



**ANNUAL REPORT  
& ACCOUNTS  
2018-2019**

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Cover image: CARE International begin full scale distribution in Dondo District, about an hour outside of Beira City, Mozambique. Two-hundred shelter kits, tool kits, family kits and 500 hygiene kits were distributed to people affected by Cyclone Idai. Image: © Josh Estey/CARE.

# CHAIR'S STATEMENT

In the financial year 2018-19, the DEC launched two appeals, both for natural disasters, to which the British public responded with characteristic generosity, remembering those in need around the world despite a busy domestic news agenda.

In September, a devastating earthquake and tsunami struck Indonesia's Sulawesi province. Although it is usually capable of dealing with such events, the Indonesian government's capacity had been worn down by a series of disasters, including an earthquake which hit Lombok just a few weeks earlier.

I was a new trustee on the Board at the time of the Indonesia Tsunami Appeal. It was fascinating to watch the DEC model in action for the first time - the 14 member charities coming together along with broadcast and corporate partners and public figures to mobilise the good will of the British public.

Then in March 2019, a few months after I took over as Chair, Cyclone Idai left a trail of destruction across Mozambique, Malawi and Zimbabwe. The city of Beira was partially destroyed, and homes and crops were swept away just before harvest time. The UN has said that the result could be the worst weather-related disaster ever to hit the southern hemisphere.

The DEC Secretariat turned around our fastest appeal launch ever as TV pictures of the devastation led news bulletins.

I'd like to thank the outgoing Chair, Sir Clive Jones, for leaving the DEC model working better than ever in its 53-year history. He oversaw 10 appeals, raising £500 million and helping more than 14 million people - an incredible achievement. I hope during my tenure to continue to strengthen this alliance and push it to new heights.

The DEC's new five-year strategy period began in April, giving us a moment to take stock and assess our goals. I'm happy to say that much of our new strategy reaffirms the path that we have followed in the previous period, renewing our charitable objects, vision, mission, values and the three criteria for launching an appeal. It also reaffirms the essential role our broadcast partners play in launching our appeals.

We must continue to achieve efficiency in our fundraising, and work with members to reach the highest standards in the quality of the programmes that we fund, alongside stronger public transparency and accountability. These elements will help us in preserving and strengthening the great trust the public places in the DEC to ensure that their donations are used effectively to bring help to people affected by humanitarian crises.

However, we must not take for granted the public's willingness to give, particularly in response to complex, protracted crises for which emergency relief is not the only solution. This does not lessen the suffering of the people caught up in them, and we have a role to play in communicating that message to the public, demonstrating the difference humanitarian aid can make.

And what a difference it can make. On a recent trip to the Rohingya refugee camps in Cox's Bazar, Bangladesh, I saw for myself the effect that money raised by the DEC appeal has had on the lives of people forced to flee from their homes in Myanmar after appalling human rights violations by the military. Around a million refugees, half of them under the age of 18, are surviving in temporary shelters dependent on DEC member agencies and others for basic human needs - food, water, sanitation and medical care. Seeing young children gathered in a child friendly space provided by Plan International, enjoying a few precious hours painting, playing and just being kids, was heartwarming and heartbreaking at the same time.

Aid from the UK public has made a huge difference to people who lost everything when the earthquake and tsunami hit Indonesia in September. "My home is gone, my job in Palu is gone, my husband's job is gone," said Ramla, who was coping with all this while caring for her daughter who has cerebral palsy. "We are so humbled that so many people have come together to help us, and offered us things we cannot repay."

However, it has also been a year of reflection for the international aid sector. The DEC worked closely with members and the Charity Commission to strengthen collaboration and improve how charities and others in the sector prevent, respond to and learn from safeguarding breaches, with our Director of Humanitarian Programmes & Accountability seconded to DFID's Safeguarding Unit. In October, the aid sector, including the DEC and its members, pledged that the safety and wellbeing of the children and adults we seek to serve will always be our priority, a statement that we are proud to stand by. You can read more on this on page 14 of this report.

The DEC's motto is 'together we're stronger', and by that measure the DEC became even stronger last year, welcoming Action Against Hunger as the 14th member charity. Specialists in food and nutrition programmes, their knowledge and skills will enable the DEC to respond even more effectively in these areas in future, while their strong links with the food industry will boost the profile of our collective appeals. Not only that, but a new collaboration with PayPal saw us raise close to £2.5 million through their channels over our two most recent appeals.

The DEC's great strength is bringing its members together to help people whose lives have been turned upside down by events beyond their control. People, like the Rohingya children in refugee camps in Bangladesh and Ramla in Palu, will always be at the heart of what we do and why we do it. As we enter our new strategy period, we will work to build an ever-stronger coalition of partners, supporters and donors to enable us to help people when they need it most.

Sue English  
Chair of Trustees  
15 July 2019

# TRUSTEES' ANNUAL REPORT

## ABOUT THE DEC

The DEC brings together 14 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 14 members, all leading UK-based international aid charities, as follows:**

Action Against Hunger

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

Tearfund

World Vision UK

### 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.

### 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 | PayPal | Siemens | Western Union



## 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.



# CYCLONE IDAI APPEAL

The DEC launched two appeals in the 2018-19 financial year. The most recent was the Cyclone Idai Appeal that launched on 21 March 2019. By the end of the financial year, just 10 days later, it had raised £25 million, including £4 million in Aid Match from the UK Government.

In early March a tropical depression formed over southern Malawi, causing heavy rainfall. The depression moved out to sea, off the coast of Mozambique where it became a tropical cyclone. Cyclone Idai then hit the coastal city of Beira before moving back in-land, leaving a trail of devastation in its wake. It continued to Zimbabwe where it caused further flooding and destruction. In Mozambique, vast swathes of agricultural land were submerged by flood water, destroying homes and crops and leaving people stranded in trees or on roofs. In Beira, 90% of buildings were badly damaged or destroyed. Southern Malawi also suffered severe flooding. At least 961 people were killed and almost 3 million left in need of humanitarian assistance. According to the UN, this could prove to be the worst weather-related disaster ever to hit the southern hemisphere.



## Raising funds together

The first radio broadcasts for the Cyclone Idai Appeal aired at 9am on 21 March, just 22 hours after the Board agreed to launch the appeal – the fastest appeal launch in the DEC's history. This was in part to ensure broadcasts went out on Thursday rather than over the weekend or the following Monday when media coverage would be in decline.

The televised appeals were presented by Ore Oduba on BBC One, and actor David Gyasi on ITV, Channel 4, Channel 5 and Sky, while Lauren Laverne presented the BBC radio broadcasts and actor Michaela Coel presented appeals on commercial and community radio. The BBC also produced a social media version of their televised broadcast which was shared on BBC Twitter and Facebook pages. The appeal drew wide-ranging support from other public figures including Sir Tom Jones, Ben Fogle, Jennifer Hudson, Lucian Msamati and Graham McTavish, who all recorded video appeals,

Thandie Newton and Natasha Kaplinsky who wrote op-eds and others who supported via social media including: Raymond Blanc, Brian Blessed, Alesha Dixon, Sir Mo Farah, Peter Gabriel, Liam Gallagher, David Gandy, Bear Grylls, Jason Isaacs, Myleene Klass, Annie Lennox, David Morrissey, New Order, Simon Pegg, Delia Smith, Joss Stone, David Walliams and Emma Watson.

DEC member charities seconded communications staff to the DEC's media and digital teams, and limited their marketing activities to allow the DEC to be the voice of the appeal and reduce costs. Volunteers from member charities also fundraised at tube stations in London. The DEC hired a freelance videographer and photographer to gather content for use by the DEC and its member charities. Members also supplied high-quality content, and the DEC uploaded over 1,000 pieces of content to its database in the first two weeks of the appeal.

For the first time, video content was used in adverts on the Transport for London network, and in social media advertising. The DEC also produced a multimedia article and interactive map to be shared by members to help explain the disaster. A video, e-card and specialised landing page were created to coincide with Mother's Day which fell the week after the launch of the appeal. Facebook advertising and organic donations raised more than £500,000, the highest amount ever in an appeal.

The DEC once again received strong support from corporate partners. For the second time, more than £1 million was donated through a donation page set up by PayPal (see Indonesia Tsunami Appeal), while Morrisons placed collection buckets on tills in supermarkets nationwide for two weeks and British Airways raised money from passengers on board flights. The appeal saw many high value donations, including from Her Majesty the Queen and His Royal Highness the Prince of Wales.

In the first two weeks following the launch of the appeal – the Period of Joint Action (see box) – some of which fell in the subsequent financial year, the DEC raised a total of £21 million from the UK public including £4 million matched by the government through the UK Aid Match programme, with a further £4 million being donated directly to member charities.



### Helping those in need together

An initial £24 million on the 4 April 2019 was allocated to member charities according to the DEC's Indicator of Capacity, a percentage that is determined before an appeal is launched in line with our commitment to rapid and predictable funding. Thirteen of the 14 DEC member charities took part in the appeal.

Many DEC charities were already active in the countries affected by Cyclone Idai, meaning that they were able to react quickly and scale up their operations, while others supported the work of their national partners. Some members took part in search and rescue operations to help bring people left stranded by flooding to safety. With DEC funds, members prioritised the delivery of clean water, as well as building toilets and handwashing facilities for people displaced by the disaster, knowing that

there was a high risk of disease outbreaks, particularly with the presence of so much standing water. Cases of cholera were soon confirmed and agencies raced to stop the disease from spreading. Other priorities included delivering emergency shelter materials and blankets, food such as pulses and maize flour and urgent health assistance.

