2016 partnerships

In 2016 Consumers International worked in partnership with many influential actors across the globe to develop projects that bring positive change for consumers, particularly in developing countries. Using our regional networks, we have unique opportunity to gain insight into issues affecting consumers globally. By combining our expertise and resources with those of our global partners, we have been able to strengthen and empower vulnerable consumers worldwide.

This year Consumers International further strengthened its work in the global south. Through partnering with the World Bank, we assessed the factors influencing remittance services. The often high and varying costs disproportionately affect the world's poorest consumers. Our research findings served to highlight the opacity of the market and the vulnerability of consumers due to a lack of clear information available.

Consumers International partnered with the Bill and Melinda Gates Foundation to co-chair the International Telecommunications Union's working group on Consumer Experience and Protection in digital financial services. The group developed guidelines and principles to mitigate the risks for consumers related to digital financial services and improve quality of service for consumers globally.

Working with the Anne Fransen Fund, Consumers International was able to advance the position of consumers in developing and transitional economies through capacity building and campaigning projects. Our work with Bloomberg Philanthropies on car safety not only built awareness of poor standards in car safety but also helped develop the campaigning and advocacy capacity of consumer organisations in Latin America and India.

Through funding from the Ford Foundation, Consumers International is working to create opportunities to strengthen digital rights for consumers in developing countries. Alongside this,

we are partnering with the German Federal Ministry for Justice and Consumer Protection and VZBV to advocate for better consumer protection in the digital economy. In 2017, we will co-host a Consumer Summit focusing on 'Building Consumer Trust in the Digital Economy', as part of the official G20 agenda.

We secured a further three years' funding (2017-2019) from the German Environment Ministry (BMUB) to support our role as co-lead of the UN's 10YFP Consumer Information Programme for Sustainable Consumption and Production. The programme works to make consumer information on product sustainability clearer and more reliable, and in 2016 it helped to establish projects in over 10 countries.

With the support of the Swedish Society for Nature Conservation (SSNC), twenty-two Consumers International members in developing countries received a grant to implement Green Action Fund (GAF) campaigns on the theme of 'Safer, More Sustainable Food for All'. Members across the regions campaigned to raise consumer awareness on the benefits of safer, more sustainable food, and promote demand for food produced without chemical pesticides.

Consumers International has a number of strong partnerships with organisations across the globe including private foundations, government agencies, and other NGOs. We work closely with partners to develop projects that will protect and empower consumers worldwide.

We are always looking to expand our reach and impact by collaborating with partner organisations. We would be delighted to discuss ways in which we could partner with you.

Partnership development

Consumer's International, like many organisations and members, is operating in an ever-changing landscape. In order to respond to this challenging environment we must adapt and evolve to these new realities in order to survive and thrive and make real impact for consumers.

We have made a conscious and pro-active decision to prioritise the development of mutually beneficial strategic relationships that will bring about real change. We believe, that by working together with partners, we will be able to achieve positive change at scale, amplify our voice to the benefit of consumers and sustain our activities. We plan to develop partnerships from across the spectrum of influence that can drive change for consumers including civil society, businesses and government.

We will work with partners to deliver positive major impact for consumers whilst supporting our mission and values, and delivering against our overall strategy and key KPIs. We will also ensure that the highest possible standards of integrity are maintained, and that our independence, reputation, credibility and impartiality are protected at all costs.

A Working Group of the Board of Trustees was established in November 2016 to oversee this work. We intend to prioritise and progress this work early in the new financial year and take the necessary steps to develop a long-term Partnership Strategy that will frame and guide our work in this area for the future.

Governance

Consumers International is a charity registered with the Charity Commission in England and Wales (No.1122155). It registered on 2 January 2008 and is governed by its Memorandum and Articles of Association, as amended 1 November 2007 and 21 November 2015. It is also a not-for-profit company limited by guarantee registered in England and Wales on 11 December 2001 (No. 04337865).

Consumers International was formerly known as the International Organisation of Consumers Unions (IOCU). It was started as a not-for-profit NGO in 1960.

The charitable company controls a subsidiary, African Consumers International NPC (Registration number 2011/011955/08) No 3 Bauhinia Street, Oxford Office Park Building 15, Centurion, Gauteng, 0083, Pretoria, South Africa.

Our structure

Our global staff are led by our Director General, who is guided by and accountable to Consumers International's Board of Trustees.

The Board of Trustees meets regularly (three to four times a year) and includes the President, Vice President, Honorary Secretary and Treasurer. It is ultimately responsible in law for the charity, its assets and activities. The Board delegates to the Director General to deliver the management and day to day running of the organisation.

The Treasurer's Group is a committee of the Board of Trustees appointed to assist the Board in fulfilling its responsibilities in all aspects of financial management and control of the organisation. Together with the Treasurer, two other representatives of Consumer International's member organisations are appointed from the Board to form this group. The Treasury Committee also has oversight of the arrangements for the external audit.

Our Council is a larger, advisory body to the Board of Trustees and meets at least once a year. A key function of the Council is to appoint the Board of Trustees and to offer strategic advice on key issues to that Board of Trustees.

