



**ANNUAL REPORT
& ACCOUNTS
2017-2018**

TOGETHER
WE'RE
STRONGER

actonaid

Age International

BritishRedCross

CAFOD

care

christian
aid

CONCERN
worldwide

ISLAMIC
RELIEF

OXFAM

PLAN
INTERNATIONAL

Save the
Children

tearfund

World Vision

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CHAIR'S STATEMENT

In the last 12 months, the DEC has focused on complex protracted humanitarian crises in Yemen, East Africa and the Cox's Bazar district of Bangladesh, where almost 700,000 people who have fled Myanmar since last August live in what is now the world's largest refugee settlement. For the DEC to launch three appeals in such a short period (Dec 2016-Oct 2017) is rare, but the British public responded with huge generosity, with donations to all three totalling more than £120 million by the end of the financial year.

When dealing with such complex crises, it can be easy to wonder whether donations can make a difference, but on a recent visit to Kenya I met some of the 2.5 million people DEC funds had helped in the first six months of our response. People like Lokho, an ambitious young woman whose family lost everything in the drought. With barely enough to eat, she thought she wouldn't be able to complete her schooling, but a food-for-fees programme meant she could stay in school to take her final exams. She plans to go on to study computing at the local college. Stories like hers serve as a powerful reminder of the immediate and longer-term impact that humanitarian aid can have on the lives of those who receive it.

Indeed, by being part of the international effort to act early in East Africa, we were able to avert the worst-case scenario: the kind of loss of life seen in the 2011 famine when around 250,000 people are thought to have died. DEC funding provided a much-needed boost to our member charities in the region last year, allowing them to support people through the worst drought in a generation.

In late August, large numbers of Myanmar's Rohingya minority began crossing the border into Bangladesh, bringing with them horrifying stories of violence. It quickly became clear that such a volume of people arriving with nothing to an already poor area of Bangladesh was a humanitarian disaster in the making, and the DEC launched its Rohingya crisis appeal on 4 October. The British public responded warmly to our appeal led by Riz Ahmed and Michael Palin and by the end of the financial year, it had raised £26 million,

including £5 million in Aid Match from the UK Government.

Providing assistance to so many people in an area with no existing infrastructure has brought challenges, but DEC funds enabled our members to reach more than 535,000 people with some form of assistance in the first six months, including 75,000 food parcels to feed a family for two weeks, 108,000 hygiene kits that include basic items such as soap, sanitary cloths and toothbrushes and 19,500 emergency shelter kits for families who arrived with only what they could carry.

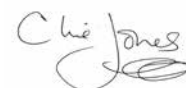
In November our team met Sayed, a refugee who had recently arrived in Bangladesh with his three young children. They had received shelter, household items and access to clean water and latrines. "We are extremely grateful for getting these things when we have absolutely nothing," he said. On a recent trip to Yemen our CEO, Saleh Saeed, also met families for whom aid had provided a lifeline in the midst of terrible conflict. These are just a few examples of the millions of lives that have been touched by donations from the British public in the past year.

The last year has also seen increased scrutiny directed at the charity sector, particularly around safeguarding. The DEC welcomes the new commitments that member charities have made to improving standards and firmly believes that transparency and prompt action is the way to root out misconduct, while the focus must continue to remain on prevention of harm. The DEC has robust policies and procedures in place and requires

its members to report serious incidents and promote a culture that prioritises the safeguarding of all, especially people affected by crisis.

In the past year, the DEC has further strengthened its assurance framework with member charities and completed the three-yearly membership review. You can read more details in how we ensure quality and accountability in programmes on pages 12 and 13 of this report.

Donors, staff and the people we aim to assist should expect nothing less than the highest standards from our sector, and stories like those of Lokho and Sayed show what that can look like – bringing relief to people affected by some of the world's worst crises and helping them rebuild their lives. This year the DEC's effective and efficient model has once again allowed us to draw on our powerful coalition of partners, supporters and donors to help our members reach, help and support millions of people at their time of greatest need.



Clive Jones
Chair of Trustees
July 2018

TRUSTEES' ANNUAL REPORT

ABOUT THE DEC

The DEC brings together 13 of the UK's leading international aid charities in times of crisis. We launch appeals to raise money to help those impacted by disaster, making sure that funds reach those that need them most.

The Disasters Emergency Committee (DEC) has 13 members, all leading UK-based international aid charities, as follows:

ActionAid

Age International

British Red Cross

CAFOD

CARE International UK

Christian Aid

Concern Worldwide

Islamic Relief Worldwide

Oxfam GB

Plan International UK

Save the Children UK

Tearfund

World Vision UK

RAPID RESPONSE NETWORK (RRN)

The DEC would like to thank its RRN partners, who help us reach a wide cross-section of the UK public during appeals.

BBC | ITV | Channel 4 | Channel 5 | Sky | Radiocentre | Community Media Association | NewsNow | 38 Degrees | UK Finance | HSBC UK | Barclays | Royal Bank of Scotland | Lloyds Bank | Santander | Tesco Bank | British Airways | Co-op | Greggs | Morrisons | Post Office | Siemens | Western Union

THE DEC'S WORK FOCUSES ON 3 KEY ACTIVITIES

1

RAISING FUNDS TOGETHER

The DEC will work in partnership across member charities and the Rapid Response Network to maximise our collective impact in fundraising.

2

HELPING THOSE IN NEED TOGETHER

Working with our member charities, DEC funding will deliver highly effective programmes to help disaster-affected communities.

3

MANAGING AND WORKING TOGETHER

We will be a high-performing and effective Secretariat, equipped for and focused on delivering the DEC's strategy.



CHARITABLE OBJECTIVES OF THE ORGANISATION

- Providing an accredited national forum for joint fundraising by UK charitable voluntary sector NGOs (“agencies”) in order to maximise the funds raised and facilitate immediate commitment from participating agencies;
- Creating a focal point for the response of the public, the broadcasters and others to such disasters;
- Facilitating agency co-operation, co-ordination and communication;
- Ensuring that funds raised are used in an effective, timely fully accountable way.

OUR VISION

A world where the impact of disasters on affected communities is minimised by working together through effective humanitarian response and growing resilience.

OUR MISSION

Together we will raise funds to save, protect and rebuild lives in vulnerable countries that are impacted by emergencies and major disasters. We will:

- Raise funds quickly and effectively in large scale humanitarian emergencies.
- Uphold the highest standards of accountability and transparency
- Learn and share information to promote effective programmes of response.

WHEN WE LAUNCH AN APPEAL

The DEC responds to disasters in the world’s poorest countries, using a set of criteria to help us decide when we launch an appeal and how we can be most effective.

1. The disaster must be on such a scale and of such urgency as to call for swift international humanitarian assistance
2. The DEC member agencies, or some of them, must be in a position to provide effective and swift humanitarian assistance at a scale to justify a national appeal
3. There must be reasonable grounds for concluding that a public appeal would be successful, either because of evidence of existing public sympathy for the humanitarian situation or because there is a compelling case indicating the likelihood of significant public support should an appeal be launched



HOW WE SPEND AND ALLOCATE YOUR MONEY

Our priority is delivering aid and support to those that need it, as quickly and efficiently as possible. Decisions about how we allocate your money to each of our members when a disaster strikes are taken in advance, based on a calculation of the indicator of capacity (IoC) assessing each member’s ability to deliver aid where it is needed. We make certain that how we spend your money ensures that communities receive the urgent humanitarian aid required, as well as long term support to rebuild their lives after a disaster.

HOW WE ENSURE QUALITY AND ACCOUNTABILITY

The DEC’s work is governed by a commitment to best practice and being accountable to both our donors and those affected by disasters.

Our high standards begin with our membership, for which we have a strict set of criteria to make sure that the DEC is made up of the UK’s leading aid agencies.

We conduct and publish regular independent appeal evaluations, to check our members’ disaster responses are really helping the communities that need them most.

EMERGENCY APPEAL FOR PEOPLE FLEEING MYANMAR

The DEC launched one appeal in the last financial year, the Emergency Appeal for People Fleeing Myanmar, which to date has raised £26 million, including £5 million in Aid Match from the UK Government.

In late August 2017, large numbers of people, mostly ethnic Rohingya, began fleeing across the border from Rakhine state, Myanmar and into Bangladesh. They were arriving with nothing, often just the clothes they were wearing, and told of being driven out of their villages by terrible violence. By October, almost half a million people had arrived and were setting up makeshift shelters in camps in the area around Cox's Bazar.



Appeal: Emergency Appeal for People Fleeing Myanmar

Date launched: 4th October 2017

Total raised: £26 million, DEC funds £19 million

Priorities: Water, household items, food



Raising funds together

The DEC launched the Emergency Appeal for People Fleeing Myanmar on 4th October with broadcasts on BBC One and ITV presented by actors Michael Palin and Riz Ahmed respectively, and messages on Channel 4, Channel 5, Sky and various national and local radio channels. As usual, member charities seconded staff to the DEC's media and digital teams. The DEC also hired a freelance photographer and videographer in Bangladesh to collect content in the refugee camps for use in marketing and fundraising materials both online and in print. This follows on from last year's East Africa Crisis Appeal, where this approach was found to be cost effective and produce a large amount of content. For the first time, the DEC purchased advertising space on buses nationwide – over 300 in total – alongside usual outdoor advertising activities. Other successes included diversifying digital marketing onto the search engine Bing. The user base fit the DEC's target demographic well and people gave generously through this channel.