The cyclone struck just before harvest season in the region, and destroyed vast swathes of agricultural land, severely affecting communities' ability to support themselves. Some members quickly moved into early recovery and began providing seeds and tools to communities to help them start growing crops to provide both food and an income in the future. Fighting the spread of disease, strengthening resilience and helping people rebuild their lives and livelihoods are key priorities after this major disaster.

#### 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 14 member charities raise funds together under the DEC brand, removing any competition for advertising space, providing a single point of contact for the media and making it easy for the public to donate. During these two weeks, DEC charities second staff to the DEC and contribute volunteers to hit the street and fundraise directly from the public.



# INDONESIA TSUNAMI APPEAL

On 28 September a series of earthquakes struck Indonesia's Central Sulawesi province, the strongest of a magnitude of 7.4 on the Richter scale with its epicentre close to the provincial capital, Palu. This triggered a tsunami that struck the coast around Palu and Donggala, causing more devastation. The earthquakes, tsunami and resulting liquefaction (see box) and landslides killed at least 2,227 people, injured 4,400 and destroyed or damaged 30,000 homes. More than 1,000 people are still counted as missing following the disaster. The DEC launched the Indonesia Tsunami Appeal on 4 October 2018. It raised £30 million, including £2 million in Aid Match from the UK Government.

## Raising funds together

The DEC launched the Indonesia Tsunami Appeal on 4 October with broadcasts presented by historian Dan Snow on BBC One and actor Jason Isaacs on ITV, Channel 4, Channel 5 and Sky, as well as various local and national radio stations and community TV. As usual, member charities seconded communications staff to the DEC's media and digital teams, and limited their marketing activities to allow the DEC to be the voice of the appeal and reduce costs.



Ahead of the launch, the DEC, working with a creative agency, chose a theme for the appeal - 'let's save the survivors', reflecting that although the media was focusing on the death toll, there was important work to do to prevent the aftermath becoming a crisis in itself. This message ran throughout the DEC's communications and fundraising materials. The DEC hired a freelance photographer and videographer to collect stories and content from the scene, including drone footage showing the devastation. The DEC produced its first launch video for social media, which was widely shared, as well as video case studies telling the stories of people affected. Facebook's donation tools, used for the first time in the first two weeks of the appeal, raised £44,000. Comedian Susan Calman recorded an appeal to Scottish supporters and Christopher Eccleston recorded a video to encourage community fundraising. Other well-known faces to lend their support on social media included Sir Tom Jones, Simon Pegg, Sharon Osbourne, Jamie Oliver, Hugh Laurie, Wayne Rooney, Bear Grylls, Jim Chapman and many others.

The appeal also received strong support from the DEC's network of corporate partners. A new partnership with PayPal raised almost £1 million through their platform, while the supermarket Morrisons raised £113,000, the most they had raised for an appeal to date. £337,000 was also raised through the DEC's continued partnership with UK Finance.



For the first time, the DEC launched a community fundraising pack and mini-site during the first two weeks of the appeal, giving supporters the tools to hold a bake sale, sponsored walk, quiz or gaming session in support of the appeal. In the run-up to Christmas this gained support from Great British Bake Off contestant Manon Lagrève, who recorded a video showing viewers how to make Indonesian-style Christmas sweets. The DEC also redesigned its social media sharing platform for high-profile supporters, and produced an internal hub to share information about the appeal with temporary and seconded staff, both of which received good feedback during the appeal.

During the Period of Joint Action, in the first two weeks following the launch of the appeal, the DEC raised a total of £14 million from the UK public, with a further £4 million being donated directly to member charities. By the time the appeal closed at the end of the 2018-19 financial year, the appeal had raised £30 million, with £21 million coming to the DEC, including £2 million in Aid Match from the UK Government and £9 million being donated directly to member charities.



### When the ground turns to liquid

One of the reasons this disaster was so devastating was that the earthquake caused a rare phenomenon known as liquefaction, where the solid ground turns to liquid, causing buildings to sink and the surface of the ground to move. Liquefaction occurs when an earthquake strikes an area resting on sediment that is saturated with water, and the effects can be devastating. Entire villages near Palu were completely destroyed, with thousands of missing people feared buried in the mud.

Ani, a woman who escaped as her village sank into the mud, described what happened: "The ground was turning to liquid, so every time we tried to take a step our feet would disappear into the ground and we would start to sink... We kept sinking in and sometimes we would realise we were walking on the roofs of houses that had been sucked under."

### Helping those in need together

An initial £12 million was immediately allocated to member charities according to the DEC's Indicator of Capacity. An additional £5.5 million was allocated in March 2019. Thirteen of the 14 DEC member charities took part in the appeal.

Due to requirements from the Indonesian government, most member charities worked through local partners, although several had national affiliates already operational in the country. DEC funds provided a wide range of items and services needed by people who saw their homes, livelihoods and local infrastructure destroyed.

In the first three months (October to December 2018), this included providing 2,900 families with emergency shelter kits including tarpaulins, rope, plywood and sleeping mats. Providing safe drinking water, primary health care and food were also priorities, as well as distributing household essentials such as cooking utensils, blankets and clothes to people who had lost everything. 250 latrines were built to help prevent the spread of disease and 1,600 families received hygiene kits containing items such as soap, shampoo, toothbrushes and toothpaste.

DEC funds were also used to provide cash payments to 5,200 families affected by the disaster so that they could meet their immediate needs while also supporting the local economy. The full Indonesia Tsunami Appeal Six-Month Report will be published on the DEC website in July 2019.

In line with usual practice, the DEC commissioned a real-time review to support its member agencies in improving their response and as part of its public accountability for the use of the funds raised.

The review concluded that, despite a challenging operating context, humanitarian organisations, including DEC members and partners made a significant contribution to the response through provision of life-saving assistance and services. It noted that organisations have made considerable efforts to identify the most vulnerable in communities affected. The report flagged several opportunities for strengthening the quality and approach of the humanitarian response which DEC charities took into account in their continuing response in Sulawesi.

[You can read the full response review here.](#)



# EMERGENCY APPEAL FOR PEOPLE FLEEING MYANMAR

In October 2017, the DEC launched an appeal to the UK public to help the large numbers of people, mostly ethnic Rohingya, who were 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 the time of the DEC appeal, almost half a million people had arrived and were setting up makeshift shelters in camps in the area around Cox's Bazar, Bangladesh, which now hosts the largest refugee settlement in the world.



© Paddy Dowling/DEC



© Aungmyathl Chaly/DEC

## Raising funds together

The complex nature of this crisis, with the refugee population nearing a million people, combined with the threat of a 'crisis within a crisis' caused by the monsoon season, meant that the DEC extended fundraising for this appeal until August 2018. The DEC ran a media and content-gathering trip to the camps in May 2018 to raise awareness about the threat the monsoon posed to people living in makeshift shelters. A two-week campaign rounded off the appeal at the end of August 2018, including the DEC's first Facebook fundraiser and an email to supporters.

In March 2019, the DEC co-ordinated a campaign to coincide with International Women's Day to highlight the plight of Rohingya women and girls living

in the camps, and the work of some DEC charities helping them. Although the DEC appeal was already closed, the campaign directed people to donate via members directly.

By the end of the 2017-18 financial year, the DEC's Emergency Appeal for People Fleeing Myanmar had raised a total of £26 million, £19 million of which came directly to the DEC, including £5 million in Aid Match from the UK Government. The other £7 million was donated directly to DEC member charities.

By the end of the 2018-19 financial year, that total had risen to £30 million, £20 million of which came directly to the DEC. Therefore by the end of the appeal, £4 million was raised in the 2018-19 financial year, £1 million of which came directly to the DEC.

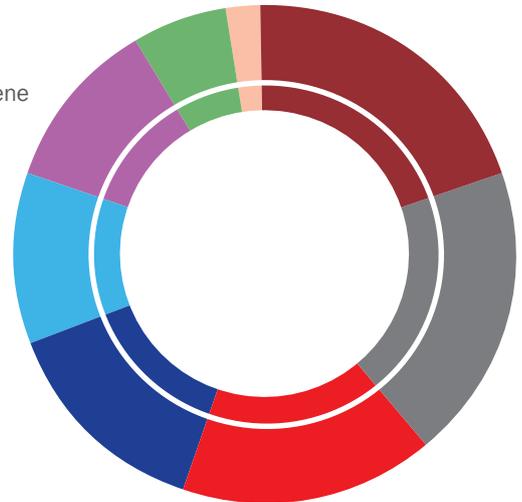


© Maria de la Guardia/Save



**Priority sectors with DEC funds in the first six months**

- 20% Water, sanitation & hygiene
- 19% Household items
- 16% Food
- 14% Protection
- 11% Health
- 11% Shelter
- 6% Cash support
- 3% Other



**Helping those in need together**

All 13 of the DEC's then-member charities took part in this response. In the first six months (October 2017-March 2018, data for which was published in July 2018), the focus for DEC funds was on supplying food and clean drinking water, installing toilets and improving living conditions by providing materials to build shelters and basic household goods as well as health services through clinics and a field hospital. DEC funds were also used to provide protection services to vulnerable women, children and older people, largely via the provision of safe spaces for those groups through

which they could access a range of services.

With DEC funds, member charities and their partners helped 351,500 people with food assistance, provided safe drinking water and sanitation support for 124,400 people, and distributed materials to build shelters for 19,500 families.