Our Board and Council are made up of Chief Executives from our member organisations.

The General Assembly consists of the voting delegates of the full members of Consumers International and generally takes place every four years when Consumers International holds its World Congress. A key function of the General Assembly is to elect the President and the Council. The President is a non-executive position and acts as chair of the General Assembly, the Council and the Board.

Trustee induction and training

New trustees undergo an induction meeting with the Consumers International Director General, President and legal governance advisor to brief them on their role as a trustee. This includes their governance responsibilities, Board operating and decision making practices and process, the legal obligations under charity and company law, the business plan and recent financial performance of the charity. New trustees are issued with the Consumers International Articles, Guidelines for Council and Board members and information directing them to legal advice on duties and responsibilities. They are asked to complete and return a 'Personal Trustee Declaration form' and a 'Declaration of Interests form'.

Council members have an advisory capacity and are given a full briefing at an induction meeting that includes their governance responsibilities, Council operating practices, business plan and key strategic issues.

Regional presence

In 2016 Consumers International's global network was re-designed and re-structured in order to best deliver the organisational strategy and ensure a sustainable funding base. We now have

flexible regional presence in Asia, Latin America, Africa, Middle East and North America and Europe giving us an agile well-connected global network that can play a vital role in member engagement and networking across the globe.

Remuneration

Key management remuneration, including the Director General's, is based on commensurate experience, breadth and requirements of the role. The Director General signs off job descriptions and pay level for key management before going out to recruitment and following benchmarking market rates for close equivalent roles. The Director General's remuneration is reviewed and authorised by the President of Consumers International and designated trustees.

Financial review, reserves policy and risk management

Financial review

Throughout 2016 Consumers International worked hard to not only achieve a breakeven position but to gain a small surplus for the year and to add to the reserves to reduce financial vulnerability as we head into 2017. With careful management, prudent spending and an unforeseen exchange gain we have achieved a surplus to general funds of £46,870. After transfer between funds and gain on exchange the total surplus was £94,313 for unrestricted funds and £7,222 for restricted funds which gives a total consolidated surplus for 2016 of £101,535 (2015: deficit of £487,684).

The total income for 2016 was higher than the previous year at £3,149,360 (2015: £2,529,707) and this is predominantly due to increased project income in the year. Expenditure has also increased to £3,077,652 (2015: £2,999,353). Overall, unrestricted expenditure has reduced by £184,646 mainly due to the reduction of overhead costs in the regions. Phase 2 of the re-organisation was undertaken in 2016 resulting in an annual cost reduction of around £250,000 per annum from 2017 onwards.

The World Congress only happens every four years so there was no income or expenditure related to this in 2016. The membership fee income for 2016 was £1,644,091 (2015: £1,605,856). The accounts for 2016 show a surplus in unrestricted general funds, after transfers and exchange gains, of £94,313 (2015: deficit of £185,993).

Included in the consolidated results are those of the subsidiary for Consumers International Africa. Income for the year was £66,173 (2015: £68,739) and was predominantly made up of transfers from the head office. Expenditure for the year was £79,988 (2015: £115,663).

Reserves policy

The general reserves for the organisation increased to £196,714 (2015: £145,984) and £43,583 has been designated as a reserve against future exchange losses (2015: nil). In addition, restricted reserves held at the end of 2016 were £100,848 (2015: £93,626) giving total closing reserves of £341,145 (2015: £239,610).

In March 2015, the Council set a target of 20% of unrestricted income to be held as unrestricted reserves by 2019. At 2016 levels this equates to a target unrestricted reserves level of £359,475 (2015: £352,762).

The following reasons are stated as to why Consumers International needs to build reserves:

- 1) To maintain a sufficient level of working capital;
- 2) To secure the organisation against major risks;
- 3) To act as a cushion to cope with any unexpected costs or not to miss out on opportunities; and
- 4) To grow pump priming funding for new member services or ventures in order to grow the organisation.

We believe a reserves policy target of 20% of unrestricted income by 2019 is realistic and workable for Consumers International at a time it also needs funds for growth and development of its functions. Following phase 2 of the re-organisation and investment in business development the anticipated surplus for 2017 is £70,000 and is expected to increase in 2018 and 2019.

Risk assessment

The Trustees and management team review the risks the organisation is exposed to. The review looks at the key strategic risks around Consumers International's ability to deliver its strategy and considers current mitigation strategies in place.

Consumer's International, like many organisations and members, is operating in an ever-changing landscape. In order to respond to this challenging environment we must adapt and evolve to these new realities in order to survive and thrive. Consumers International has three key risks that it is addressing:

1. Loss of unrestricted income from large members
2. Lack of unrestricted funds limits innovation
3. We fail to develop new diversified funding streams

A key risk for Consumers International is a loss of large members and a reduction of unrestricted income. As members' own business models change this may lead to members not engaging in our strategy. A loss of a large member will severely impact our core unrestricted income and impact our ability to maintain operations and deliver the results other members' value. To mitigate this risk Consumers International has a new global strategy based on member engagement and input from our largest funders. During 2017 we will be reviewing our membership model and rolling out a new partnership strategy to work towards income diversification and increased impact.