The appeal also received strong support from the DEC's network of corporate partners. The majority of high street banks, through the relationship the DEC maintains with UK Finance, supported the appeal in a number of ways. Many facilitated over the counter donations to the appeal by the British public; HSBC raised in excess of £70,000 through providing the opportunity to donate to the appeal via their ATM network and the RBS group provided homepage advertisements highlighting the appeal to their customers. Again, via UK Finance, an agreement is in place that the fees normally charged on credit card transactions were waived for donations made to the DEC. With more than £5 million donated by credit cards, this is a significant uplift to our fundraising. Other Rapid Response Network (RRN) partners such as airlines and supermarkets helped also helped raise funds with customer collections, raising significant funds and awareness.

The DEC also continued its use of Facebook Live in the two weeks following the

launch of the appeal, including the first live link-up to an aid worker in the field and to fundraisers in the UK. Through a member agency, the DEC purchased drone footage from above the camps in Cox's Bazar at a low cost, which was subsequently picked up in national media and widely shared online, helping to raise the profile of the appeal.

During these two weeks following its launch – the Period of Joint Action (see box) – the DEC raised a total of £5.2 million from the UK public, with a further £1.8 million being donated directly to member charities. However, with people continuing to flee over the border and the crisis remaining in the news, donations have continued to come in, with the DEC raising a total of £19 million, including the £5 million in Aid Match from the UK Government, while an additional £7 million has gone directly to members, bringing the total raised for the appeal to £26 million by the end of the financial year.

What is the Period of Joint Action?

DEC appeals are designed to make raising money for humanitarian crises more efficient. For the two weeks after we launch an appeal, our 13 member charities fundraise together under the DEC brand, removing any competition for advertising space and making it easy for the public to donate. During this two weeks, DEC charities second staff to work at the DEC and contribute volunteers to fundraise in communities across the country.

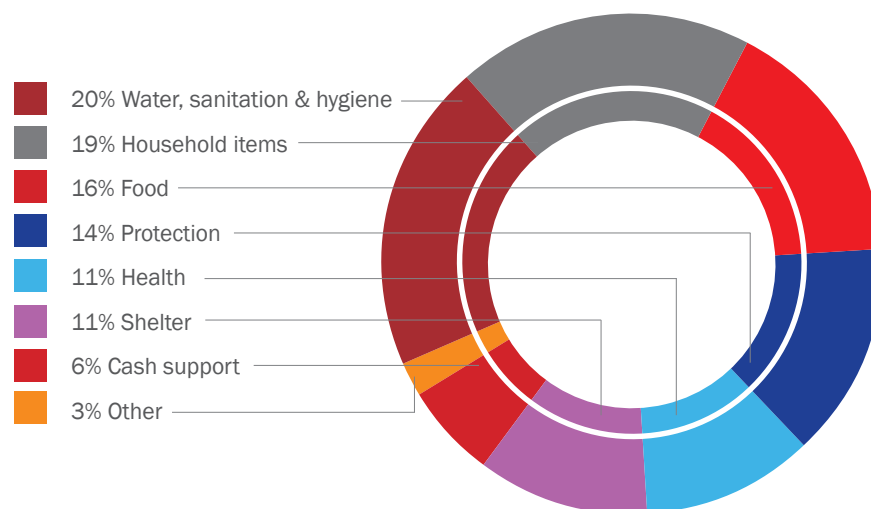
Helping those in need together

An initial allocation of funds totalling £7.5 million was immediately released to member charities according to the DEC's Indicator of Capacity, which is determined before an appeal is launched to ensure that our response is as quick and effective as possible. All 13 member charities took part in the response.

The arrival of so many people so rapidly – the fastest movement of refugees since the Rwanda genocide – in an area with

PEOPLE FLEEING MYANMAR: Phase 1 expenditure by sector

Period covered: October 17 - March 18



very little infrastructure presented a challenging environment in which to deliver humanitarian aid. Early priorities were basic needs such as food, access to clean water, healthcare and shelter.

In the first six months after the launch of the appeal, DEC funds helped member charities provide food assistance to 351,500 people and safe drinking water and sanitation support to 124,400 people. Highlights included the distribution of 75,000 food parcels to feed a family for two weeks, 108,000 hygiene kits including soap and toothbrushes, 19,500 emergency shelter kits, and household items such as cooking utensils, blankets, clothes and mosquito nets for 34,000 households. Ninety deep tube wells were built, providing a permanent source of safe drinking water to 37,000 people.

A DEC charity was the first INGO to provide a fresh food voucher programme, allowing more than 10,700 families to have more diversified, nutritious diet. Another set up a field hospital emergency response unit, which has supported nearly 400 surgical procedures, while 42,300 people have received medical care and some form of health assistance. Member charities have also set up 43 safe spaces for vulnerable groups such as women, children and older people, with funding from the DEC.

The Emergency Appeal for People Fleeing Myanmar Six-Month Report, including full figures for Phase 1 of the response will be available from the DEC website in mid July. In line with our usual practice, the DEC commissioned an independent Response Review to provide a first overview of the programmes being delivered by DEC member charities in Bangladesh with DEC funding. It concluded that DEC charities were “generally delivering quality services and responding to the needs of affected people”, but also made comment on the difficult environment in which the response was taking place and identified areas that could be strengthened in the next phase of the DEC-funded response which are being taken forward with members.

At the time of writing, a major concern is the onset of the monsoon season and its effect on the camps and what little infrastructure they have. DEC charities are working alongside other humanitarian partners and the Government of Bangladesh to provide continued support to those in need. This includes relocating people from areas prone to flooding, reinforcing shelters and strengthening the site landscape to prevent landslides, decommissioning and desludging latrines and digging deep tube wells in order to prevent contamination of water sources.

EAST AFRICA CRISIS APPEAL

In March 2017, the DEC launched the East Africa Crisis Appeal in response to the persistent drought and conflict that had affected parts of Kenya, Ethiopia, Somalia and South Sudan, pushing the latter into famine and threatening other areas. The DEC launched the appeal before the crisis came to a head – a rare move – in recognition that a delayed humanitarian response cost many lives in the 2011 drought and subsequent famine.

Appeal: East Africa Crisis Appeal 2017

Date launched: 14th March 2017

Closed for fundraising: 31st May 2018

Total raised: £65 million, DEC funds £41 million

Priorities: Water, cash, livelihoods,

Raising funds together

At the end of the last financial year 2016-17, fundraising for the appeal stood at £44 million, including £10 million in Aid Match from the UK Government. Of this, £35 million came directly to the DEC. Although the appeal was launched in the previous financial year, yet another failed rainy season prolonged the crisis and delivered a further blow to resilience in the region, leading the DEC to keep fundraising channels open throughout the last financial year (closed May 31st 2018). Donations from the public, high-value donors and corporate partners continued to come in, despite most attention focusing as usual around the launch of the appeal. By the close of this financial year, the appeal total stood at £65 million, meaning that £21 million was raised over the last financial year for this appeal, £6 million of which came directly to the DEC.

Helping those in need together

All 13 DEC member charities took part in the response to this appeal, seven in Ethiopia, seven in Kenya, nine in Somalia and 10 in South Sudan.

In the first six months of the response (March-September 2017), DEC member charities and their partners provided assistance to almost 2.5 million people with £26.5 million in DEC funds. This included more than 800,000 people who were able to access clean drinking water from renovated water sources or water trucks, more than 330,000 people who received food parcels or vouchers for food, more than 220,000 people who received cash or cash vouchers, more than 210,000 people who received fishing kits, tools, seeds or agricultural tools to restart their livelihoods and 52,000 children who were treated for acute malnutrition. Significant funding also went towards health and protection as a standalone area of support or integrated across other types of activities.



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WHY DO WE GIVE PEOPLE CASH?

In recent years, humanitarian aid charities have moved towards giving people in need money or vouchers which they can use to address immediate priorities or to exchange for specific goods at authorised vendors. Sometimes, cash is provided to reward activities linked to the relief effort (“cash for work”). This approach is used when local markets are still functioning, as in parts of East Africa. It means that people can choose what to spend their money on – for example food, medication or school fees – giving them greater power over their own lives, while also helping to support local economies.

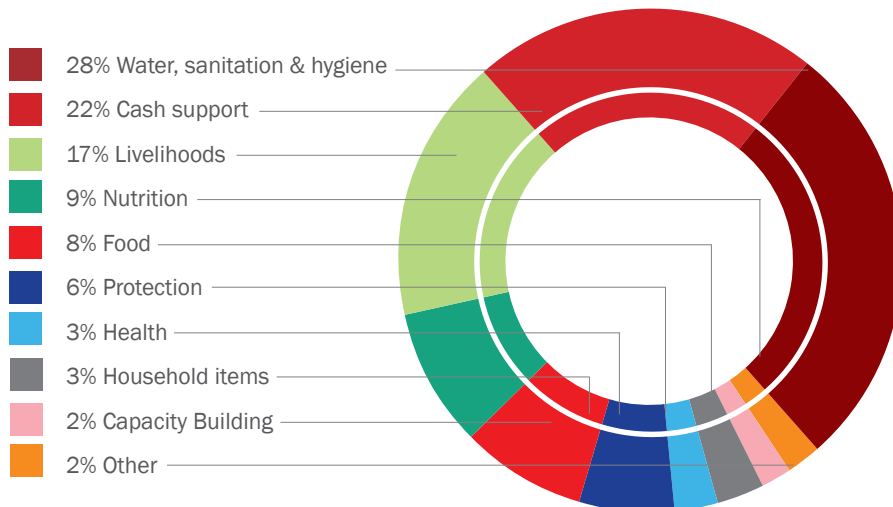


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EAST AFRICA: Phase 2 six-month expenditure by sector

Period covered: October 17 - March 18



You can read the [DEC's full East Africa Crisis Appeal Six-Month Report here](#)

As per usual practice, the DEC commissioned an independent review into members' response to the humanitarian crisis in East Africa. The review included rapid assessments of the response in Somalia and South Sudan.