You can read the full [Emergency Appeal for People Fleeing Myanmar Six-Month Report here](#).

As the monsoon season loomed last summer, DEC charities helped people prepare by strengthening shelters, reinforcing the hilly landscape to prevent

mudslides and meeting ongoing food needs. A programme of desludging latrines was also carried out, to stop full latrines overflowing in the rains and leading to outbreaks of waterborne diseases. A faecal sludge management centre was set up by one DEC member, staffed by refugee volunteers. Other activities included installing more deep tube wells to provide clean water and installing solar lighting to help people feel safer at night.

DEC funds will be spent up until September 2019. A final report on the response will be produced and made available on the DEC website after this time.



# EAST AFRICA CRISIS APPEAL

By March 2017, prolonged drought and ongoing conflict had left 23 million people across Ethiopia, Kenya, Somalia and South Sudan in urgent need of food, water and medical treatment. Some 2.9 million people in Somalia and 5.6 million in Ethiopia required urgent food assistance, along with 2.6 million in Kenya. In South Sudan, poor rains and harvests coupled with continued fighting had forced almost 1.9 million people to leave their homes in search of food, water and protection.



## Raising funds together

The threat of further drought and conflict in the region, combined with the lasting effects of the disaster led the DEC to keep this appeal open until May 2018. A visit to Ethiopia yielded content for a last fundraising push before the appeal closed.

By the end of the 2017-18 financial year the DEC's East Africa Crisis Appeal had raised a total of £65 million, £41 million

of which came directly to the DEC, including £10 million in Aid Match from the UK Government. The other £24 million was donated directly to DEC member charities.

By the end of the 2018-19 financial year, that total had risen to £66 million, £42 million of which came directly to the DEC. Therefore by the end of the appeal, £1 million was raised in the 2018-19 financial year, £0.3 million of which came directly to the DEC.



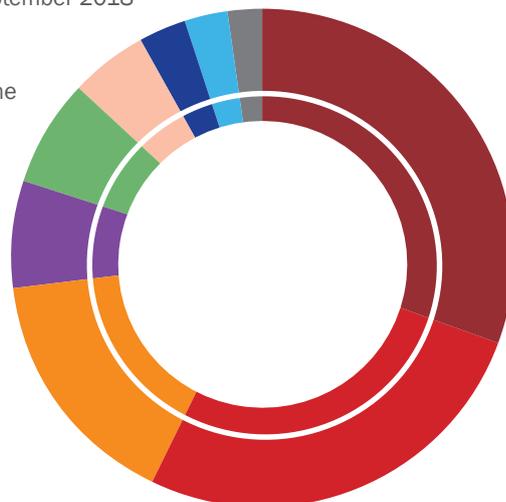
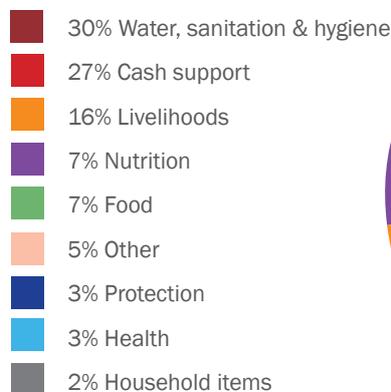
## WHY DO WE GIVE PEOPLE CASH?

In recent years, humanitarian aid charities have moved towards types of assistance in which people in need are given unconditional cash or vouchers, or cash in exchange for work on rebuilding projects. This approach works when certain pre-conditions are met, such as when local markets are functioning. It means that people can choose what to spend their money on – for example food, medicine or educational materials for children – and helps support the local economy and often small-scale enterprises. Such support can be very efficient, reaching more people in need.



### Phase 2 expenditure by sector

Period covered: October 2017 to September 2018



### 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. The swift, high-impact response in which DEC member charities took part prevented widespread famine and brought life-saving assistance to millions of people across the region.

DEC funds were spent up until September 2018. During the second phase of the DEC-funded response (October 2017 to September 2018), the provision of

water, sanitation and hygiene remained a focus, particularly in Somalia and South Sudan, and cash transfers were used extensively in Kenya and in Ethiopia at locations where markets were functioning well. In South Sudan, where planting and harvesting was disrupted by fighting, 40% of DEC funds went towards food provisions and activities such as supplying seeds and agricultural tools, training women to grow vegetables, and vaccinating livestock. A total of 1.2 million people received some form of assistance provided with DEC funds during this phase of the response.

Ensuring communities could support themselves was a priority during this second phase, and 217,000 people were given support to restart their livelihoods. A further 139,000 people benefitted from cash assistance during this time. However, basic support was still needed in some places, and 112,000 people benefitted from nutrition interventions and 57,000 people accessed health assistance.

For an overview of the entire DEC-funded response you can read the full [East Africa Crisis Appeal Final Report here](#).

### HUMANITARIAN STANDARDS AND CODES

- Code of Conduct for the International Red Cross and Red Crescent Movement – this outlines 10 core principles for humanitarian action
- Core Humanitarian Standard on Quality and Accountability – this covers the essential elements of principled, accountable and high-quality humanitarian action
- Sphere Technical Standards – these define standards in areas such as shelter, food, water and health care and performance indicators to be adapted based on context



# YEMEN CRISIS APPEAL

By December 2016, Yemen was on the brink of collapse after 19 months of brutal civil war in which civilians, hospitals and schools were targeted. More than 20 million people were in need of urgent humanitarian assistance. Some 17 million people – more than half of the population – did not have enough to eat, and 7 million were at risk of famine. Public services had broken down and an estimated 14.8 million people could not access basic health care. More than 3 million people had fled their homes

The DEC appeal was launched on 13 December 2016 and raised a total of £30 million, £20 million of which came directly to the DEC, including £5 million in Aid Match from the UK Government. The other £10 million was donated directly to DEC member charities. Fundraising for the appeal closed on 31 March 2018.

## Helping those in need together

DEC funds were spent up until December 2018. Despite ongoing conflict, which made access to parts of the country extremely challenging, DEC members and their partners provided some form of assistance to more than 986,000 people during the second phase of DEC-funded activities (July 2017 to December 2018), with £10.4 million from DEC appeal funds. After damage to water and sanitation infrastructure contributed to a second, widespread cholera outbreak that began

in May 2017, DEC charities continued to prioritise the provision of clean water and sanitation, installing or repairing 22 water systems and 378 toilets. Together with campaigns on cholera prevention run by locally recruited volunteers, this work accounted for 36% of expenditure. Providing cash proved an effective way for people to quickly access what they needed most, as well as supporting local markets where these were functioning, and accounted for 14% of expenditure. Food prices continued to rise, so providing food vouchers and parcels remained an integral part of DEC activities during the second phase, accounting for 14% of expenditure. DEC funds were also used to provide health and nutrition programmes for affected people.

During this second phase of the response, DEC charities improved health facilities serving 228,000 people, and treated 55,400 people for cholera, as well

as 11,200 children and pregnant or breastfeeding mothers for malnutrition. 15,700 people also took part in cash-for-work schemes or received grants to help restore their livelihoods.

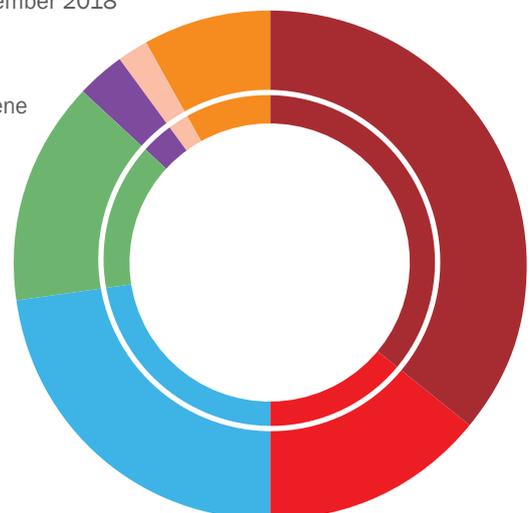
For an overview of the entire DEC-funded response you can read the full [Yemen Crisis Appeal Final Report here](#).



## Phase 2 expenditure by sector

Period covered: July 2017 to December 2018

- 36% Water, sanitation & hygiene
- 14% Food
- 23% Health
- 14% Multi-purpose cash
- 3% Nutrition
- 2% Other
- 8% Livelihoods



# 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 devastating weeks, 8,891 people were killed and more than 22,300 injured, while 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 15 January 2016.

## Helping those in need together

DEC funds were spent up until 30 April 2018. The second phase of DEC-funded activities (October 2015 to April 2018) focused on recovery and reconstruction, in particular on training people in the skills needed to rebuild their communities, such as masonry and brick production. Livelihoods recovery and providing families with the money to build permanent homes was also a priority, as was rebuilding damaged infrastructure such as schools and water facilities. Meeting the needs of the most vulnerable was at the heart of the DEC response, with much work done to include and support people living with disabilities, women and children, those without land and marginalised Dalit and ethnic communities. Activities included skills training, awareness raising and provision of safe spaces where people could meet and receive help.

Rebuilding crucial community infrastructure such as water works, sanitation facilities and schools and the construction of permanent housing was key. This latter task still included the provision of building materials, but also placed greater emphasis on equipping people with the skills and expertise they would need to 'build back safer' – or ensure construction was more resilient to future disasters.