We are making a conscious and pro-active decision to prioritise the development of mutually beneficial strategic relationships that will bring about real change. We believe, that by working together with selected partners, we will be able to achieve positive change at scale, amplify our voice to the benefit of consumers and sustain our organisation. However, in doing so, we will remain true to our principles of independence and integrity.

A lack of unrestricted funding also limits our ability to innovate and to enable Consumers International to benefit members and deliver relevance and value. To mitigate this risk we will utilise member innovation where possible and seek out innovative partner solutions to offer new benefits to members. We will create a culture of innovation throughout Consumers International and its work and look to build voluntary and free innovations.

Future Plans

In 2016 the Consumers International Board committed to developing an agile, well connected global network that can play a vital role in member engagement and networking across the globe. As part of this approach the organisation will continue to seek regional presence supported by external funding such as consumer protection agencies of national governments to extend our network of regional hubs around the globe.

Our future plans include a mid term review of our strategy and a membership model review. These will help ensure that we are in the best possible position to achieve impact for members and consumers around the world.

We will be continuing to deliver our programme to build a digital world consumers can trust which will include organising the first ever G20 consumer summit as part of the official agenda for the German G20 Presidency. We will also be working to ensure that the consumer voice is properly represented in the trade debates internationally so that negotiations meet consumers' needs. To support this we will develop a positive agenda for trade. In addition we'll continue to advance excellence in consumer protection through the development and delivery of a range of specific projects including, promoting consumer rights in global forums and supporting the implementation of the United Nations Guidelines for Consumer Protection, improving nutrition labelling of food and promoting access to safe and sustainable goods and services.

Trustees Responsibilities Statement

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Statement of Recommended Practice (SORP);
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditor

The Directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

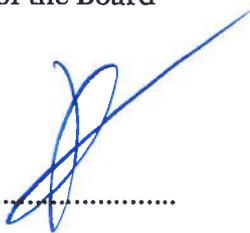
Auditor

haysmacintyre was appointed auditor by the Board of Trustees pursuant to the power under section 485(3) of the Companies Act 2006.

A resolution to appoint haysmacintyre as auditor will be put to the members at the Annual General Meeting.

In preparing this report, the Directors (Trustees) have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

By order of the Board



.....

Bart Combée, President
Consumers International
Date: 27 June 2017

We have audited the financial statements of Consumers International for the year ended 31 December 2016 which comprise of the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Statement of Cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 16 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2016 and of the group's and the parent charitable company's net movement in funds, including the group's and the parent income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

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

- the charitable company and group have not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the consolidated charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption in preparing the Trustees' Annual Report incorporating the Strategic Report.



Jeremy Beard (Senior statutory auditor)
for and on behalf of haysmacintyre, Statutory Auditor

Date : 27/6/2017

26 Red Lion Square
London
WC1R 4AG

Consumers International

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 December 2016

Company Registration No: 04337865

Income from:	Note	General Funds £	Designated Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Charitable activities	2					
Membership Fees		1,644,091	-	-	1,644,091	1,605,856
World Congress		-	-	-	-	111,733
International advocacy and campaigning		69,785	-	1,351,979	1,421,764	799,171
		1,713,876	-	1,351,979	3,065,855	2,516,760
Other trading activities	3	82,984	-	-	82,984	12,780
Investment	4	516	-	-	516	167
Total		1,797,376	-	1,351,979	3,149,355	2,529,707
Expenditure on:						
Raising Funds	5	(133,295)	-	-	(133,295)	(230,860)
Charitable activities	5					
World Congress		-	-	-	-	(152,801)
International advocacy and campaigning		(1,617,211)	-	(1,327,141)	(2,944,352)	(2,615,692)
		(1,617,211)	-	(1,327,141)	(2,944,352)	(2,768,493)
Total		(1,750,506)	-	(1,327,141)	(3,077,647)	(2,999,353)
Net income/(expenditure)		46,870	-	24,838	71,708	(469,646)
Transfer between funds	14	(14,608)	43,583	(28,975)	-	-
Other gains (losses)		18,468	-	11,359	29,827	(18,038)
Net movement in funds		50,730	43,583	7,222	101,535	(487,684)
Reconciliation of funds:						
Funds brought forward 1 January 2016		145,984	-	93,626	239,610	727,294
Funds carried forward 31 December 2016		196,714	43,583	100,848	341,145	239,610

The results are all attributable to continuing activities.

The comparative Statement of Financial Activities has been reported in note 1 to the accounts.

The accounting policies and notes on pages 24 to 38 form part of these financial statements.

	Notes	Total 2016 £	Total 2015 £
Fixed assets			
Tangible assets	9 (a)	12,556	20,145
Current assets			
Debtors	10	170,653	205,317
Cash at bank and in hand		731,733	1,315,503
		902,386	1,520,820
Current Liabilities			
Creditors: Amounts falling due within one year	11	(573,797)	(1,301,355)
Net Current Assets		328,589	219,465
Total Assets less Current Liabilities & Net Assets	17 (a)	341,145	239,610
The Funds of the Group			
Total restricted funds		100,848	93,626
Desinated funds		43,583	-
General funds		196,714	145,984
	14	341,145	239,610

The financial statements on pages 20 to 38 were approved by the Trustees, authorised for issue on 27 June 2017 and signed on its behalf by:

.....