In Somalia, the review found that the huge humanitarian scale-up was instrumental in averting famine, showing that "early action in response to early warnings is critical for saving lives". The review concluded that DEC members were at the forefront of this response, which it found was appropriate,

and had worked well with other humanitarian agencies, donors, local NGOs and local authorities.

In South Sudan, the priorities for DEC funds were food support and helping people rebuild their livelihoods, which the review found to appear to be an appropriate focus. Linking different activities, such as protection with provision of food, water, sanitation or health support, resulted in better outcomes for people in need of humanitarian assistance.

Both reports also highlighted areas for improvement in the overall response and DEC members' approach, which members have reflected in their subsequent activities.

[The full Response Review Reports are available here](#)

Data from the first six months of Phase 2 of the response (October 2017-March 2018) is still being processed, but member charities planned to focus on reaching more than 100,000 people with water, sanitation and hygiene support, almost 33,000 people with cash transfers or vouchers and more than 14,000 people with nutrition support. The most vulnerable people are prioritised for support, and communities are often involved in deciding who is most in need. DEC funds are due to be spent up until September 2018, after which a final report will be published on the DEC website.



YEMEN CRISIS APPEAL

In December 2016, the DEC launched the Yemen Crisis Appeal in response to the severe humanitarian crisis caused by the ongoing conflict in the country. Food shortages and a lack of access to clean water and medical care led to an outbreak of cholera, causing further casualties.

- Appeal:** Yemen Crisis Appeal 2017
- Date launched:** 13 December 2016
- Closed for fundraising:** 31st March 2018
- Total raised:** £30 million, DEC funds £20 million
- Priorities:** Water, food, health



Raising funds together

The ongoing nature of this crisis and terrible suffering it continues to cause amongst Yemen's civilian population led the DEC to extend fundraising activities throughout the last financial year.

By the end of this financial year, the overall total had risen to £30 million, £20 million of which came directly to the DEC. £27 million of which was received in the reporting period.

Helping those in need together

Ten out of 13 DEC member charities took part in this response, and despite the enormous operational, access and security challenges, succeeded in

reaching almost 1.4 million people with some form of assistance in the first six months (December 2016 to the end of June 2017) with £8.1 million in DEC funds. While this is significant and commendable, it remains overshadowed by the increasing scale of the humanitarian need in Yemen.

Providing safe, clean drinking water was an urgent priority, and more than a million people received help with water, sanitation and hygiene, including more than 750,000 people who continue to access clean drinking water through repaired infrastructure as part of a focus on long-term solutions.



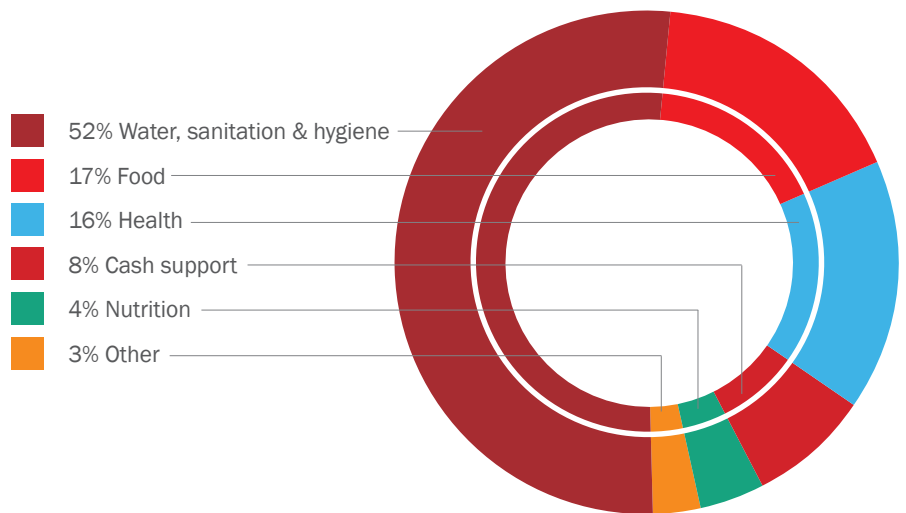
In the first six months, DEC charities also focused on health, renovating health facilities, training community health workers and identifying and treating people with malnutrition and communicable diseases. DEC charities had to adapt their programmes in response to outbreaks of malaria and cholera. The cholera epidemic was the biggest since records began and DEC charities reallocated funds to combat it, working with teachers, imams and community health volunteers to raise awareness on prevention, identification and early treatment. More than 165,000 people received information and advice on how to combat cholera and other water-borne diseases and 3,000 were given medicines to treat the diseases.

[You can read the DEC's full Yemen Crisis Appeal Six-Month Report here](#)

In Phase 2 of the response, water, sanitation and hygiene, health and nutrition were the main areas member charities planned to focus on. Six months in to Phase 2, they had reached 130,000, almost 190,000 and 10,000 people respectively in these areas. DEC funds are due to be spent up until December 2018 after which a final report will be published on the DEC website.

YEMEN: Phase 2 planned expenditure by sector

Period covered: July 17 - Dec 18



WHAT DO WE MEAN BY PHASE 1 AND PHASE 2?

The DEC is set up to allow our member charities to react quickly and efficiently to humanitarian crises in places where local capacities to respond are inadequate or insufficient. When an appeal is launched the DEC can release funding from day one due to our pre-financing mechanism, allowing our members to get to work. In Phase 1 – the first six months from the launch of the appeal – DEC-funded activities are mostly focused on immediate life-saving emergency relief such as food, clean water, medicine and shelter based on the nature of the emergency and needs on the ground. In Phase 2 – month seven up until two or three years from the launch of the appeal – there is usually a continuation of emergency relief and, based on the nature of the emergency, other activities that focus on recovery and reconstruction to help people rebuild their lives.

NEPAL EARTHQUAKE APPEAL

On 25 April 2015 a huge magnitude 7.8 earthquake hit the Nepalese countryside close to 50 miles from the capital Kathmandu. The worst earthquake to hit Nepal for 80 years was followed by a second quake two weeks later. In those devastated weeks 8,891 people were killed, more than 22,300 injured, more than 893,000 homes were destroyed or damaged, as well as schools, clinics, temples and ancient buildings.

The DEC appeal was launched three days after the first earthquake and raised a total of £87 million, £55 million of which came directly to the DEC, including £5 million in Aid Match from the UK Government. The other £32 million was donated directly to DEC member charities. Fundraising for the appeal closed on 15th January 2016.

Appeal: Nepal Earthquake Appeal 2015

Date launched: 27 April 2015

Closed for fundraising: 15 January 2016

Total raised: £87 million, DEC funds £55 million

Priorities: Shelter, livelihoods, clean water,



© Pablo Toscoy/Oxfam

Helping those in need together

DEC funds in response to the Nepal Earthquake were spent over a three-year period, which ended on 30th of April 2018.

In the first 18 months of Phase 2, between November 2015 and April 2017, DEC funds allowed member charities to help almost 350,000 people with shelter assistance, more than 215,000 people with clean water, sanitation and hygiene projects, more than 210,000 people with livelihoods assistance and more than 170,000 people with health and nutrition assistance.

There has been an emphasis on building back safer, using techniques and materials that can better withstand an earthquake. To date, 45 'safe schools' have been built, allowing children to go back to school throughout the rainy season.

DEC charities have also used innovative techniques in the reconstruction effort, such as supplying machines to make "Earthbricks" – bricks made from compressed earth, cement and water that can be produced locally, cost a fraction of traditional bricks, are more earthquake-resistant and better for the environment.

The recovery and reconstruction phases have not been without difficulties, and efforts have been hampered by the fuel crisis that began in September 2015 and delays in the Nepalese government's plans for shelter construction and directives on building reconstruction. The country's extreme geography, six-month rainy season and smaller-scale annual disasters such as landslides have also presented challenges.

With limited resources, there have been necessary trade-offs between reaching



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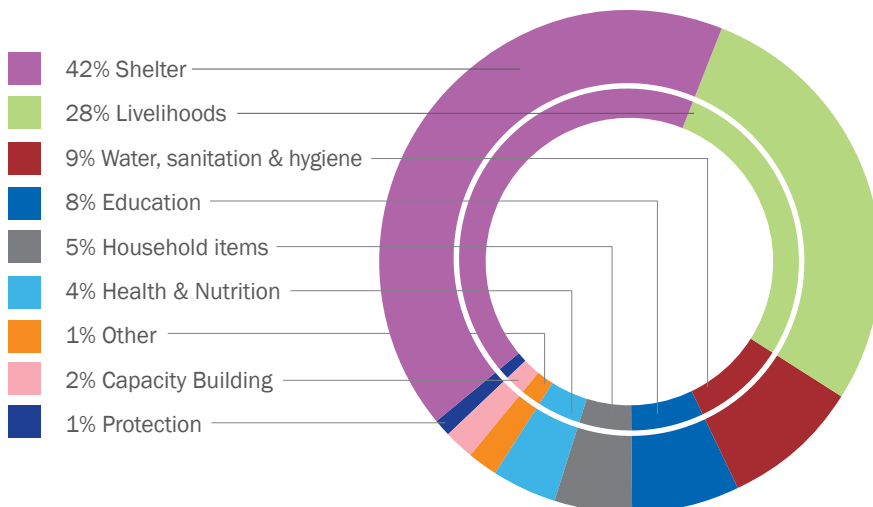
as many people as possible and reaching those who are most vulnerable – often those living in remote and difficult to access areas. For example, it costs a lot more to help someone in a landslide-prone village high in the mountains and only accessible only by helicopter or five-day hike, than it does to help someone in Kathmandu.