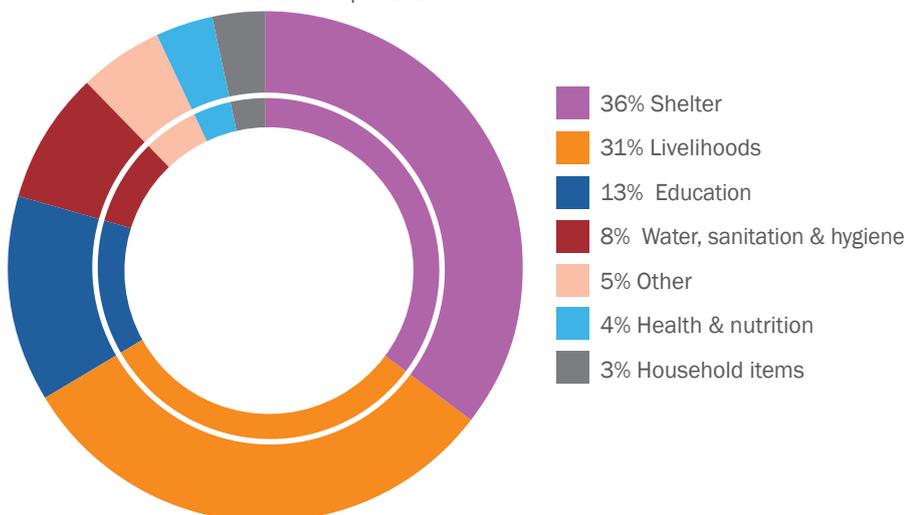
Another critical element of the DEC response was to help people whose assets, businesses and farmland had been damaged or destroyed to start earning a living again. DEC funds provided seeds, tools, livestock and cash grants for small businesses. In all, across the second phase of the DEC response, DEC funds reached 1.2 million people and assisted them to rebuild their lives.

For an overview of the entire DEC-funded response you can read the full [Nepal Earthquake Appeal Final Report here](#).



## Phase 2 expenditure by sector

Period covered: October 2015 to April 2018



# STRATEGIC REPORT

## MANAGING AND WORKING TOGETHER

The DEC has core staff of 23 people (as at 31 March 2019) who run DEC appeals and oversee the use of 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 in 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 its strategy.

### **New member: Action Against Hunger**

In September, the DEC was pleased to welcome Action Against Hunger as its newest member. Action Against Hunger has been at the forefront of the global fight against hunger for almost 40 years and now has programmes in nearly 50 countries. The organisation has particular expertise in preventing, detecting and treating child malnutrition, especially during and after emergency situations caused by conflicts and natural disasters. It also has extensive links in the British food industry, including restaurants and

high-profile chefs which will help the DEC spread the word about appeals.

Action Against Hunger participated in the Indonesia Tsunami Appeal less than a month after joining the DEC, and helped to promote the Cyclone Idai Appeal even though it was not drawing down funds.

### **Safeguarding**

In October 2018, the DEC and its members took part in the international summit 'Putting People First' where, together with other representatives of the international aid sector, they reaffirmed their commitment to tackling sexual exploitation

and abuse, and sexual harassment.

Ahead of the summit, DEC members announced a set of commitments focused on four themes:

- preventing sexual exploitation and abuse and sexual harassment from happening in the first place;
- pledging to listen to those who have been affected;
- removing and addressing barriers to reporting sexual exploitation, abuse and harassment; and
- learning more quickly in future, as new evidence and opportunities emerge.

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## **PUTTING PEOPLE FIRST**

The safety and wellbeing of the children and adults we seek to serve will always be our priority. This is core to who we are and will always prevail above all other considerations.

We will not tolerate sexual exploitation, abuse and harassment and will put the voices, rights and safety of victims, survivors and whistle-blowers first. We will prevent safeguarding breaches from occurring but will follow up promptly and comprehensively if they do. We will report incidents to the appropriate authorities and prioritise the protection and safety of survivors and victims when doing so.

Sexual exploitation, abuse and harassment are fundamentally about gender inequality and power imbalances and our leaders are committed to tackle this head on. They will drive the cultural changes we want to see – this means modelling inclusive leadership, more diverse management teams, and accountability at all levels of our organisations.

We take responsibility and will continue to work together as members of the DEC and of the wider international aid community to drive transformation in safeguarding and to demonstrate improvements. Some DEC members have well-developed safeguarding approaches in place and are driving up standards globally, but we can never be complacent. We must go further and make sure that we and all our partners are consistently meeting high standards, whatever the size of operations and regardless of the contexts in which humanitarian assistance is delivered in our name and with funds from the British public.

We will ensure that our approach is informed by the people we work with in countries around the world, in order to develop context-appropriate solutions based on their experience and knowledge. [You can read more on our commitments and related actions here](#)

The DEC has published a statement in response to the UK Modern Slavery Act 2015. We have a zero tolerance approach to slavery and human trafficking and are committed to ensuring that slavery and human trafficking are not taking place within our own organisation or our supply chain. The full statement can be found at [www.dec.org.uk](http://www.dec.org.uk).

### Digital transformation

In the financial year 2018-19, the DEC completed its digital transformation project, delivering a digital asset management system to more easily share images and video, along with relevant metadata, internally and externally. Internal communication has been substantially improved through the development of a 'hub' system, providing links to live, cloud-based documents, and increased use of an instant message system. Improved use of digital technology is facilitating the roll-out of our Alert System – a new approach to humanitarian crisis monitoring, appeal preparedness and communication about the likelihood of a DEC appeal. The roll-out of a customer relations management system across the organisation also continues. Considerable work went into ensuring that the DEC, its systems and suppliers were compliant with the General Data Protection Regulation which came into force in May 2018.

The way the DEC uses digital technology has transformed over the last three years, and the Secretariat is aiming for a 'paperless' office in the next year. However, with technology constantly evolving and changing the way people communicate and consume content, the new DEC strategy (overleaf) acknowledges that it must continue to innovate in this space.



### Home Nations

In Scotland, the Scottish Government renewed its contract with the DEC to manage its Humanitarian Emergency Fund. The DEC's External Relations Manager in Scotland cultivated new relationships including with STV and national newspapers, and secured comedian Susan Calman and actor Graham McTavish to record appeals for a Scottish audience for the Indonesia Tsunami Appeal and Cyclone Idai Appeal respectively.

In Wales, the Welsh Government agreed to part-fund the role of External Relations Manager with a grant of £20,000 to enhance the profile, reputation and income of the DEC and its appeals in Wales. This position contributes significantly to building and maintaining the DEC's presence in Wales and helping deliver the DEC's communications and fundraising strategies, either by co-ordinating the activity of DEC members in Wales or by directly delivering external relations activity. This will be achieved by coordinating DEC communications and fundraising activities in Wales and managing internal communications between DEC members in Wales, proactively building relationships with existing and potential media partners and other influencers, and identifying and cultivating potential fundraising partnerships.

### DEC Emergency Fund

The DEC Emergency Fund has attracted donations outside of its high-profile appeals throughout the year. At the end of the 2017-18 financial year, it had raised £12,000. A further £205,000 was donated throughout the year and no allocations were made so the fund now stands at £217,000.

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. 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. The DEC will provide a full account for how money from the Emergency Fund has been spent in the next annual report.

### New staff and positions

The position of Digital Transformation Manager was converted into the new role of Fundraising Operations Manager, and the new role of External Relations Manager for Wales was created after funding was secured from the Welsh Government (see above).



# DEC STRATEGY 2019-24

The DEC Strategy 2019-24 was approved by the Board of Trustees in November 2018 after being drawn up following an extensive consultation with members, trustees, broadcasters and secretariat staff between March and October 2018.

Ten principles emerged from the stakeholder consultation and analysis of external trends, which underpin the new strategy. These broadly fell into two categories: ‘maintain and improve’ and ‘develop and innovate’. Although the DEC is operating in the context of transformational political, social, technological and environmental change, stakeholders felt substantial elements of the current strategy are a strength in these turbulent times and should be maintained. However, continued innovation is vital to ensure the DEC remains relevant. The 10 principles are as follows:

## MAINTAIN AND IMPROVE

- 1** The DEC’s fundamentals – its charitable objects, vision, mission, values and appeal criteria – remain relevant. There is no need to change them in the foreseeable future.
- 2** The DEC must continue to operate as a collective of the members, coordinated by the secretariat. Its positioning and activities will not seek to compete with members.
- 3** The major public broadcasters remain an essential ingredient in successful DEC appeals, despite greater media fragmentation. The DEC will not run appeals without the public broadcasters’ support.
- 4** The DEC must continue to be an efficient way of raising money for major humanitarian crises overseas and it should improve the way it communicates its fundraising costs to the public.
- 5** The DEC must continue to strive for the highest standards in programme quality, transparency and accountability, particularly to the people affected by crises.
- 6** The DEC must do everything it can to preserve and strengthen public trust in its brand. It should build on the existing brand and retain its name and identity.

## DEVELOP AND INNOVATE

- 7** The DEC should adopt a more proactive approach to engaging the public in supporting complex, protracted crises.
- 8** The DEC must identify and reach out to potential new audiences to sustain and grow appeal income – including young people and those who are sceptical about humanitarian aid.
- 9** The DEC must continue to innovate in the digital space.
- 10** The DEC should work to improve the public’s trust and support for humanitarian crises overseas.

(In all cases above ‘the DEC’ refers to the member charities working together, coordinated by the secretariat.)