 Bart Combée
 Date: 27 June 2017

The accounting policies and notes on pages 24 to 38 form part of these financial statements.

As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities or Income and Expenditure account has been presented for the charity alone. The net movement in funds for the Charity financial year ending 31 December 2016 was £101,535 (2015: £437,472).

	Notes	Total 2016 £	Total 2015 £
Fixed assets			
Tangible assets	9 (b)	11,976	18,710
Current assets			
Debtors	10	179,280	211,847
Cash at bank and in hand		718,929	1,305,874
		898,209	1,517,721
Current Liabilities			
Creditors: Amounts falling due within one year	11	(569,040)	(1,296,821)
Net Current Assets			
		329,169	220,900
Total Assets less Current Liabilities & Net Assets			
	17 (b)	341,145	239,610
The Funds of the Charity			
Total restricted funds		100,848	93,626
Designated funds		43,583	-
General funds		196,714	145,984
	16	341,145	239,610

The financial statements on pages 20 to 38 were approved by the Trustees, authorised for issue on 27 June 2017 and signed on its behalf by:



 Bart Combée
 Date: 27 June 2017

The accounting policies and notes on pages 24 to 38 form part of these financial statements.

Consumers International
STATEMENT OF CASH FLOWS FOR THE GROUP
For the year ended 31 December 2016

	2016	2015
	£	£
Cash flows (used in)/from operating activities:		
Net cash (used in)/from operating activities	(605,338)	(292,188)
Cash flows used/in from investing activities:		
Interest received	516	167
Purchase of equipment	(8,500)	(5,849)
Net cash used in investing activities	(7,984)	(5,682)
Change in cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents at the beginning of the reporting period	1,315,503	1,631,411
Change in cash and cash equivalents due to exchange rate movements	29,552	(18,038)
Net (decrease)/increase in cash or cash equivalents during the year	(613,322)	(297,870)
Cash and cash equivalents at the end of the reporting period	731,733	1,315,503
<u>Reconciliation of net expenditure to net cash flow from operating activities</u>		
Net income for the reporting period (as per the SOFA)	71,708	(469,646)
Adjustments for:		
Interest received	(516)	(167)
Depreciation charges	16,364	12,857
Decrease / (Increase) in debtors	34,664	176,765
(Decrease)/ Increase in creditors	(727,558)	(11,997)
Net cash used in operating activities	(605,338)	(292,188)
Analysis of cash and cash equivalents		
Cash at bank and in hand	731,733	1,315,503
Total cash and cash equivalents	731,733	1,315,503

ACCOUNTING CONVENTION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Consumers International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction values unless otherwise stated in the relevant accounting policy notes.

BRANCHES / SUBSIDIARY UNDERTAKING AND CONSOLIDATION

The financial statements aggregate the results of Consumers International (Global Office) and the Regional Hubs:

Regional Hub for Asia and the Pacific (Malaysia)

Regional Hub for Latin America and the Caribbean (Chile)

Where necessary, the accounts of the regional offices have been restated in order to comply with United Kingdom Generally Accepted Accounting Practice.

The group Statement of Financial Activities (SOFA) (FRS 102) and the group Balance Sheet consolidate on a line by line basis the results of the charitable company and its subsidiary, African Consumers International, registered in South Africa, of which the charity holds 100% of the share capital.

Consumers International has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006 and not presented a SOFA for the charitable company itself. For the year ended 31 December 2016, the total income of Consumers International Africa as an individual entity was £67,663 (2015: £68,739), its total expenditure before retranslation of branch assets was £79,988 (2015: £115,663) and its net income before retranslation of branch assets for the year was a deficit of £12,325 (2015: (£46,924))

GOING CONCERN

The Trustees have prepared the financial statements on the going concern basis. The Trustees are satisfied that this basis is appropriate as a result of having reviewed the strategic plan and budgets of the organisation which have been prepared by management.

FUND ACCOUNTING

Income received for specific projects are shown within restricted funds. Unrestricted funds comprise membership income and other income available for general use by the charitable company.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

INCOME

All income is recognised on the Statement of Financial Activities where there is entitlement of income, it is probable that income will be received and the amount of income can be measured reliably. Members' fees and all other income are recognised on a receivable basis. Project income is considered to represent principally performance-related grants and, therefore, is recognised, as it is earned, to the extent that the organisation has provided the services or activities specified in the underlying funding agreement. Income received for project work in future projects is deferred. Other grant income is recognised when amounts are probable, can be measured reliably and all conditions for entitlement are met. Income that is not attributable to the UK makes up 6.5% of total income.

EXPENDITURE

Expenditure is accounted for on an accruals basis where there is a legal and constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All costs are allocated to either unrestricted charitable activities or to the external project to which they relate. Overhead contribution from project income is deducted from office and administration expenditure incurred in the year.