Nevertheless, the funds raised by the DEC Nepal Earthquake Appeal have enabled our member agencies to reach millions of people over the three-year response and help them recover and rebuild their lives.

The Nepal Earthquake Appeal Final Report will be published later this year.

NEPAL: Phase 2 expenditure by sector

Period covered: November 15 - October 17



DIFFICULT DECISIONS

Nepal was one of the poorest countries in the region before the earthquake and remains so today, with geography and infrastructure that poses significant challenges to aid efforts. With limited resources, decisions have to be made between reaching as many people as possible and reaching those who are most vulnerable, often those living in remote and difficult to access areas. For example, it costs a lot more to help someone in a landslide-prone village high in the mountains and only accessible by helicopter or five-day hike, than it does to help someone in Kathmandu. The country also suffers from annual disasters on a smaller scale, such as landslides and flooding, caused by its six-month monsoon season during which time most reconstruction projects are brought to a halt.



© Chandira Sitekhar Karki/Plan International

STRATEGIC REPORT

MANAGING AND WORKING TOGETHER

The DEC has core staff of 25 (as at 31st March 2018) people who run DEC appeals and oversee member charities in delivering programmes with DEC funds. The DEC plays a large role in fundraising and communications but also in oversight and accountability in how money raised is spent and promoting standards of good practice among members. Over the last year the DEC has continued to innovate and develop its working practices in order to deliver the DEC's strategy.

Digital transformation

Over the last year, the DEC has embarked on a digital transformation programme to ensure it remains relevant in the digital era, maximises efficiency, provides a better service for donors and ultimately delivers more funding for people affected by disasters and emergencies.

The installation of the Stripe payment platform has increased Gift Aid donations, increasing income, while the introduction of Apple Pay marks another step towards frictionless payments for donors. The DEC also continues to investigate new donation platforms such as Facebook Donate in order to target new audiences. Meanwhile, the implementation of a knowledge and information management (KIM) system by the Programmes team has increased efficiency in monitoring how DEC funds are being spent and strengthened information sharing across the membership.

A new customer relations platform has enabled the supporter services team to respond to donor queries more quickly, cutting the average response time from 11.4 hours in 2016-17 to 5.1 hours in 2017-18 whilst maintaining a 93% satisfaction rating, despite a 16% increase in enquiries.

DEC Emergency Fund

Late in the year, for the first time in our history, the DEC launched a channel for raising funds outside of our high-profile appeals. The [DEC Emergency Fund](#) is an always-on donation platform that allows

people to give whether or not an appeal has been launched. The DEC will work with its member charities to identify the most effective use of the Emergency Fund, allowing us to respond quickly to natural disasters, or enabling us to reach people affected by crises when the three appeal criteria are not met.

The fund will only be used to help people overcome by crises and in desperate need of humanitarian assistance – such as food, clean water, medicine and shelter – in parts of the world where governments and other organisations cannot meet the needs of the affected population.

Whenever funds from the Emergency Fund are allocated, we will provide full account of expenditure in our next annual report.

Thank You campaign

In the run-up to Christmas, the DEC launched its first non-appeal promotional campaign to thank the British public for donating to three appeals in the last 12 months which at the time had raised over £114 million. The campaign ran on outdoor advertising direct mail, online banner adverts and across the DEC's social media channels, featuring video voiceovers from Joanna Lumley and Jon Snow. The theme of the campaign linked real DEC donors to the projects their donations had gone towards and articles on the DEC website highlighted the stories of people who received assistance.



The DEC always thanks donors after an appeal, so it made sense to combine these efforts into one campaign for three appeals. Fundraising was not a primary objective of the campaign, but the DEC nonetheless saw a substantial increase in donations in December across all three appeals which were still open, with income exceeding the cost of the initiative.

Assurance framework

The DEC's work is driven by a commitment to best practice, compliance with regulatory requirements and being accountable both to donors in the UK and to the people affected by crises for whom we raise funds.

The DEC model relies on an assurance framework where DEC sets out standards of practice aligned with regulatory and self-regulatory requirements, and member charities provide evidence of meeting such standards. Three inter-related processes

offer the necessary assurance: a review process against **membership criteria**, the **DEC Accountability Framework** and the **Due Diligence self-assessment standard**.

A three-yearly review requires evidence from members on how they meet the membership criteria. As part of the recent review in late 2017, members confirmed that they met membership requirements, which cover areas linked to governance, finance, communication and fundraising, as well programme delivery.

As part of the **Accountability Framework**, member charities are challenged to provide assurance through third-party verification against The Core Humanitarian Standard on Quality and Accountability (CHS). This means that, as well as holding members to account for delivering high quality individual humanitarian programmes, the DEC asks them to examine their ways of working across all their operations and to strengthen the systems which underpin their ability to consistently deliver effective response for people affected by crises. The CHS requires agencies to have in place their own safeguarding policies and procedures and to identify and act upon potential or actual unintended negative effects of their actions. Ten member charities have completed third-party verification at the time of this report.

Programme-specific plans, reports and independent evaluations drill down on specific DEC-funded humanitarian operations, asking questions about how effectively member agencies utilise DEC funding. Members report to the DEC regularly and at least every six months on activities funded from DEC appeals, with an overview of risk factors and how these may impact on the response. The risk of potential harm, in particular involving vulnerable groups, is assessed by member agencies as part of the risk register that they submit to the DEC.

Through a process of project review, scrutiny, evaluation, collaboration, reporting and transparency under its Accountability Framework, the DEC works with members to help them ensure that programme safeguards are properly considered.

DEC's own **Due Diligence standards** apply to all member agencies and seek to provide

assurance of their ability to work in complex and high-risk situations. They cover issues such as financial controls, governance, working with partners, procurement and cash programming.

DEC members are also required to ensure that downstream partners who receive DEC funds follow similar standards. At a minimum, members are expected to have a good understanding of their partners, their policies and procedures and to have performed their own due diligence.

New staff and positions

Several new positions were created at the DEC in the last financial year. This was done so as to achieve efficiencies and build internal capacity in certain areas of work throughout the year rather than rely upon temporary staff and consultants at peak times.

These additions included a Digital Influencer and Engagement Manager and Content Manager to replace the role of Digital Communications Manager, a Philanthropy and Partnerships Officer, a Supporter Services and Gift Aid Assistant, a Media and Communications Officer, a Programmes and Accountability Assistant, a Finance, IT and Resources Assistant and an External Relations Manager, Scotland.

The CRM Systems & Supporter Services Manager role was converted in the new role of Digital Transformation Manager who has also been responsible for ensuring the organisation and all staff were ready for the new GDPR regulations which came into effect in May 2018.

New restricted grant

During the year, the Scottish Government contracted with the DEC to manage its Humanitarian Emergency Fund.

Future objectives

The DEC Strategy for 2016–19 reiterates our core remit of working collaboratively with members to respond effectively to humanitarian crises, using the model of DEC appeals to maximise fundraising and thereby our collective impact on disaster-affected communities through response programmes delivered by DEC members. It also underlines the importance of a strong and effective Secretariat for delivering the DEC Strategy.

The Strategy acknowledges the rapid changes in the environment in which the DEC operates, not only in broadcasting, digital and social media, but also from the perspective of humanitarian needs and changes in the international aid sector.

A RISK-BASED APPROACH TO SAFEGUARDING

Given the challenging nature of the work undertaken and the difficult contexts where DEC funds are spent, it is likely that serious incidents will occur. Where this is the case, the DEC requires assurance that members manage the incident responsibly, taking steps to limit its immediate impact and where possible, prevent it from happening again. At a minimum, members are expected to put safeguards in place to protect all those who come into contact with their work, including but not limited to:

- ensuring that staff, volunteers and contractors are aware of what abuse is and how to identify it
- having a clear system of reporting concerns as soon as abuse is identified or suspected
- responding immediately to abuse or allegations of abuse and carrying out confidential investigations
- preventing harm and abuse through a rigorous recruitment process
- undertaking due diligence when they operate through partners

Our new Strategy and Objectives for 2018–19 continue the journey of transformation for the DEC as we work together to build on our unique strengths, meet challenges and embrace new opportunities. During 2018–19, we plan to continue to implement learnings from our latest three appeals to further streamline and enhance our processes and maximise our reach. We expect to make more progress towards our stated objectives, including around digital transformation, which will involve the scoping of a new website. Early in the year we finalised our full compliance with new General Data Protection Regulation (GDPR) rules that took effect from 25th May 2018 and govern the storage and use of personal and other data.

The DEC will form a working group to investigate new donor-led ways of giving and aims to pilot an innovative technology-based cash transfer scheme that links donors in the UK with people affected by disasters. Focus group work is due to begin this summer with the pilot scheduled for later in the year.

Throughout the year, the DEC will also be working to develop our next strategy for the period 2019-20 to 2023-24.

Fundraising

The DEC undertakes active fundraising only in the context of DEC appeals – usually only for a period of six months from the date of the public launch of an appeal.

Following the decision to launch an appeal for a particular crisis, we engage energetically with the public and our supporters to draw attention to the humanitarian need and raise money, using a wide range of fundraising approaches to maximise donations to the appeal. This includes broadcast, print and online advertising, direct marketing activities, engaging with local community and faith groups, and working with corporate partners and philanthropists. Our fundraising activity is carried out by our core staff team and the DEC does not employ professional telephone or street fundraisers or commercial participators to carry out our fundraising activities.