From these 10 principles, and stemming from the DEC’s mission that “together we save, protect and rebuild lives in vulnerable countries that are impacted by emergencies and major disasters”, four goals were established. They are as follows:

**Goal 1:** Launch the right appeals, at the right time

**Goal 2:** Maximise the money we raise for each appeal

**Goal 3:** Increase the impact of the funds we raise for the people and communities affected by crises

**Goal 4:** Preserve and strengthen the public’s willingness to donate to humanitarian crises overseas

A detailed set of plans for each of these goals was laid out in the DEC Strategy 2019-24 document approved by the Board, along with associated success indicators and risks to the implementation of the strategy. Principles for resourcing the DEC secretariat were also agreed, with staffing levels being maintained at roughly current levels

## 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 the 2018-19 financial year, the DEC received 5,900 queries from the public, including 148 complaints. Feedback shows that 93.8% of those who contacted us were satisfied with our response and follow-up, including 87.5% 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 £45.5 million (2018: £29.0 million). Of this, the DEC Indonesia Tsunami Appeal (launched in October 2018)

raised £20.5 million, the DEC Cyclone Idai Appeal (launched in March 2019) raised £21.7 million, the DEC Emergency Appeal for People Fleeing Myanmar (launched October 2017 raised £1.2 million, the DEC East Africa Crisis Appeal (launched in March 2017) raised £0.3 million, and the DEC Yemen Crisis Appeal (launched in December 2016) raised £0.1 million. All values include gift aid. Additional income in the year of £1.6 million (2018: £1.2 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 £27.8 million (2018: £28.8 million) including £22.3 million (2018: £24.6 million) of appeal funds committed to DEC members for use towards humanitarian programmes, £5.1 million (2018: £3.9 million) in costs of raising funds, and £0.5 million (2018: £0.3 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 £3.8 million (2018: £1.7 million). After transfers to restricted appeal funds of gift aid income totalling £3.7 million and from endowment funds of £0.3 million in respect of development projects, an overall net movement in unrestricted funds of £0.03 million is reported (2018: £0.02 million). This net result is ahead of the budgeted deficit for the year of £0.03 million, 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 14 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

38, comprise six 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 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 38.

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 November 2018 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 contractors where these are required to help with specific projects or the increased workload linked to a DEC appeal.

## Remuneration

The Remuneration Committee subcommittee 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 operational in aid delivery, 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 external verification 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 which 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.* The DEC monitors the onset of crises as they develop, assesses evidence of public interest and empathy and obtains feedback from broadcasters and other third parties before making an appeal in order to maximise the chance of success.
- *The risk that programmes funded by the DEC and managed 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, diversion of funds or safeguarding breaches.* Given the complex risks inherent in DEC-funded responses by member charities operating in challenging environments, the DEC seeks assurance from its members that they 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. To manage these risks, the DEC has an established framework of 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 fundraising partners and suppliers. During the year, we continued to assess and strengthen further our systems and procedures in this area ahead of the new GDPR data regulations which came 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.* To manage this risk, the DEC works with members to ensure highest levels of transparency and deliver accountability to donors building on its work on accountability to affected populations.

The DEC will invest in raising public trust, building on the successful 2017 Thank You campaign to increase public understanding of how aid works.

- *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.* The DEC continues to invest in development and innovation in fundraising, marketing and communications across digital media to ensure that it has a compelling digital offering. This follows the successful pilot project undertaken in the previous year. The DEC has plans to develop partnerships with major digital platforms, including social media and search engines, to engage with digital influencers and to work with public broadcasters to increase their digital offering.
- *The risk that Brexit will adversely affect the public's willingness and ability to donate to overseas crisis.* The DEC monitors domestic and international trends to ensure that it can adapt and respond rapidly to change.

## Reserves policy

The trustees have set a target of free reserves, which are those general funds which are freely available to spend on any of the charity's purposes and exclude restricted and designated funds and fixed assets held for the charity's own use. The target of free reserves has been set at 3 months' core overhead costs which is currently budgeted at £0.6m. This target takes into account working capital requirements and the need to fund operations in between appeals. Total free reserves are currently close to the target level as set out below:

|                      | 2019   | 2018  |
|----------------------|--------|-------|
|                      | £m     | £m    |
| Total funds          | 24.0   | 6.3   |
| Restricted funds     | (22.5) | (4.6) |
| Expendable endowment | (0.6)  | (0.9) |
| General reserves     | 0.9    | 0.8   |
| Fixed assets         | (0.2)  | -     |
| Free Reserves        | 0.7    | 0.8   |

## 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 2019–2020. 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 14 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 on 15 July 2019 and signed on its behalf by

Sue English  
Chair

Jane Hanson  
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 2019 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 2019 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.

Noelia Serrano (Senior statutory auditor)  
16 July 2019

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



## Statement of Financial Activities for the year ended 31 March 2019

(incorporating an income and expenditure account)

|   | Note      | Unrestricted funds<br>£000 | Endowment funds<br>£000 | Restricted funds<br>£000 | 2019<br>Total<br>£000 | 2018<br>Total<br>£000 |
|---|-----------|----------------------------|-------------------------|--------------------------|-----------------------|-----------------------|
| <b>Income from:</b>                                 |           |                            |                         |                          |                       |                       |
| Donations and legacies                              |           | 1,319                      | -                       | -                        | <b>1,319</b>          | 1,049                 |
| Charitable activities                               |           |                            |                         |                          |                       |                       |
| DEC People Fleeing Myanmar Appeal                   |           | 90                         | -                       | 1,097                    | <b>1,187</b>          | 18,706                |
| DEC East Africa Crisis Appeal                       |           | 73                         | -                       | 179                      | <b>252</b>            | 6,167                 |
| DEC Yemen Crisis Appeal                             |           | -                          | -                       | 52                       | <b>52</b>             | 2,736                 |
| DEC Nepal Earthquake Appeal                         |           | 25                         | -                       | -                        | <b>25</b>             | 121                   |
| DEC Indonesian Tsunami Appeal                       |           | 2,081                      | -                       | 18,436                   | <b>20,517</b>         | -                     |
| DEC Cyclone Idai                                    |           | 1,764                      | -                       | 19,961                   | <b>21,725</b>         | -                     |
| DEC Emergency Fund                                  |           | -                          | -                       | 204                      | <b>204</b>            | 12                    |
| Humanitarian Emergency Fund (Scotland)              |           | -                          | -                       | 40                       | <b>40</b>             | 51                    |
| Welsh Government Fund                               |           | -                          | -                       | 20                       | <b>20</b>             | -                     |
| Cash investments                                    |           | 7                          | 6                       | 127                      | <b>140</b>            | 173                   |
| <b>Total income</b>                                 |           | <b>5,359</b>               | <b>6</b>                | <b>40,116</b>            | <b>45,481</b>         | <b>29,015</b>         |
| <b>Expenditure on:</b>                              |           |                            |                         |                          |                       |                       |
| Raising funds                                       | 2         | 1,165                      | 1                       | 3,920                    | <b>5,086</b>          | 3,903                 |
| Charitable activities                               |           |                            |                         |                          |                       |                       |
| People Fleeing Myanmar disaster response programmes | 3         | 68                         | -                       | 2,751                    | <b>2,819</b>          | 15,554                |
| East Africa Crisis disaster response programmes     | 3         | 68                         | -                       | 1,000                    | <b>1,068</b>          | 1,777                 |
| Yemen Crisis disaster response programmes           | 3         | 51                         | -                       | 1,000                    | <b>1,051</b>          | 7,450                 |
| Nepal Earthquake disaster response programmes       | 3         | -                          | -                       | -                        | <b>-</b>              | (18)                  |
| Indonesian Tsunami response programmes              | 3         | 34                         | -                       | 17,500                   | <b>17,534</b>         | -                     |
| Cyclone Idai response programmes                    |           | 6                          | -                       | -                        | <b>6</b>              | -                     |
| Humanitarian Emergency Fund (Scotland)              |           | -                          | -                       | 35                       | <b>35</b>             | -                     |
| Welsh Government Fund                               |           | -                          | -                       | 13                       | <b>13</b>             | 50                    |
| Lesson learning and accountability                  |           | 209                        | -                       | -                        | <b>209</b>            | 92                    |
| <b>Total expenditure</b>                            | <b>2</b>  | <b>1,601</b>               | <b>1</b>                | <b>26,219</b>            | <b>27,821</b>         | <b>28,808</b>         |
| <b>Net income for the year</b>                      |           | <b>3,758</b>               | <b>5</b>                | <b>13,897</b>            | <b>17,660</b>         | <b>207</b>            |
| Transfers between funds                             | 14        | (3,726)                    | (307)                   | 4,033                    | <b>-</b>              | <b>-</b>              |
| <b>Net movement in funds</b>                        |           | <b>32</b>                  | <b>(302)</b>            | <b>17,930</b>            | <b>17,660</b>         | <b>207</b>            |
| <b>Reconciliation of funds</b>                      |           |                            |                         |                          |                       |                       |
| Total funds brought forward                         | 14        | 823                        | 857                     | 4,618                    | <b>6,298</b>          | 6,091                 |
| <b>Total funds carried forward</b>                  | <b>14</b> | <b>855</b>                 | <b>555</b>              | <b>22,548</b>            | <b>23,958</b>         | <b>6,298</b>          |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Comparable information for the year ended 31 March 2018 is shown in note 16 to the financial statements. Movements in funds are disclosed in note 14 to the financial statements.