GRANTS PAYABLE

Grants payable are accounted for when the recipient has a reasonable expectation that they will receive a grant and Consumers International has agreed to pay the grant without condition or when the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of Consumers International.

DEPRECIATION

Tangible fixed assets are stated in the balance sheet at cost less depreciation, which is calculated to write off the individual assets over their estimated useful lives at the following annual rates:

Building improvements	Straight line over life of the lease
Furniture, fittings and equipment	25% on cost
Computer hardware and software	33% on cost

CAPITALISATION POLICY

Items over £500 in value where its economic benefit could be accrued over multiple years of its useful life are normally added to the fixed assets register and depreciated on the above basis.

FOREIGN CURRENCY

Transactions denominated in foreign currency are translated into sterling at the average exchange rate for each month.

Exchange differences arising from the translation of the regional office accounts (and the subsidiary undertaking) are included in the SOFA. Exchange differences arising from the translation into sterling of assets and liabilities denominated in foreign currencies are translated using the exchange rate ruling at the balance sheet date. All exchange differences are taken to the respective funds within the SOFA.

Brought forward reserves of the Regional Office accounts are re-translated at the closing exchange rate ruling at the balance sheet date and this movement is reflected as a retranslation gain or loss within other recognised gains and losses in the SOFA.

LEASING TRANSACTIONS

Operating lease rentals transactions are charged to the SOFA on a straight line basis over the life of the relevant lease.

EMPLOYEE BENEFITS

Consumers International operates a defined contribution pension scheme. The assets of the scheme are held independently from those of the charity in an independent fund. Contributions are recognised when due and charged to the Statement of Financial Activities.

Short term benefits including holiday pay are recognised as an expenses in the period the service is received.

Employee termination benefits are accounted for on an accruals basis and in line with FRS 102.

FUNDS

Restricted funds represent funds provided by donors in relation to specific projects.

Designated funds are set aside in respect of specific expenditure at the Trustees' discretion.

FINANCIAL INSTRUMENTS

The group has elected to apply the provisions of Section 11 "Basis Financial Instruments" and Section 12 "Other Financial Instruments" of FRS 102, in full to all of its financial instruments. Financial assets and liabilities are recognised when the group becomes a party to the contractual provisions of the instrument, and are offset only when the group currently has a legally enforceable right to set off the recognised amounts and intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Debtors which are receivable within one year and which do not constitute a financial transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses. A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised within the SOFA for the excess of the carrying value of the debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised are recognised immediately in the SOFA.

Financial liabilities

Creditors payable within one year that do not constitute financing transactions are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The financial statements contains a bad debt provision of £38,390.

1. COMPARATIVE INFORMATION – CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	General Funds	Restricted Funds	Total Funds 2015 £
Income from Charitable activities	2	£	£	
Membership Fees		1,605,856	-	1,605,856
World Congress		111,733	-	111,733
International advocacy and campaigning		33,275	765,896	799,171
		<u>1,750,864</u>	<u>765,896</u>	<u>2,516,760</u>
Other trading activities	3	12,780	-	12,780
Investment income	4	167	-	167
Total		<u>1,763,811</u>	<u>765,896</u>	<u>2,529,707</u>
Expenditure on				
Raising Funds	5	(230,860)	-	(230,860)
Charitable activities	5			
World Congress		(152,801)	-	(152,801)
International advocacy and campaigning		(1,551,491)	(1,064,201)	(2,615,692)
		<u>(1,704,292)</u>	<u>(1,064,201)</u>	<u>(2,768,493)</u>
Total		<u>(1,935,152)</u>	<u>(1,064,201)</u>	<u>(2,999,353)</u>
Net income/(expenditure)		(171,341)	(298,305)	(469,646)
Loss on exchange		(14,652)	(3,386)	(18,038)
Net movement in funds		<u>(185,993)</u>	<u>(301,691)</u>	<u>(487,684)</u>
Reconciliation of funds:				
Funds brought forward 1 January 2015		331,977	395,317	727,294
Funds carried forward 31 December 2015		<u>145,984</u>	<u>93,626</u>	<u>239,610</u>

Consumers International

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

2 CHARITABLE ACTIVITIES

	2016 £	2015 £
Membership Fees		
Full Members	1,599,963	1,542,550
Affiliate Members	19,208	36,552
Government Members	24,920	26,754
	<u>1,644,091</u>	<u>1,605,856</u>
Project Income		
World Congress	-	111,733
International advocacy and campaigning	1,421,764	799,171
	<u>3,065,855</u>	<u>2,516,760</u>

3 OTHER TRADING ACTIVITIES

	2016 £	2015 £
Foreign Exchange Gain	43,583	-
Regional sponsorship	30,000	-
Other Income	9,401	12,780
	<u>82,984</u>	<u>12,780</u>

4 INVESTMENT INCOME

	2016 £	2015 £
Bank Interest	516	167
	<u>516</u>	<u>167</u>

5 ANALYSIS OF EXPENDITURE

International Advocacy and Campaigning

	2016 Total £	2015 Total £
Direct Salary Costs	1,348,803	1,213,056
Other Direct Costs	1,047,979	1,169,392
Total Direct Costs	<u>2,396,782</u>	<u>2,382,448</u>
Support Costs	547,570	386,045
Total Indirect/Support Costs	<u>547,570</u>	<u>386,045</u>
Total expenditure	<u>2,944,352</u>	<u>2,768,493</u>

	2016 Total £	2015 Total £
Raising funds		
Direct Salary Costs	99,072	182,406
Support Costs	34,223	48,454
	<u>133,295</u>	<u>230,860</u>

Consumers International
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2016

In 2015 Consumers International held the World Congress in Brazil and this activity cost £152,801. The next World Congress is due to be held in 2019.