The DEC complies with all relevant statutory regulations, including the Charities Act 2011, the Data Protection Act 2018 and the Privacy and Electronic Communications Regulations 2003. We always seek to act in ways that are legal, open, honest and respectful – striving for best practice in fundraising by complying with a range of codes of practice, including being registered with the Fundraising Regulator, and adhering to its Code of Fundraising Practice and Fundraising Promise. We have a donations acceptance policy that deals with any ethical concerns. We are careful to monitor our fundraising activities and provide supporters with help and information via our website, including Live Chat, by email, phone or post. We have a complaints policy available on our website, and record and respond to all complaints. In this financial year, the DEC received 5,200 queries from the public, including 155 complaints. Feedback shows that 93% of those who contacted us were satisfied with our response and follow-up, including 82.2% in relation to dealing with complaints.

Financial review

Total income received directly by the DEC including gift aid and bank interest for the year amounted to £29 million (2017: £54 million). During the year, the DEC Yemen Crisis Appeal (launched in December 2016) raised £2.7 million (including gift aid) the DEC East Africa Crisis Appeal (launched in March 2017) raised £6.1 million (including gift aid) and the DEC Emergency Appeal for People Fleeing Myanmar (launched October 2017) raised £19 million (including gift aid). Additional income in the year of £1.2 million (2017: £2.2 million) was received for other DEC appeals launched in previous years, donations from member charities and general unrestricted income.

Total expenditure for the year amounted to £ 28.8 million (2017: £50.6 million) including £24.5 million (2017: £45.9 million) of appeal funds committed to DEC members for use towards relief programmes, £3.9 million (2017: £4.3 million) in costs of raising funds, and £0.4 million of other costs. The DEC's core costs are covered mainly by contributions from our members, with appeal-specific

costs charged to the related appeal.

Net unrestricted income for the year totalled £1.7 million (2017: £4 million). After transfers to restricted appeal funds of gift aid income totalling £1.9 million and from endowment funds of £191,000 in respect of development projects, an overall net movement in unrestricted funds of £18,000 is reported (2017: £19,000). This net result is substantially ahead of the budgeted deficit for the year of £191,000, because more costs than anticipated were recharged to appeals in the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The DEC has been operating since 1963 and was registered as an independent charity on 4 June 1997. It is incorporated as a company limited by guarantee: we have no share capital and the guarantee is limited to £1 for each of our 13 members. Our governing document is the Memorandum and Articles of Association of the company.

Board of trustees

The Board of Trustees are directors of the company and, as shown on page 34, comprise eight independent trustees (including the Chair of Trustees, Vice Chair and Honorary Treasurer) alongside the chief executives of each of the DEC's member charities. Trustees have no financial beneficial interest in the charity but do have voting rights. Trustees receive no remuneration or any other emoluments from the DEC. Biographies of trustees are shown on the [DEC's website](#)

The Board meets three times each year, in addition Trustees attend an annual awayday to review the DEC's strategy, performance and future plans. The Board has established committees – Membership and Accountability; Audit, Finance and Risk; and Remuneration – that operate under agreed terms of reference, oversee key aspects of DEC activity and report back to the full Board. These committees are chaired by independent trustees and include member trustees also, as shown on page 34.

Independent trustees, including the Chair and Honorary Treasurer, hold office for a term of three years; they may then be reappointed for a second term, with provision to extend this second term by up to 12 months, and then retire from office. Member trustees hold office for a term that is related to their roles as chief executive of a DEC member charity. The Board agreed to extend the term of office of the Honorary Treasurer by 12 months to July 2018 and also exceptionally extended the term of office for the chair by a second period of 12 months until March 2019 to manage transition.

The appointment of new independent trustees is overseen by the Board with support from the Membership and Accountability Committee, following an analysis of skills, targeted advertising and an interview process. We also take account of diversity. The Chair is nominated by the independent trustees and appointed by majority agreement of the member trustees.

Trustee induction and conduct

Trustees sign consent and eligibility forms and complete a declaration of interests that is reviewed annually. New trustees are given a detailed induction by the Chair of Trustees, the DEC's Chief Executive and staff. A trustee handbook is also provided to new trustees, including relevant policies, procedures, governance information and role descriptions. This is revisited after one year to support each trustee's ongoing learning and development with the DEC.

Management

Day-to-day management of the charity is delegated to the Chief Executive, Saleh Saeed, who leads the staff team. Performance and risk are monitored against strategic objectives. The staff head count is currently 20 full-time positions and five part-time positions. Alongside the staff team, the DEC benefits from the help of regular volunteers and employs temporary staff or uses freelance contractors where these are required to help with specific projects or the increased workload linked to a DEC appeal.

Remuneration

The Remuneration Committee sub-committee of the Board of Trustees is responsible for reviewing DEC Secretariat remuneration policy and practice on an annual basis for recommendation to the full Board.

The Committee specifically sets the remuneration of the Chief Executive and the DEC's reward policy that provides for an annual cost of living increase in line with reported inflation rates, with a pay benchmarking exercise carried out every three years to ensure that remuneration levels remain competitive in line with averages for the wider charity sector.

Risk management

The DEC has a robust framework for identifying, reporting and managing risks and is accountable for the effective use of the charitable funds raised in our name. The DEC is not directly operational, and therefore delegates the management of risks associated with delivering humanitarian programmes to member charities while maintaining oversight through an assurance system that includes independent reviews and evaluations, regular member reporting and externally verified progress against the Core Humanitarian Standard.

The DEC has adopted an approach that assesses the charity's risk appetite in specific areas and maintains a risk register. It is regularly reviewed in relation to those risks associated with our responsibilities for fundraising, stewardship and oversight, including what controls and safeguards operate to manage or mitigate risks. Key risks identified in the risk register include:

- The risk that a DEC appeal is unsuccessful, or is seen as such, raising a low level of funds. This risk is perhaps greatest in relation to humanitarian crises that arise from conflict or are slow in their onset. This was the case with this year's Emergency Appeal for People Fleeing Myanmar that was launched this year. In managing this risk, the DEC carefully monitored crisis as it developed, including assessing evidence of public interest and empathy that is important to a successful DEC appeal. The DEC has robust criteria for calling an

appeal and processes for engaging with the charity's multiple stakeholders.

- The risk that programmes funded by the DEC and run by member charities fail to deliver the planned benefits to disaster-affected communities, whether due to poor quality or financial losses, including risks of fraud or diversion of funds. Given the complex risks inherent in DEC-funded responses by member charities for Yemen and East Africa, there has been a heightened emphasis by the DEC on seeking assurance that members have in place effective processes to manage such risks, including in relation to any partner organisations with which they are working to deliver aid programmes on the ground. In managing these risks, the DEC has established frameworks of standards for accountability and due diligence to ensure member charities have in place effective systems, processes and controls.
- The risk that IT failures or a security breach results in unauthorised access to stored data and a loss of confidence in the DEC or damage to the charity's reputation. In managing this risk, the DEC works closely with our fundraising partners and suppliers. During the year, we continued with work to assess and strengthen further our systems and procedures in this area ahead of the new GDPR data regulations coming into force in May 2018.
- The risk that strongly negative media or publicity, whether direct or indirect, causes damage to the DEC's position with the public, donors or other stakeholders. In managing this risk, the DEC works with members to be transparent in our communications and accountable to donors.
- The risk of losing ground to a new digital competitor or to changes in news media and public viewing habits towards the DEC's traditional broadcast appeal. During the year, we undertook a pilot project to explore options for how the DEC might embrace digital disruption and in both recent appeals also tested new innovations in our fundraising, marketing and communications across digital media.

The risks were managed satisfactorily during the year.

Reserves policy

The unrestricted funds in the balance sheet comprise a general and designated reserve. The trustees have reviewed the requirement for free reserves, which are those unrestricted funds not designated for specific purposes or otherwise committed. The DEC's free reserves at the year end, calculated as total unrestricted funds less net fixed assets, were £802,000 (2017: £752,000). This was equivalent to approximately 5 months' cover of the Secretariat's costs.

The expendable endowment created in the year to 31 March 2011 had a balance at the year-end of £857,000 (2017: £1.04 million) which the trustees stated would be used to support activities of the DEC.

The trustees have agreed that the excess over the target level for free reserves together with funds from the expendable endowment will be used towards meeting both operational and project costs during the 2018-19 financial year.

Investment policy

Under its memorandum and articles of association, the charity has the power to make investments. The DEC needs to be in a position to enable its members to act very quickly in emergencies and therefore has a policy to balance keeping a proportion of funds in instant access and short-term deposits that can be accessed readily with considerations of high security and investment return.

Statement of trustees' responsibilities

The trustees (who are also the directors of the DEC for the purposes of company law) are responsible for preparing the trustees' report, including the strategic report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application

of resources, including the income and expenditure, for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charitable company will continue in operation.

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

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 UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The strategic report includes a review of financial performance and of the charity's reserves position. We have adequate financial resources and are well placed to manage the business risks. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material

uncertainties that call into doubt the charity's ability to continue. The accounts have therefore been prepared on the basis that the charity is a going concern.

Each of the persons who is a trustee at the date of approval of this report confirms that insofar as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and that they have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Meeting and reporting on public benefit

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The structure of the trustees' annual report includes reporting on our strategic aims, the DEC's activities and achievements during the year and our plans for 2017-18. We have highlighted how our work furthers our charitable purpose and the significant benefits it brings to:

- people in developing countries in urgent need of emergency relief, regardless of race, creed or nationality, through the funding provided by DEC appeals to 13 of the UK's leading humanitarian Charities;
- the promotion of the efficiency and effectiveness of life-saving assistance and the alleviation of poverty;
- people in developing countries affected by an emergency situation being involved in the relief effort and being treated with dignity.