## Balance Sheet at 31 March 2019

|  | Note | £000            | 2019<br>£000  | £000     | 2018<br>£000 |
|--|------|-----------------|---------------|----------|--------------|
| <b>Fixed assets</b>                          |      |                 |               |          |              |
| Tangible fixed assets                        | 7    |                 | <b>155</b>    |          | 21           |
| <b>Current assets</b>                        |      |                 |               |          |              |
| Debtors                                      | 8    | <b>12,922</b>   |               | 794      |              |
| Investments                                  | 9    | <b>263</b>      |               | 260      |              |
| Cash at bank and in hand                     | 9    | <b>31,274</b>   |               | 24,688   |              |
|  |      | <b>44,459</b>   |               | 25,742   |              |
| <b>Liabilities</b>                           |      |                 |               |          |              |
| Creditors: amounts due within one year       | 10   | <b>(20,656)</b> |               | (19,272) |              |
| <b>Net current assets</b>                    |      |                 | <b>23,803</b> |          | 6,470        |
| <b>Total assets less current liabilities</b> |      |                 | <b>23,958</b> |          | 6,491        |
| Creditors: amounts due after one year        | 11   |                 | -             |          | (193)        |
| <b>Net assets</b>                            | 13   |                 | <b>23,958</b> |          | 6,298        |
| <b>Funds</b>                                 |      |                 |               |          |              |
| Unrestricted funds                           |      |                 |               |          |              |
| General reserves                             | 14   |                 | <b>855</b>    |          | 823          |
| Expendable endowment                         | 14   |                 | <b>555</b>    |          | 857          |
| Restricted funds                             | 14   |                 | <b>22,548</b> |          | 4,618        |
| <b>Total funds</b>                           |      |                 | <b>23,958</b> |          | 6,298        |

Approved by the trustees on 15 July 2019 and signed on their behalf by

Sue English  
Chair

Jane Hanson  
Honorary Treasurer

Disasters Emergency Committee  
Company Number 3356526.

## Statement of Cash Flows for the year ended 31 March 2019

|  | Note | 2019<br>£000  | 2018<br>£000 |
|--|------|---------------|--------------|
| <b>Cash flows from operating activities</b>                |      |               |              |
| Net cash provided by/ (used in) operating activities       | 15   | <b>6,604</b>  | (18,002)     |
| <b>Cash flows from investing activities</b>                |      |               |              |
| Interest from investments                                  |      | <b>140</b>    | 173          |
| Purchase of fixed assets                                   |      | <b>(155)</b>  | (6)          |
| Net sale/(purchase) of current asset investments           |      | <b>(3)</b>    | 17,938       |
| <b>Net cash (used in)/provided by investing activities</b> |      | <b>(18)</b>   | 18,105       |
| <b>Change in cash and cash equivalents in the year</b>     |      | <b>6,586</b>  | 103          |
| Cash and cash equivalents at the beginning of the year     |      | <b>24,688</b> | 24,585       |
| <b>Cash and cash equivalents at the end of the year</b>    |      | <b>31,274</b> | 24,688       |

## Notes to the financial statements for the year ended 31 March 2019

### 1. ACCOUNTING POLICIES

#### a) Basis of accounting

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) (August 2014) 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.

#### b) Public benefit entity

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

#### c) Going concern

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

#### d) Estimates

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. 50% of legacy income is allocated to restricted income and used to fund disaster response programmes, 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.

The expendable endowment fund is usable at the discretion of the trustees and is used primarily for investment projects. It is treated in the same way as a designated fund.

#### 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 as set out in note i) below. Expenditure is recognised when allocations are confirmed 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. This is two weeks following the launch of an 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.

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.

## Notes to the financial statements for the year ended 31 March 2019

### 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, or groups of assets purchased within a single project, 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.



## Notes to the financial statements for the year ended 31 March 2019

### 2. TOTAL RESOURCES EXPENDED

#### a) Current year

|  | Member allocations<br>£000 | Other direct costs<br>£000 | Allocated support costs<br>£000 | <b>2019<br/>Total<br/>£000</b> | 2018<br>Total<br>£000 |
|--|----------------------------|----------------------------|---------------------------------|--------------------------------|-----------------------|
| Cost of generating voluntary income    | -                          | 4,810                      | 276                             | <b>5,086</b>                   | 3,903                 |
| Disaster response programmes           | 22,251                     | -                          | -                               | <b>22,251</b>                  | 24,564                |
| Humanitarian Emergency Fund (Scotland) | -                          | 35                         | -                               | <b>35</b>                      | 50                    |
| Welsh Government Fund                  | -                          | 13                         | -                               | <b>13</b>                      | -                     |
| Lesson learning and accountability     | -                          | 135                        | 74                              | <b>209</b>                     | 92                    |
| Governance costs                       | -                          | 92                         | 135                             | <b>227</b>                     | 199                   |
| <b>Total resources expended</b>        | <b>22,251</b>              | <b>5,085</b>               | <b>485</b>                      | <b>27,821</b>                  | <b>28,808</b>         |

The appeal for Cyclone Idai was launched on 21 March 2019. The funds allocated to member agencies towards the recorded costs of delivering disaster response programmes were confirmed on 4 April 2019 and so the related expenditure of £24,000,000 will be recorded in the year to 31 March 2020 and is excluded from the expenditure reported for the year to 31 March 2019.

|   |  | <b>2019<br/>£000</b> | 2018<br>£000 |
|---|--|----------------------|--------------|
| Support costs are allocated on the following basis: |  |                      |              |
| <b>Nature of cost</b>                               | <b>Allocation basis</b>                  |                      |              |
| Staff   | Estimate of where staff spend their time | <b>394</b>           | 258          |
| Premises, utilities and other overheads             | Actual and estimated usage               | <b>91</b>            | 91           |
| <b>Total allocated support costs</b>                |  | <b>485</b>           | 349          |

#### b) Prior year

|  | Member allocations<br>£000 | Other direct costs<br>£000 | Allocated support costs<br>£000 | <b>2018<br/>Total<br/>£000</b> | 2017<br>Total<br>£000 |
|--|----------------------------|----------------------------|---------------------------------|--------------------------------|-----------------------|
| Cost of generating voluntary income    | -                          | 3,724                      | 179                             | <b>3,903</b>                   | 4,290                 |
| Disaster response programmes           | 24,564                     | -                          | -                               | <b>24,564</b>                  | 45,932                |
| Humanitarian Emergency Fund (Scotland) | -                          | 50                         | -                               | <b>50</b>                      | -                     |
| Lesson learning and accountability     | -                          | 42                         | 50                              | <b>92</b>                      | 180                   |
| Governance costs                       | -                          | 79                         | 120                             | <b>199</b>                     | 202                   |
| <b>Total resources expended</b>        | <b>24,564</b>              | <b>3,895</b>               | <b>349</b>                      | <b>28,808</b>                  | <b>50,604</b>         |

## Notes to the financial statements for the year ended 31 March 2019

### 2. TOTAL RESOURCES EXPENDED (continued)

#### b) Prior year

|   |  | 2018<br>£000 | 2017<br>£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          |
| <b>Total allocated support costs</b>                |  | <b>349</b>   | <b>575</b>   |

**Allocated support costs:** 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).

### 3. DISASTER RESPONSE PROGRAMMES

#### a) Current year

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

|                          | YCA<br>£000  | EACA<br>£000 | PFM<br>£000  | ITEA<br>£000  | 2019<br>Total<br>£000 | 2018<br>Total<br>£000 |
|--------------------------|--------------|--------------|--------------|---------------|-----------------------|-----------------------|
| Action Against Hunger    | -            | -            | -            | 371           | 371                   | -                     |
| ActionAid                | -            | 63           | 150          | 919           | 1,132                 | 947                   |
| Age International        | -            | 33           | 83           | 546           | 662                   | 736                   |
| British Red Cross        | 164          | 135          | 375          | 2,406         | 3,080                 | 3,466                 |
| CAFOD                    | -            | 49           | 121          | 749           | 919                   | 1,148                 |
| CARE International UK    | 40           | -            | 95           | 756           | 891                   | 863                   |
| Christian Aid            | 104          | 86           | 207          | 1,234         | 1,631                 | 1,950                 |
| Concern Worldwide        | 40           | 32           | 83           | -             | 155                   | 794                   |
| Islamic Relief Worldwide | 65           | 53           | 119          | 735           | 972                   | 1,153                 |
| Oxfam GB                 | 247          | 203          | 495          | 3,146         | 4,091                 | 4,787                 |
| Plan International UK    | -            | 57           | 148          | 909           | 1,114                 | 927                   |
| Save the Children        | 266          | 218          | 551          | 3,645         | 4,680                 | 5,280                 |
| Tearfund                 | 74           | -            | 147          | 988           | 1,209                 | 1,418                 |
| World Vision UK          | -            | 71           | 177          | 1,096         | 1,344                 | 1,095                 |
| <b>Total</b>             | <b>1,000</b> | <b>1,000</b> | <b>2,751</b> | <b>17,500</b> | <b>22,251</b>         | <b>24,564</b>         |