Analysis of total Support Costs

	2016	2015
	£	£
Accommodation	143,107	193,435
IT, Website, Maintenance	43,319	66,385
Legal and Professional	94,922	81,765
Governance	104,346	10,817
Other Office and Administration costs	196,099	82,097
	581,793	434,499

6 EMPLOYEES	Core Funds	Project Funds	2016	2015
	(Unrestricted)	(Restricted)	Total	Total
	£	£	£	£
Wages and Salaries	917,303	279,386	1,196,689	1,210,460
Social Security Costs	94,349	22,897	117,246	111,294
Pension Contributions	14,037	3,785	17,822	21,084
Redundancy costs	116,118	-	116,118	52,624
	1,141,807	306,068	1,447,875	1,395,462
The average number of staff during the year	27	7	34	36

The total remuneration packages for the key management in 2016 was £463,835 (2015: £344,641) and includes 4.5 members of staff (2015: 3.5 members of staff).

The following number of employees received emoluments for the year in excess of £60,000

	2016	2015
£60,000-£70,000	1	1
£70,000-£80,000	2	-
£140,000-£150,000	-	1
£150,000-£160,000	1	-

The company paid pension contributions of £5,771 (2015: £3,657) in respect of the above employees.

Consumers International

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

7 THE NET SURPLUS IS STATED AFTER CHARGING

	2016 £	2015 £
Auditor's Remuneration:		
haysmacintyre – Audit Fee (excluding VAT)	12,750	-
Other Services	2,160	-
RSM UK Audit LLP - Audit Fee	-	14,250
Other Services	-	1,500
Depreciation	16,364	12,857
Operating Lease Rentals - Land and Building	58,750	58,750

7 (a) INCOME RESOURCES

	2016	2015
Percentage income by region:		
UK	96%	93%
Asia	4%	7%
Latin America and Caribbean	0%	0%
Africa	0%	0%

8 INVESTMENT IN SUBSIDIARY UNDERTAKING

The charitable company controls a subsidiary, African Consumers International NPC (Registration number 2011/011955/08) No 3 Bauhinia Street, Oxford Office Park Building 15, Centurion, Gauteng, 0083, Pretoria, South Africa. This subsidiary was established in September 2011 and commenced operations in 2012. It has similar objects to its parent undertaking and has been consolidated in these financial statements. The subsidiary had income for the period to 31 December 2016 of £67,633 (2015: £68,739), expenditure of £79,988 (2015: £115,663) and a deficit of £12,325 (2015: £46,924). The subsidiary had gross assets of £14,486 (2015: £13,224) and liabilities of £64,791 (2015: £44,807) resulting in net liabilities of £50,305 (2015: £31,583).

The charity funded £66,173 to Consumers International Africa in 2016 to cover operational costs. The closing balance of working capital was £60,034. No interest is charged. The charity has provided £50,305 against the Consumers International debtor balance due to the future deregistration planned of Consumers International Africa.

9 (a) TANGIBLE FIXED ASSETS - GROUP

	Leasehold Building Improvements	Office Furniture, Fittings and Equipment	Computer Hardware and Software	Total
	£	£	£	£
Cost				
1 January 2016	132,984	92,130	284,807	509,921
Additions	-	2,592	5,908	8,500
Disposal	-	(16,208)	(115,552)	(131,760)
Exchange differences	-	-	275	275
31 December 2016	132,984	78,514	175,438	386,936
Depreciation				
1 January 2016	132,984	90,415	266,377	489,776
Charge for the year	-	1,080	15,284	16,364
Disposal	-	(16,208)	(115,552)	(131,760)
31 December 2016	132,984	75,287	166,109	374,380
Net book value				
31 December 2016	-	3,227	9,329	12,556
31 December 2015	-	1,715	18,430	20,145

9 (b) TANGIBLE FIXED ASSETS - CHARITY

	Leasehold Building Improvements	Office Furniture, Fittings and Equipment	Computer Hardware and Software	Total
	£	£	£	£
Cost				
1 January 2016	132,984	88,847	283,998	505,829
Additions	-	2,507	5,908	8,415
Disposal	-	(10,749)	(106,844)	(117,593)
Exchange differences	-	-	177	177
31 December 2016	132,984	80,605	183,239	396,828
Depreciation				
1 January 2016	132,984	88,493	265,642	487,119
Charge for the year	-	343	14,983	15,326
Disposal	-	(10,749)	(106,844)	(117,593)
31 December 2016	132,984	78,087	173,781	384,852
Net book value				
31 December 2016	-	2,518	9,458	11,976
31 December 2015	-	354	18,356	18,710