This trustees report, including the strategic report, was approved by the Board of Trustees and signed on its behalf by



Clive Jones
Chair



Clare Thompson
Honorary Treasurer

INDEPENDENT AUDITOR'S REPORT

To the members of the Disasters Emergency Committee

OPINION

We have audited the financial statements of Disasters Emergency Committee (the 'charitable company') for the year ended 31 March 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in

accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required

to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION 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, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report including the strategic report.

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or

- Certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment

and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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 that we identify during our audit.

USE OF OUR REPORT

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

Sejer Vincent LLP

Noelia Serrano (Senior statutory auditor)
24 July 2018

for and on behalf of Sayer Vincent LLP,
Statutory Auditors
Invicta House, 108–114 Golden Lane,
LONDON, EC1Y 0TL



ACCOUNTS

Statement of Financial Activities for the year ended 31 March 2018

	Note	Unrestricted funds £000	Endowment funds £000	Restricted funds £000	2018 Total £000	2017 Total £000
Income from						
Donations and legacies		1,049	-	-	1,049	1,327
Charitable activities						
DEC People Fleeing Myanmar Appeal		1,248	-	17,458	18,706	-
DEC East Africa Crisis Appeal		147	-	6,020	6,167	35,010
DEC Yemen Crisis Appeal		420	-	2,316	2,736	16,893
DEC Nepal Earthquake Appeal		89	-	32	121	40
DEC Ebola Crisis Appeal		-	-	-	-	51
DEC Gaza Crisis Appeal		-	-	-	-	19
Other DEC Appeals		-	-	-	-	418
DEC Emergency Fund		-	-	12	12	-
Humanitarian Emergency Fund (Scotland)		-	-	51	51	-
Cash investments		7	5	161	173	295
Total income		2,961	5	26,050	29,015	54,053
Expenditure on:						
Raising funds	3	938	1	2,964	3,903	4,290
Charitable activities						
People Fleeing Myanmar disaster response programmes	4	54	-	15,500	15,554	-
East Africa Crisis disaster response programmes	4	109	-	1,668	1,777	36,097
Yemen Crisis disaster response programmes	4	36	-	7,414	7,450	10,065
Nepal Earthquake disaster response programmes	4	-	-	(18)	(18)	90
Ebola Crisis disaster response programmes	4	-	-	-	-	(118)
Humanitarian Emergency Fund (Scotland)	4	-	-	50	50	-
Lesson learning and accountability	3	92	-	-	92	180
Total expenditure		1,229	1	27,578	28,808	50,604
Net income/(expenditure) for the year		1,731	4	(1,528)	207	3,449
Transfers between funds	15	(1,713)	(191)	1,904	-	-
Net movement in funds		18	(187)	376	207	3,449
Reconciliation of funds						
Total funds brought forward	15	805	1,044	4,242	6,091	2,642
Total funds carried forward	15	823	857	4,618	6,298	6,091

BALANCE SHEET

Statement of Financial Activities for the year ended 31 March 2018

	Note	£000	2018 £000	2017 £000
Fixed assets				
Tangible fixed assets	8		21	53
Current assets				
Debtors	9	794		21,227
Investments	10	260		18,198
Cash at bank and in hand	10	24,688		24,585
		25,742		64,010
Liabilities				
Creditors: amounts due within one year	11	(19,272)		(55,420)
Net current assets			6,470	8,590
Total assets less current liabilities			6,491	8,643
Creditors: amounts due after one year	12		(193)	(2,552)
Net assets	14		6,298	6,091
Funds				
Unrestricted funds				
General reserves	15		823	805
Expendable endowment	15		857	1,044
Restricted funds	15		4,618	4,242
Total funds			6,298	6,091

Approved by the trustees on 24 July 2018 and signed on their behalf by



Clive Jones
Chair



Clare Thompson
Honorary Treasurer

STATEMENT OF CASH FLOWS

Statement of Financial Activities for the year ended 31 March 2018

	Note	2018 £000	2017 £000
Cash flows from operating activities	16		
Net cash used in operating activities		(18,002)	3,054
Cash flows from investing activities		173	295
Interest from investments		(6)	(25)
Purchase of fixed assets		17,938	(8,195)
Net cash used in investing activities		18,105	(7,925)
Change in cash and cash equivalents in the year		103	(4,866)
Cash and cash equivalents at the beginning of the year	10	24,585	29,451
Cash and cash equivalents at the end of the year		24,688	24,585

ACCOUNTS

Notes to the financial statements for the year ended 31 March 2018

1. ACCOUNTING POLICIES

a) Statutory information

Disasters Emergency Committee is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 43 Chalton Street, London NW1 1DU

b) Basis of preparation

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) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, it is probable that

the income will be received and that the amount can be measured reliably. Income includes associated gift aid tax reclaims.

Donations to DEC appeals are included as restricted income, used to fund the related disaster response programmes. Associated gift aid tax reclaims are included as unrestricted income and then transferred to the related restricted fund for each DEC appeal. Contributions from member agencies towards DEC's appeal preparedness is included as donations and accounted for when received.

Income from legacies is included when received from the estate or when the charity is notified by the executor that a distribution will be made. In the absence of a specific request in the legacy 50% of legacy income is allocated to restricted income and used to fund disaster response programmes and 50% is allocated to unrestricted income.

Interest on funds held on cash deposit is included when receivable.

f) Donations of services

During the year the DEC has benefited from broadcasting, promotion and donations processing services received free or at discounted rates from various providers. The value of these services is not reasonably quantifiable and measurable and the cost of identifying them and assessing their value to the DEC would outweigh the benefit to users of the accounts. Therefore no value has been attributed to these services in the accounts.

In accordance with the Charities SORP (FRS 102), volunteer time is not recognised. The trustees' annual report provides more information about their contribution.

g) Fund accounting

Restricted funds are used for specific purposes as laid down by the donor or related to a specific DEC appeal.

Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or 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. Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charity in encouraging individuals and other third parties to make voluntary contributions to DEC appeals, as well as the cost of any activities with a fundraising purpose.

Expenditure on charitable activities includes the funds allocated to DEC member agencies towards the costs of delivering disaster response programmes. Expenditure is recognised when allocations are made to members because it is at this time that a firm commitment is made by DEC towards the planned programmes of work by members in response to each appeal.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Basis of allocation to member agencies

Member charities are entitled to a share of the appeal income if they opt into that appeal. A formula known as the Indicator of Capacity (IOC) is used to allocate appeal funds among DEC member agencies.

ACCOUNTS

Notes to the financial statements for the year ended 31 March 2018

DEC informs the member agencies of their estimated income from an appeal after one week and commits funds towards disaster relief programmes two weeks after the appeal launch. Further allocations are made as income for specific appeals is received and as the programme is implemented.

j) Allocation of support costs

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

Fundraising expenditure has been shown separately. These costs are incurred in seeking donations and voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Support costs which include costs associated with general management, financial management and accounting, information technology, human resources and premises are allocated across the categories of charitable expenditure, governance costs and the costs of generating funds. The basis of the cost allocation has been explained in the notes to the accounts.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Assets costing £1,000 and above are capitalised. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements – 5 years or term of lease if shorter
Furniture, fittings and office equipment – 5 years
Computer equipment, software & web development – 3 years

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash deposits with maturities above 3 months are shown as current asset investments.

n) Pension contributions

The charity has a stakeholder pension scheme and makes defined contributions based on salary. Pension contributions are charged to the statement of financial activities as incurred and attributed to unrestricted and restricted funds in line with other Secretariat staffing costs.



ACCOUNTS

Notes to the financial statements for the year ended 31 March 2018

2. DETAILED COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £000	Endowment funds £000	Restricted funds £000	2017 Total funds £000
Income from:				
Donations and legacies	1,327	-	-	1,327
Charitable activities				
DEC East Africa Crisis Appeal	3,033	-	31,977	35,010
DEC Yemen Crisis Appeal	1,091	-	15,802	16,893
DEC Nepal Crisis Appeal	30	-	10	40
DEC Ebola Crisis Appeal	51	-	-	51
DEC Gaza Crisis Appeal	19	-	-	19
Other DEC appeals	19	-	399	418
Cash investments	9	12	274	295
Total income	5,579	12	48,462	54,053
Expenditure on:				
Raising funds	1,153	-	3,137	4,290
Charitable activities				
East Africa Crisis disaster response programmes	97	-	36,000	36,097
Yemen Crisis disaster response programmes	65	-	10,000	10,065
Nepal Earthquake disaster response programmes	40	-	50	90
Ebola Crisis disaster response programmes	-	-	(118)	(118)
Lesson learning and accountability	180	-	-	180
Total expenditure	1,535	-	49,069	50,604
Net income/(expenditure) for the year	4,044	12	(607)	3,449
Transfers between funds	(4,025)	(21)	4,243	-
Net movement in funds	19	(206)	3,636	3,449
Total funds brought forward	786	1,250	606	2,642
Total funds carried forward	805	1,044	4,242	6,091

ACCOUNTS

Notes to the financial statements for the year ended 31 March 2018

3. TOTAL RESOURCES EXPENDED

	Member allocations £000	Other direct costs £000	Allocated support costs £000	2018 Total £000	2017 Total £000
Cost of generating voluntary income	-	3,724	178	3,903	4,290
Disaster response programmes (note 4)	24,564	-	-	24,564	45,932
Other programmes	-	50	-	50	-
Lesson learning and accountability	-	42	50	92	180
Governance costs	-	79	121	200	202
Total resources expended	24,564	3,895	349	28,808	50,604

		2018 £000	2017 £000
Support costs are allocated on the following basis:			
Nature of cost	Allocation basis		
Staff	Estimate of where staff spend their time	258	327
Premises, utilities and other overheads	Actual and estimated usage	91	248
Total allocated support costs		349	575

Allocated support costs: Cost allocation includes an element of judgement and the charity has had to consider the cost and benefit of detailed calculations and record-keeping. This allocation includes support costs where they are attributable and are a best estimate of the costs that have been so allocated. The various categories of support costs are described above (see note 1j).