## Notes to the financial statements for the year ended 31 March 2019

### 3. DISASTER RESPONSE PROGRAMMES (continued)

#### b) Prior year

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

|                          | NEA<br>£000 | YCA<br>£000  | EACA<br>£000 | PFM<br>£000   | 2018<br>Total<br>£000 | 2017<br>Total<br>£000 |
|--------------------------|-------------|--------------|--------------|---------------|-----------------------|-----------------------|
| ActionAid                | -           | -            | 100          | 847           | <b>947</b>            | 2,134                 |
| Age International        | -           | 218          | 53           | 465           | <b>736</b>            | 1,461                 |
| British Red Cross        | -           | 1,135        | 216          | 2,115         | <b>3,466</b>          | 5,915                 |
| CAFOD                    | -           | 388          | 78           | 682           | <b>1,148</b>          | 2,185                 |
| CARE International UK    | -           | 277          | 53           | 533           | <b>863</b>            | 1,428                 |
| Christian Aid            | -           | 647          | 137          | 1,166         | <b>1,950</b>          | 3,815                 |
| Concern Worldwide        | -           | 276          | 53           | 465           | <b>794</b>            | 1,461                 |
| Islamic Relief Worldwide | -           | 414          | 66           | 673           | <b>1,153</b>          | 2,319                 |
| Oxfam GB                 | -           | 1,708        | 289          | 2,790         | <b>4,787</b>          | 8,770                 |
| Plan International UK    | -           | -            | 91           | 836           | <b>927</b>            | 1,879                 |
| Save the Children        | -           | 1,842        | 338          | 3,100         | <b>5,280</b>          | 9,461                 |
| Tearfund                 | -           | 509          | 80           | 829           | <b>1,418</b>          | 2,695                 |
| World Vision UK          | (18)        | -            | 114          | 999           | <b>1,095</b>          | 2,409                 |
| <b>Total</b>             | <b>(18)</b> | <b>7,414</b> | <b>1,668</b> | <b>15,500</b> | <b>24,564</b>         | <b>45,932</b>         |

#### Key

PFM: People Fleeing Myanmar Appeal

EACA: East Africa Crisis Appeal

YCA: Yemen Crisis Appeal

NEA: Nepal Earthquake Appeal

ITEA: Indonesia Tsunami Earthquake Appeal

### 4. ANALYSIS OF STAFF COSTS AND THE COST OF KEY MANAGEMENT PERSONNEL

#### a) Staff costs were as follows:

|  | 2019<br>£000 | 2018<br>£000 |
|--|--------------|--------------|
| Salaries and wages                                   | <b>897</b>   | 760          |
| National insurance                                   | <b>88</b>    | 80           |
| Contribution to defined contribution pension schemes | <b>125</b>   | 125          |
| Temporary and agency staff                           | <b>82</b>    | 19           |
| <b>Total</b>   | <b>1,192</b> | <b>984</b>   |

## Notes to the financial statements for the year ended 31 March 2019

### 4. ANALYSIS OF STAFF COSTS AND THE COST OF KEY MANAGEMENT PERSONNEL (continued)

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

|                     | 2019<br>No. | 2018<br>No. |
|---------------------|-------------|-------------|
| £100,001 - £110,000 | 1           | 1           |
| £60,001 - £70,000   | 4           | 4           |

The highest paid employee is the Chief Executive whose emoluments in the year include a salary of £78,533 (2018: £75,538), an accommodation allowance of £10,000 (2018: £10,000) and pension contributions including contributions by way of employee salary exchange of £27,222 (2018: £26,558). No benefits in kind or other remuneration are paid.

Calculation 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 £418,727 (2018: £400,485). Key management personnel are listed on page 39.

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

|   | 2019<br>No. | 2018<br>No. |
|---|-------------|-------------|
| Fundraising and communications                  | 14          | 11          |
| Supporter care (temporary staff during appeals) | 1           | 1           |
| Lesson learning and evaluation                  | 4           | 4           |
| Governance                                      | 2           | 1           |
| Finance and administration                      | 4           | 4           |
| <b>Total</b>                                    | <b>25</b>   | <b>21</b>   |

#### d) The average full time equivalent (FTE) number of employees (head count based on number of staff employed) during the year was as follows:

|   | 2019<br>FTE No. | 2018<br>FTE No. |
|---|-----------------|-----------------|
| Fundraising and communications                  | 13              | 11              |
| Supporter care (temporary staff during appeals) | 1               | 1               |
| Lesson learning and evaluation                  | 4               | 4               |
| Governance                                      | 2               | 1               |
| Finance and administration                      | 4               | 3               |
| <b>Total</b>                                    | <b>24</b>       | <b>20</b>       |

### 5. TRUSTEES

No trustees received emoluments in the year (2018: nil). Amounts reimbursed to trustees for travel and other expenditure totalled £470 in the year (2018: £40).

## Notes to the financial statements for the year ended 31 March 2019

### 6. NET INCOME FOR THE YEAR IS STATED AFTER CHARGING:

|  | 2019<br>£000 | 2018<br>£000 |
|--|--------------|--------------|
| Depreciation charge                    | 21           | 38           |
| Operating lease rentals – premises     | 91           | 91           |
| Auditors' remuneration (excluding VAT) |              |              |
| Audit                                  | 23           | 23           |
| Other services                         | 7            | 6            |

### 7. TANGIBLE FIXED ASSETS

|                               | Leasehold<br>improvements<br>£000 | Computer<br>equipment,<br>software and web<br>development<br>£000 | Furniture,<br>fittings<br>and office<br>equipment<br>£000 | Total<br>£000 |
|-------------------------------|-----------------------------------|---|---|---------------|
| <b>Cost</b>                   |                                   |   |   |               |
| At the start of the year      | 79                                | 239   | 73  | 391           |
| Additions                     | 144                               | 11  | -   | 155           |
| Disposals                     | (79)                              | (114)   | (73)  | (266)         |
| <b>At the end of the year</b> | <b>144</b>                        | <b>136</b>  | <b>-</b>  | <b>280</b>    |
| <b>Depreciation</b>           |                                   |   |   |               |
| At the start of the year      | 69                                | 233   | 68  | 370           |
| Charge for the year           | 10                                | 3   | 8   | 21            |
| Disposals                     | (79)                              | (111)   | (76)  | (266)         |
| <b>At the end of the year</b> | <b>-</b>                          | <b>125</b>  | <b>-</b>  | <b>125</b>    |
| <b>Net book value</b>         |                                   |   |   |               |
| <b>At the end of the year</b> | <b>144</b>                        | <b>11</b>   | <b>-</b>  | <b>155</b>    |
| At the start of the year      | 10                                | 6   | 5   | 21            |

### 8. DEBTORS

|                          | 2019<br>£000  | 2018<br>£000 |
|--------------------------|---------------|--------------|
| Prepayments              | 59            | 52           |
| Gift aid receivable      | 3,849         | 403          |
| Appeal income receivable | 8,937         | 139          |
| Legacy income receivable | 71            | 195          |
| Other debtors            | 6             | 5            |
|                          | <b>12,922</b> | <b>794</b>   |

## Notes to the financial statements for the year ended 31 March 2019

### 9. CASH AND CURRENT ASSET INVESTMENTS

|  | <b>2019</b><br><b>£000</b> | 2018<br>£000 |
|--|----------------------------|--------------|
| Cash at bank and in hand                 | <b>31,274</b>              | 24,688       |
| Investments: Cash equivalents on deposit | <b>263</b>                 | 260          |
|  | <b>31,537</b>              | 24,948       |

The balances in cash and short term deposits include £15.65m for the Cyclone Idai Appeal, £6.91m for the Indonesia Tsunami Appeal and £6.23m for the People Fleeing Myanmar Appeal. While these funds have very largely been, or will be, committed to member agencies towards disaster response programmes, the disbursement of these funds takes place over the period of those programmes.

### 10. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

|  | <b>2019</b><br><b>£000</b> | 2018<br>£000 |
|--|----------------------------|--------------|
| Trade creditors  | <b>1,281</b>               | 113          |
| Taxation and social security costs                     | <b>30</b>                  | 48           |
| Due to member charities – disaster response programmes | <b>18,664</b>              | 19,036       |
| Other creditors and accruals                           | <b>681</b>                 | 75           |
|  | <b>20,656</b>              | 19,272       |

### 11. CREDITORS: AMOUNTS DUE AFTER ONE YEAR

|  | <b>2019</b><br><b>£000</b> | 2018<br>£000 |
|--|----------------------------|--------------|
| Due to member charities – disaster response programmes | -                          | 193          |

### 12. 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                  |              |
|--------------------|----------------------------|--------------|----------------------------|--------------|
|                    | <b>2019</b><br><b>£000</b> | 2018<br>£000 | <b>2019</b><br><b>£000</b> | 2018<br>£000 |
| Less than one year | 59                         | 91           | 1                          | 2            |
| One to five years  | 161                        | 24           | -                          | -            |
| Total              | 220                        | 115          | 1                          | 2            |