Consumers International
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For the year ended 31 December 2016

10 DEBTORS	Group 2016 £	Charity 2016 £	Group 2015 £	Charity 2015 £
Membership Fees	74,656	74,655	84,114	84,113
Other Debtors	31,692	31,692	40,196	38,952
Prepayments and accrued income	64,305	63,204	81,007	80,092
CI Africa (Subsidiary)	-	9,729	-	8,690
	<u>170,653</u>	<u>179,280</u>	<u>205,317</u>	<u>211,847</u>

11 CREDITORS	Group 2016 £	Charity 2016 £	Group 2015 £	Charity 2015 £
Other Creditors	205,985	205,464	136,199	135,108
Other tax and social security costs	30,162	30,162	47,867	47,867
Accruals and deferred income	337,650	333,414	1,117,289	1,113,846
	<u>573,797</u>	<u>569,040</u>	<u>1,301,355</u>	<u>1,296,821</u>

Deferred income reconciliation	2016 Group and Charity £	2015 Group and Charity £
Brought forward balance at	932,223	1,124,568
Amount recognised as income in the year	(964,722)	(576,384)
Amount deferred in the year	218,856	384,039
Deferred income carried forward	<u>186,357</u>	<u>932,223</u>

The majority of deferred income released in the year relates to the Bloomberg project.

Consumers International

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

12 MEMBERS' LIABILITIES

The Charitable company does not have a share capital and is Limited by guarantee. In the event of the company being wound up, the maximum amount each member is liable to contribute is £1. There were 104 Full Members as at 31 December 2016 (2015:104).

13 FINANCIAL INSTRUMENTS	Group 2016 £	Charity 2016 £	Group 2015 £	Charity 2015 £
Financial Assets				
Debt instruments measured at amortised cost	131,523	141,252	171,491	178,937
Financial Liabilities				
Measured at amortised cost	(417,602)	(412,851)	(321,266)	(393,904)
	(286,079)	(271,599)	(149,775)	(214,967)

14 FUNDS - GROUP

	1 January 2016 £	Income £	Expenditure £	Exchange gain £	Transfer £	31 December 2016 £
Unrestricted Funds:						
General	145,984	1,797,376	1,750,506	18,468	(14,608)	196,714
Designated	-	-	-	-	43,583	43,583
	145,984	1,797,376	1,750,506	18,468	28,975	240,297
Oman Operations /(PACP)	50,285	125,916	108,409	11,359	-	79,151
TACD /(EC)	-	53,619	53,619	-	-	-
SSNC - Green Action Fund	1,453	64,221	62,729	-	-	2,945
Sustainable Consumption /(BMUB)	(9,779)	59,716	57,209	-	9,779	2,507
Bloomberg Advocacy	269	845,004	845,004	-	(269)	-
Other Projects	51,398	203,503	200,171	-	(38,485)	16,245
Restricted Funds	93,626	1,351,979	1,327,141	11,359	(28,975)	100,848
Total	239,610	3,149,355	3,077,647	29,827	-	341,145

Designated Fund

During the year Consumers International had an exchange gain of £43k related to foreign currency held in UK bank accounts. This is a direct result of the weakened pound following the Brexit decision. Due to the exceptional nature of the gain this amount has been transferred to a designated fund to counter the risk of the pound recovering in the coming years.

Restricted Fund

Restricted funds are due to be expended within 12 months from the approval of these financial statements. Funds received in advance, or where they are yet to be applied to the project, have been shown under deferred income (note 11) for performance related funds and in restricted funds for other projects in the balance sheet.

Oman Operations /PACP

The Public Authority for Consumer Protection (PACP) in the Sultanate of Oman supports Consumers International's regional hub in the Middle East which works to support and promote Consumers International's objectives and strengthen the consumer movement in the region.

Transtlantic Consumer Dialogue (TACD) /European Commission (EC)

Since 1999, the European Commission supports the work of the TACD, a network of 77 EU and US consumer and public interest organisations, with a permanent Secretariat hosted by Consumers International. TACD provides a formal mechanism for consumer groups to develop and agree joint policy recommendations in the consumer interest, and to input to EU and US political negotiations and agreements, such as the Transatlantic Trade and Investment Partnership.

Swedish Society for Nature Conservation - Green Action Fund

Swedish Society for Nature Conservation (SSNC) has partnered with Consumers International to enable our members in developing countries to hold short-term awareness-raising and advocacy campaigns on sustainable consumption, with an emphasis on environmental issues.

Sustainable Consumption / BMUB (German Government)

Consumers International works closely with UN Environment on the UN's 10YFP Consumer Information Programme for Sustainable Consumption and Production. The programme undertakes and supports work to provide clear, reliable information to consumers on the sustainability of goods and services, globally.

Bloomberg Philanthropies/ Bloomberg Advocacy Incubator

Bloomberg Philanthropies partnered with Consumers International for three years (2014-2016) to equip consumer organizations in middle and low-level income countries to campaign for radically improved car safety in Latin America and Asia.