ACCOUNTS

Notes to the financial statements for the year ended 31 March 2018

4. DISASTER RESPONSE PROGRAMMES

Appeal funds allocated, committed to, or returned by, participating member charities are as follows:

	NEA £000	YCA £000	EACA £000	EAPFM £000	2018 Total £000	2017 Total £000
ActionAid	-	-	100	846	947	2,134
Age International	-	218	53	465	736	1,461
British Red Cross	-	1,135	216	2,116	3,466	5,915
CAFOD	-	388	78	682	1,148	2,185
CARE International UK	-	277	53	533	863	1,428
Christian Aid	-	647	137	1,166	1,950	3,815
Concern Worldwide	-	276	53	465	794	1,461
Islamic Relief Worldwide	-	414	66	673	1,153	2,319
Oxfam GB	-	1,708	289	2,790	4,787	8,770
Plan International UK	-	-	91	835	927	1,879
Save the Children UK	-	1,842	338	3,100	5,280	9,461
Tearfund	-	508	80	829	1,418	2,695
World Vision UK	(18)	-	114	1,000	1,095	2,409
Total	(18)	7,414	1,668	15,500	24,564	45,932

Key

EAPFM: People Fleeing Myanmar Appeal

EACA: East Africa Crisis Appeal

YCA: Yemen Crisis Appeal

NEA: Nepal Earthquake Appeal

5. ANALYSIS OF STAFF COSTS AND THE COST OF KEY MANAGEMENT PERSONNEL

a) Staff costs were as follows:

	2018 £000	2017 £000
Salaries and wages	760	660
National insurance	80	71
Contribution to defined contribution pension schemes	125	113
Temporary and agency staff	18	49
Total	984	893

ACCOUNTS

Notes to the financial statements for the year ended 31 March 2018

5. PARTICULARS OF EMPLOYEES (continued)

b) Employees whose emoluments were equal to or greater than £60,000 per annum

	2018 No.	2017 No.
£110,001 - £120,000	1	-
£100,001 - £110,000	-	1
£60,001 - £70,000	4	1

The highest paid employee is the Chief Executive whose emoluments in the year include a salary and contributions by way of salary exchange of £92,321 (2017: £90,460), an accommodation allowance of £10,000 (2017: £10,000) and employer pension contributions including contributions of £9,775 (2017: £7,309). No benefits in kind or other remuneration are paid.

Contribution to defined contribution pension schemes includes 8% employer pension contribution and contributions by employees by way of salary exchange.

The total amount of remuneration and benefits paid to the key management personnel were £400,485 (2017: £372,526).

c) The average number of employees (head count based on number of staff employed) during the year was as follows:

	2018 No.	2017 No.
Fundraising and communications	12	11
Supporter care (temporary staff during appeals)	1	1
Lesson learning and evaluation	4	3
Governance	1	1
Finance and administration	4	3
Total	21	19

d) The average number of employees (head count based on Full Time Equivalent of staff employed) during the year was as follows:

	2018 FTE No.	2017 FTE No.
Fundraising and communications	12	10
Supporter care (temporary staff during appeals)	1	1
Lesson learning and evaluation	4	2
Governance	1	1
Finance and administration	3	3
Total	20	17

ACCOUNTS

Notes to the financial statements for the year ended 31 March 2018

6. TRUSTEES

No trustees received emoluments in the year (2017: £nil). Amounts reimbursed to Trustees for travel and other expenditure totalled £40 in the year (2017: £63).

7. NET INCOME FOR THE YEAR IS STATED AFTER CHARGING

	2018 £000	2017 £000
Depreciation charge	38	63
Operating lease rentals – premises	91	81
Auditors' remuneration (excluding VAT)		
Audit	23	22
Other services	6	8

8. TANGIBLE FIXED ASSETS

	Leasehold improvements £000	Computer equipment, software and web development £000	Furniture, fittings and office equipment £000	Total £000
Cost				
At the start of the year	79	239	67	385
Additions	-	-	6	6
At the end of the year	79	239	73	391
Depreciation				
At the start of the year	52	215	65	332
Charge for the year	17	18	3	38
At the end of the year	69	233	68	370
Net book value				
At the end of the year	10	6	5	21
At the start of the year	27	24	2	53

ACCOUNTS

Notes to the financial statements for the year ended 31 March 2018

9. DEBTORS

	2018 £000	2017 £000
Prepayments	52	64
Gift aid receivable	403	4,124
Appeal income receivable	138	16,872
Legacy income receivable	195	-
Other debtors	5	167
	794	21,227

10. CASH AND CURRENT ASSET INVESTMENTS

	2018 £000	2017 £000
Cash at bank and in hand	24,688	24,948
Cash equivalents on deposit	260	18,198
	24,948	42,783

The balances in cash and short term deposits include £1.5m for the Nepal Earthquake Appeal, £4.4m for the Yemen Crisis Appeal, £5.6m for the East Africa Crisis Appeal and £11.6m for the Rohingya Crisis Appeal. While these funds have very largely been committed to member agencies towards disaster response programmes, the disbursement of these funds takes place over the period of those programmes.

11. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2018 £000	2017 £000
Trade creditors	113	1,284
Taxation and social security costs	50	30
Due to member charities – disaster response programmes	19,036	53,938
Other creditors and accruals	75	168
	19,273	55,420

12. CREDITORS: AMOUNTS DUE AFTER ONE YEAR

	2018 £000	2017 £000
Due to member charities – disaster response programmes	193	2,552

ACCOUNTS

Notes to the financial statements for the year ended 31 March 2018

13. OPERATING LEASE COMMITMENTS

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2018 £000	2017 £000	2018 £000	2017 £000
Less than one year	91	91	2	3
One to five years	25	116	-	1

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

a) For the year ended 31 March 2018

	Unrestricted funds £000	Endowment funds £000	Restricted funds £000	Total funds £000
Tangible fixed assets	21	-	-	21
Net current assets	802	857	4,810	6,470
Creditors: amounts due after one year	-	-	(193)	(193)
Net assets at the end of the year	823	857	4,618	6,298

b) For the year ended 31 March 2017

	Unrestricted funds £000	Endowment funds £000	Restricted funds £000	Total funds £000
Tangible fixed assets	53	-	-	53
Net current assets	752	1,044	6,794	8,590
Creditors: amounts due after one year	-	-	(2,552)	(2,552)
Net assets at the end of the year	805	1,044	4,242	6,091

STATEMENT OF CASH FLOWS

Notes to the financial statements for the year ended 31 March 2018

15. STATEMENT OF FUNDS

a) For the year ended 31 March 2018

	At the start of the year	Income	Disaster response programmes	Resources expended	Transfers between funds	At the end of the year
	£000	£000	£000	£000	£000	£000
Restricted funds:						
DEC People Fleeing Myanmar Appeal	-	17,481	(15,500)	(1,623)	1,703	2,062
DEC East Africa Crisis Appeal	(2,385)	6,091	(1,668)	(952)	147	1,233
DEC Yemen Crisis Appeal	6,290	2,345	(7,414)	(378)	420	1,263
DEC Nepal Earthquake Appeal	337	69	18	(11)	(367)	47
DEC Emergency Fund	-	12	-	-	-	12
Humanitarian Emergency Fund (Scotland)	-	51	-	(50)	-	1
Total restricted funds	4,242	26,050	(24,564)	(3,014)	1,904	4,617
Unrestricted funds:						
General reserve	805	1,056	-	(1,229)	191	823
Designated reserve	-	1,904	-	-	(1,904)	-
Total unrestricted funds	805	2,961	-	(1,229)	(1,713)	823
Expendable endowment	1,044	5	-	(1)	(191)	857
Total funds	6,091	29,016	(24,564)	(4,245)	-	6,298

ACCOUNTS

Notes to the financial statements for the year ended 31 March 2018

15. STATEMENT OF FUNDS

b) For the year ended 31 March 2017

	At the start of the year	Income	Disaster response programmes	Resources expended	Transfers between funds	At the end of the year
	£000	£000	£000	£000	£000	£000
Restricted funds:-						
DEC East Africa Crisis Appeal	-	31,980	(36,000)	(1,680)	3,315	(2,385)
DEC Yemen Crisis Appeal	-	15,822	(10,000)	(1,235)	1,703	6,290
DEC Nepal Earthquake Appeal	294	231	(50)	(167)	29	337
DEC Ebola Crisis Appeal	23	16	118	(10)	(147)	-
DEC Gaza Crisis Appeal	50	1	-	(15)	(36)	-
DEC Philippines Typhoon Appeal	26	13	-	(30)	(9)	-
DEC Next Appeal	213	399	-	-	(612)	-
Total restricted funds	606	48,462	(45,932)	(3,137)	4,243	4,242
Unrestricted funds:						
General reserve	786	1,336	-	(1,535)	218	805
Designated reserve	-	4,243	-	-	(4,243)	-
Total unrestricted funds	786	5,579	-	(1,535)	(4,025)	805
Expendable endowment	1,250	12	-	-	(218)	1,044
Total funds	2,642	54,053	(45,932)	(4,672)	-	6,091

Restricted income funds All restricted income fund balances at year end are represented by cash balances, debtors and creditors.