Other Projects

During 2016, Consumers International undertook various other projects to deliver its mission and received funding from the Ford Foundation, the Gates Foundation, Anne Fransen Fund, Deutsche Gesellschaft für International Zusammenarbeit (GIZ), and the World Bank.

15 CHARITY AND GROUP

Grants paid to partners from Green Action Fund

Partner's Name	Country	2016	2015
		£	£
ABUCO	Burundi	2,000	1,640
ACEDOR	Rwanda	2,000	1,900
ADDC	Niger	2,000	-
ADEC	Senegal	2,000	-
ADECO	Cape Verde	2,000	1,900
ASPEC	Peru	2,000	1,900
ATC	Togo	-	1,900
BSSC	Benin	-	1,900
CAG	India	2,000	1,900
CAP	Malaysia	2,000	-
CCOF	Fiji	2,000	-
CCZ	Zimbabwe	1,979	-
CEJ	Mexico	1,940	-
CERC	India	2,000	1,900
CL	Lebanon	2,000	-
COM	Macedonia	2,000	-
CONFET	India	2,000	1,900
CPAG	Gambia	65	1,383
FOJUCC	Chile	-	1,900
KCO	Kenya	2,000	1,900
LDCB	Benin	2,000	-
LKY	Indonesia	-	1,900
REDECOMA	Mali	-	1,900
SEWA	Nepal	2,000	-
TN Network	Pakistan	2,000	1,900
Tribuna	Ecuador	2,000	1,900
VOICE	India	2,000	1,900
YACP	Yemen	-	1,900
YCI	Indonesia	2,000	-
YEN	Kenya	-	1,900
		43,984	35,323

Consumers International**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2016

16 FUNDS - CHARITY

	1 January 2016	Income	Expenditure	Exchange gain	Transfer	31 December 2016
	£	£	£	£	£	£
Unrestricted Funds:						
General	145,984	1,729,713	1,689,240	24,865	(14,608)	196,714
Designated	-	-	-	-	43,583	43,583
	145,984	1,729,713	1,689,240	24,865	28,975	240,297
Oman Operations	50,285	125,916	108,409	11,359	-	79,151
TACD	-	53,619	53,619	-	-	-
SSNC - Green Action Fund	1,453	64,221	62,729	-	-	2,945
Sustainable Consumption	(9,779)	59,716	57,209	-	9,779	2,507
Bloomberg Advocacy	269	845,004	845,004	-	(269)	-
Other Projects	51,398	203,503	200,171	-	(38,485)	16,245
Restricted Funds	93,626	1,351,979	1,327,141	11,359	(28,975)	100,848
Total	239,610	3,081,692	3,016,381	36,224	-	341,145

Restricted funds are due to be expended within 12 months from the approval of these financial statements. Funds received in advance, or where they are yet to be applied to the project, have been shown under deferred income (note 11) for performance related funds and in restricted funds for other projects in the balance sheet.

**17 (a) ANALYSIS OF NET ASSETS
BETWEEN FUNDS - GROUP**

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	12,556	-	-	12,556
Net Current Assets	184,158	43,583	100,848	328,589
	196,714	43,583	100,848	341,145

**17 (b) ANALYSIS OF NET ASSETS
BETWEEN FUNDS - CHARITY**

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	11,976	-	-	11,976
Net Current Assets	228,321	43,583	100,848	329,169
	196,714	43,583	100,848	341,145

Consumers International

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

18 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2016 the group and the charitable company had total future minimum lease payments under non-cancellable leases for fixed assets as follows:

	2016	2015
	£	£
Land and buildings:		
1 year	58,750	58,750
2-5 years	117,500	176,250
5+ years	-	-

Amounts charged to the SOFA were £58,750 (2015: £58,750).

19 RELATED PARTIES

International Consumer Research and Testing Limited rent office space within Consumers International's London offices. The total cost of rental income recognised in 2016 was £24,000 (2015: £25,000). International Consumers Research and Testing Limited and Consumers International have trustees in common.

Consumers International also has investment in a trading subsidiary Consumers International Africa. Please see note 10 above.

The Board of trustees are made up of member organisations of Consumers International in line with our constitution. All members have to pay a minimum membership fee to Consumers International. None of the trustees have been paid remuneration or received any other benefits from an employment with their charity or related entity.

20 PENSION COMMITMENTS

The charity operates a defined contribution scheme. Amounts paid into the scheme were £11,514 (2015: £12,050). Amounts outstanding at the end of the year were £1,995 (2015: £3,050).

Consumers International

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General Information about Consumers International

We believe in a world where everyone has access to safe and sustainable goods and services. We bring together over 200 member organisations in more than 100 countries to empower and champion the rights of consumers everywhere.

We are their voice in international policy-making forums and the global marketplace to ensure they are treated safely, fairly and honestly.

We are resolutely independent, unconstrained by businesses or political parties.

We work in partnership and exercise our influence with integrity, tenacity and passion to deliver tangible results.

Established in 1960, Consumers International is a charity (No.1122155) and a not-for-profit company limited by guarantee (No. 04337865) registered in England and Wales.

Reference and administrative detail

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Company Registration Number 04337865

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