The DEC People Fleeing Myanmar Appeal was launched on 4 October 2018 and raised £18.7 m (including gift aid) in this financial year. This includes £5m UK Aid Match funding contributed by the Department for International Development. £15.5m was committed to member agencies in the year towards disaster response programmes in Bangladesh.

The DEC East Africa Crisis Appeal was launched on 15 March 2017. During the financial year, a further £6.2m (including gift aid) of income was received and a further £1.7m was committed to member agencies in the year towards disaster response programmes in South Sudan, Somalia, Ethiopia and Northern Kenya.

The DEC Yemen Crisis Appeal was launched on 13 December 2016. During the financial year, a further £2.7m (including gift aid) of income was received and £7.4m was committed to member agencies in the year towards disaster response programmes.

The DEC Nepal Earthquake Appeal was launched on 28 April 2015. During the financial year, a further £158k (including gift aid) of income was received and DEC's response programmes delivered by member agencies in Nepal are ongoing. In accordance with DEC standard practice appeals are closed after a defined period of disaster response and any residual funds are transferred to the current or next appeal. During the current financial year, £456k was transferred to the People Fleeing Myanmar Appeal.

On the 27th March 2018, for the first time in our history, the DEC launched a way to give outside of our high-profile appeals. The DEC Emergency Fund is an always-on donation platform that allows people to give whether or not an appeal has been launched. The DEC will work with its member charities to identify the most effective use of the Emergency Fund, allowing us to respond quickly to natural disasters, or enabling us to reach people affected by crises which aren't making headlines.

ACCOUNTS

Notes to the financial statements for the year ended 31 March 2018

The fund will only be used to help people overcome by crises and in desperate need of humanitarian assistance – such as food, clean water, medicine and shelter – in parts of the world where governments and other organisations cannot meet the needs of the affected population. We will provide a full account of how money from the Emergency Fund has been spent in our next annual report. During the financial year, £12k was received towards the DEC Emergency appeal.

General reserve transfers Unrestricted income includes £128k of legacy income that was designated in the year towards DEC appeals. This is shown as a transfer between funds of £128k to the DEC Rohingya Crisis Appeal.

Designated funds Gift aid tax recoverable on donations to the DEC People Fleeing Myanmar, DEC East Africa Crisis Appeal, the DEC Yemen Crisis Appeal and to other DEC appeals, although unrestricted, is designated to the relief work respectively in those crisis-affected countries for which DEC appeals are launched. Income accrued for gift aid for these appeals has already been transferred from the designated fund to the restricted fund for the DEC People Fleeing Myanmar, DEC East Africa Crisis Appeal, the DEC Yemen Crisis Appeal as there is a presumption that this money will be utilised against these appeal responses.

Expendable endowment DEC received a legacy of £1.7m during the 2010/11 financial year which established an expendable endowment by a trustee declaration of trust to be spent over 10 years. A transfer of £191k was made in the financial year to the unrestricted general reserve in respect of expenditure incurred on digital transformation projects.

16. RECONCILIATION OF INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £000	2017 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	207	3,449
Depreciation charges	38	63
Interest from current asset investments	(173)	(295)
(Increase)/decrease in debtors	20,433	(19,854)
Increase/(decrease) in creditors	(38,506)	19,696
Net cash provided by/(used in) operating activities	(18,002)	3,059

17. RELATED PARTY TRANSACTIONS

The charity trustees disclosed on page 34 include executives of all member agencies. The material transactions are disclosed in note 4. The member agencies made donations of £918k (2017: £1,257k) in the year to the charity. In addition, £181,000 (2017 £183,000) was collected in the year by member charities on behalf of the charity. Being £8,000 (2017 £152,000) Yemen Crisis Appeal; £101,000 (2017 £31,000) East Africa Crisis Appeal and £72,000 (2017 Nil) People Fleeing Myanmar Appeal.

The Humanitarian Memorial Appeal (HMA) is an initiative to establish a lasting memorial to humanitarian workers, including those killed or injured in the course of helping others. HMA is an unconstituted body run by a steering group comprising 11 individuals, including DEC's CEO, Saleh Saeed. DEC is supporting HMA with the provision of a bank account and during the financial year the bank balance stood at £373k. Under the terms of the agreement with HMA, DEC has no responsibility for the management and control of HMA. The activities of HMA are not reflected in these accounts.

18. TAXATION

The Disasters Emergency Committee is a registered charity and as such is potentially exempt from taxation of its income and gains to the extent that they fall within the charity exemptions in the Corporation Taxes Act 2010 or section 256 Taxation of Chargeable Gains Act 1992. No tax charge has arisen in the year.

BOARD OF TRUSTEES

ROLES OF THE BOARD COMMITTEES

Membership and Accountability

Committee – Responsible for developing accountability policy and monitoring member agencies and DEC performance against it, and overseeing DEC activity to promote learning and accountability. The committee is also responsible for ensuring our membership criteria are appropriate; making decisions on action with non-performing members and recruitment of independent trustees.

Chair: Andy Green

Members 2018: Chris Bain, Tanya Barron, Ken Burnett, Helene Hayman, Clive Jones, Charles Stewart-Smith, Girish Menon, Richard Tait, Clare Thompson, Kevin Watkins

Audit, Finance and Risk Committee –

Responsible for reviewing draft financial statements and considering the external auditor's management letter. The committee is also responsible for advising trustees on the appointment of external auditors; reviewing external audit plans; reviewing the effectiveness of the internal control and risk management systems and monitoring the implementation of audit recommendations.

Chair: Clare Thompson

Members 2018: Mike Adamson, Mark Goldring, Andy Green, Nigel Harris, Laurie Lee, Tim Pilkington.

Remuneration Committee –

Responsible for reviewing DEC remuneration policy and practice on an annual basis for recommendation to the full Board.

Chair: Clive Jones

Members: Andy Green, Rose Caldwell, Chris Roles, Clare Thompson.

BOARD OF TRUSTEES

INDEPENDENT TRUSTEES

Clive Jones, CBE

Chair of Trustees, Independent Trustee

Ken Burnett

Independent Trustee

Andy Green

Vice Chair, Independent Trustee

Jane Hanson

Honorary Treasurer, Independent Trustee (appointed 24/07/18)

Baroness Helene Hayman

Independent Trustee

Sue English

Independent Trustee (appointed 20/03/18)

Charles Stewart-Smith

Independent Trustee

Richard Tait, CBE

Independent Trustee

Clare Thompson

Honorary Treasurer, Independent Trustee (resigned 24/07/18)

MEMBER TRUSTEES

Girish Menon

ActionAid UK – Executive Director

Chris Roles

Age International – Director

Mike Adamson

British Red Cross – Chief Executive

Chris Bain

CAFOD – Director

Laurie Lee

CARE International UK – Chief Executive

Loretta Minghella, OBE

Christian Aid – Director (resigned 30/10/17)

Nick Guttman

Christian Aid – Head of Humanitarian (appointed 31/10/17, resigned 02/04/18)

Amanda Mukwashi

Christian Aid – Director (appointed 03/04/18)

Rose Caldwell

Concern Worldwide UK – Executive Director

Naser Haghamed

Islamic Relief Worldwide – Chief Executive

Mark Goldring, CBE

Oxfam GB – Chief Executive

Tanya Barron, OBE

Plan International UK – Chief Executive

Kevin Watkins

Save the Children UK – Chief Executive

Nigel Harris

Tearfund – Chief Executive

Tim Pilkington

World Vision UK – Chief Executive

DEC SECRETARIAT

KEY MANAGEMENT

Saleh Saeed
Chief Executive

Nicola Peckett
Director of Communications

Malcolm Lloyd
Director of Finance and Resources
(appointed 01/03/18)

Richard Dye
Director of Finance and Resources
(resigned 28/02/18)

Simon Beresford
Director of Fundraising and Marketing
(appointed 15/05/18)

Adil Hussein
Director of Fundraising and Marketing
(resigned 31/05/18)

Monica Blagescu
Director of Programmes and
Accountability

On behalf of the Trustees and members, the Chair would like to thank the executive team and staff for all the excellent work and their achievements and dedication shown during the year.

IN ADDITION TO KEY MANGEMENT STAFF WHO SERVED DURING THE YEAR

Katy Bobin, Kathryn Brooke, Adam Brown, Hannah Clarke, Lou Furness, Leon Green, Barney Guiton, Nazia Hassan, Annie Lewis, Ann Longley, Sarah Maynard, Eppie Nguyen-Xuan, Huw Owen, Sarah Samson, Hilda Seleji-Paulo, Harry Stevens, Adrian Walker, Matt Warnock-Parkes, James Winterkorn, Annabelle Whipp.

VOLUNTEERS

We were greatly assisted by help from our brilliant volunteers, amounting to 185 days over the course of the year. Many thanks to Alan Fransman, Alasdair Kite, Alexandria Moore, Catherine Gabela, Clare Dickson, Eppie Nguyen-Xuan, Fadumo Mohamed, Francesca Howland, Iona Black, Jade Warner, Joe Langwith, Johanna Greco, Kalpana Gurung, Katya Nell, Kia Tay, Livia Quinteros, Martin Pavelka, Nurhan Kartal, Penny Martin, Nicola Betz, Simon Ng, Zahrah Undre, Zozi Goodman.

We are grateful for all the support of our rapid response network some of whom who provide services either free or at reduced costs. During the year Sidley Austin LLP provided pro-bono legal support which has been much appreciated and beneficial to the DEC.

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Sidley Austin LLP
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London EC2V 5HA



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CARE

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aid**

**CONCERN
worldwide**


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RELIEF**


OXFAM

 **PLAN
INTERNATIONAL**


**Save the
Children**

tearfund

World Vision 

DISASTERS EMERGENCY COMMITTEE

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