## Notes to the financial statements for the year ended 31 March 2019

### 13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

a) At 31 March 2019

|  | Unrestricted funds<br>£000 | Endowment funds<br>£000 | Restricted funds<br>£000 | Total funds<br>£000 |
|--|----------------------------|-------------------------|--------------------------|---------------------|
| Tangible fixed assets                    | 155                        | -                       | -                        | 155                 |
| Net current assets                       | 700                        | 555                     | 22,548                   | 23,803              |
| <b>Net assets at the end of the year</b> | <b>855</b>                 | <b>555</b>              | <b>22,548</b>            | <b>23,958</b>       |

b) At 31 March 2018

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

### 14. STATEMENT OF FUNDS

a) For the year ended 31 March 2019

|  | At the start of the year<br>£000 | Income<br>£000 | Disaster response programmes<br>£000 | Resources expended<br>£000 | Transfers between funds<br>£000 | At the end of the year<br>£000 |
|--|----------------------------------|----------------|--------------------------------------|----------------------------|---------------------------------|--------------------------------|
| <b>Restricted funds:</b>               |                                  |                |                                      |                            |                                 |                                |
| DEC People Fleeing Myanmar Appeal      | 2,062                            | 1,145          | (2,751)                              | (151)                      | 90                              | 395                            |
| DEC East Africa Crisis Appeal          | 1,233                            | 190            | (1,000)                              | (1)                        | 73                              | 495                            |
| DEC Yemen Crisis Appeal                | 1,263                            | 72             | (1,000)                              | (52)                       | -                               | 283                            |
| DEC Nepal Earthquake Appeal            | 47                               | 1              | -                                    | (39)                       | 25                              | 34                             |
| DEC Indonesia Tsunami Appeal           | -                                | 18,481         | (17,500)                             | (1,917)                    | 2,081                           | 1,145                          |
| DEC Cyclone Idai                       | -                                | 19,962         | -                                    | (1,760)                    | 1,764                           | 19,966                         |
| DEC Emergency Fund                     | 12                               | 205            | -                                    | -                          | -                               | 217                            |
| Humanitarian Emergency Fund (Scotland) | 1                                | 40             | -                                    | (35)                       | -                               | 6                              |
| Welsh Government Fund                  | -                                | 20             | -                                    | (13)                       | -                               | 7                              |
| <b>Total restricted funds</b>          | <b>4,618</b>                     | <b>40,116</b>  | <b>(22,251)</b>                      | <b>(3,968)</b>             | <b>4,033</b>                    | <b>22,548</b>                  |
| <b>Unrestricted funds:</b>             |                                  |                |                                      |                            |                                 |                                |
| General reserve                        | 823                              | 1,326          | -                                    | (1,601)                    | 307                             | 855                            |
| Designated reserve                     | -                                | 4,033          | -                                    | -                          | (4,033)                         | -                              |
| <b>Total unrestricted funds</b>        | <b>823</b>                       | <b>5,359</b>   | <b>-</b>                             | <b>(1,601)</b>             | <b>(3,726)</b>                  | <b>855</b>                     |
| Expendable endowment                   | 857                              | 6              | -                                    | (1)                        | (307)                           | 555                            |
| <b>Total funds</b>                     | <b>6,298</b>                     | <b>45,481</b>  | <b>(22,251)</b>                      | <b>(5,570)</b>             | <b>-</b>                        | <b>23,958</b>                  |

## Notes to the financial statements for the year ended 31 March 2019

### 14. STATEMENT OF FUNDS

b) For the year ended 31 March 2018

|  | At the start<br>of the year | Income        | Disaster<br>response<br>programmes | Resources<br>expended | Transfers<br>between funds | At the end<br>of the year |
|--|-----------------------------|---------------|------------------------------------|-----------------------|----------------------------|---------------------------|
|  | £000                        | £000          | £000                               | £000                  | £000                       | £000                      |
| <b>Restricted funds:</b>               |                             |               |                                    |                       |                            |                           |
| DEC People Fleeing Myanmar Appeal      | -                           | 17,481        | (15,500)                           | (1,623)               | 1,704                      | 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                         | 70            | 18                                 | (11)                  | (367)                      | 47                        |
| DEC Emergency Fund                     | -                           | 12            | -                                  | -                     | -                          | 12                        |
| Humanitarian Emergency Fund (Scotland) | -                           | 51            | -                                  | (50)                  | -                          | 1                         |
| <b>Total restricted funds</b>          | <b>4,242</b>                | <b>26,050</b> | <b>(24,564)</b>                    | <b>(3,014)</b>        | <b>1,904</b>               | <b>4,618</b>              |
| <b>Unrestricted funds:</b>             |                             |               |                                    |                       |                            |                           |
| General reserve                        | 805                         | 1,056         | -                                  | (1,229)               | 191                        | <b>823</b>                |
| Designated reserve                     | -                           | 1,904         | -                                  | -                     | (1,904)                    | -                         |
| <b>Total unrestricted funds</b>        | <b>805</b>                  | <b>2,960</b>  | <b>-</b>                           | <b>(1,229)</b>        | <b>(1,713)</b>             | <b>823</b>                |
| Expendable endowment                   | 1,044                       | 5             | -                                  | (1)                   | (191)                      | <b>857</b>                |
| <b>Total funds</b>                     | <b>6,091</b>                | <b>29,015</b> | <b>(24,564)</b>                    | <b>(4,244)</b>        | <b>-</b>                   | <b>6,298</b>              |

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

The DEC Cyclone Idai was launched on 21 March 2019 and raised £21.73m (including gift aid) in this financial year. This includes £4.00m UK Aid Match funding contributed by the Department for International Development. There were no funds committed to member agencies in the year towards disaster response programmes but £24.00m was committed on 4 April 2019, just after the year end.

The DEC Indonesia Tsunami Appeal was launched on 4 October 2018 and raised £20.52m (including gift aid) in this financial year. This includes £2m UK Aid Match funding contributed by the Department for International Development. £17.50m was committed to member agencies in the year towards disaster response programmes in Indonesia.

The DEC People Fleeing Myanmar Appeal was launched on 4 October 2017. During the financial year, a further £1.20m (2018:£18.70m) of income was received and a further £2.75m (2018:£15.50m) 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 £0.25m (2018:£6.17m) of income was received and a further £1.00m (2018:£1.67m) 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 £0.05m (2018:£2.74m) of income was received and a further £1.00m (2018:£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 £0.03m of income was received (2018:£0.16m) and DEC's response programmes delivered by member agencies in Nepal has now concluded.

## Notes to the financial statements for the year ended 31 March 2019

### 14. STATEMENT OF FUNDS (continued)

On the 27th March 2018, the DEC launched a way to give to DEC 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.

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.

During the financial year, a further £0.20m (2018: £0.012m) was received towards the DEC Emergency Fund. Since launch, no programme activities have taken place yet.

**Designated funds** Gift aid tax recoverable on donations to the 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 Cyclone Idai, DEC Indonesia Tsunami Appeal, DEC People Fleeing Myanmar, DEC East Africa Crisis Appeal and DEC Nepal Earthquake 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 £0.30m (2018: £0.19m) was made in the financial year to the unrestricted general reserve in respect of expenditure incurred on digital transformation projects.

### 15. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

|   | <b>2019</b>  | 2018            |
|---|--------------|-----------------|
|   | <b>£000</b>  | £000            |
| <b>Net income for the reporting period<br/>(as per the statement of financial activities)</b> | 17,660       | 207             |
| Depreciation charges  | 21           | 38              |
| Interest from current asset investments   | (140)        | (173)           |
| (Increase)/decrease in debtors  | (12,128)     | 20,432          |
| Increase/(decrease) in creditors  | 1,191        | (38,506)        |
| <b>Net cash provided by/(used in) operating activities</b>                                    | <b>6,604</b> | <b>(18,002)</b> |

## Notes to the financial statements for the year ended 31 March 2019

### 16. STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 March 2018

|  | Note      | Unrestricted funds<br>£000 | Endowment funds<br>£000 | Restricted funds<br>£000 | 2018<br>Total<br>£000 |
|--|-----------|----------------------------|-------------------------|--------------------------|-----------------------|
| <b>Income from:</b>                                      |           |                            |                         |                          |                       |
| Donations and legacies                                   |           | 1,049                      | -                       | -                        | <b>1,049</b>          |
| Charitable activities                                    |           |                            |                         |                          |                       |
| DEC People Fleeing Myanmar Appeal                        |           | 1,248                      | -                       | 17,458                   | <b>18,706</b>         |
| DEC East Africa Crisis Appeal                            |           | 147                        | -                       | 6,020                    | <b>6,167</b>          |
| DEC Yemen Crisis Appeal                                  |           | 420                        | -                       | 2,316                    | <b>2,736</b>          |
| DEC Nepal Earthquake Appeal                              |           | 89                         | -                       | 32                       | <b>121</b>            |
| DEC Emergency Fund                                       |           | -                          | -                       | 12                       | <b>12</b>             |
| Humanitarian Emergency Fund (Scotland)                   |           | -                          | -                       | 51                       | <b>51</b>             |
| Cash investments   |           | 7                          | 5                       | 161                      | <b>173</b>            |
| <b>Total income</b>                                      |           | <b>2,960</b>               | <b>5</b>                | <b>26,050</b>            | <b>29,015</b>         |
| <b>Expenditure on:</b>                                   |           |                            |                         |                          |                       |
| Raising funds  |           | 938                        | 1                       | 2,964                    | <b>3,903</b>          |
| Charitable activities                                    |           |                            |                         |                          |                       |
| People Fleeing Myanmar disaster response programmes      |           | 54                         | -                       | 15,500                   | <b>15,554</b>         |
| East Africa Crisis disaster response programmes          | 2         | 109                        | -                       | 1,668                    | <b>1,777</b>          |
| DEC Yemen Crisis disaster response programmes            |           | 36                         | -                       | 7,414                    | <b>7,450</b>          |
| DEC Nepal Earthquake Appeal disaster response programmes | 3         | -                          | -                       | (18)                     | <b>(18)</b>           |
| Humanitarian Emergency Fund (Scotland)                   |           | -                          | -                       | 50                       | <b>50</b>             |
| Lesson learning and accountability                       |           | 92                         | -                       | -                        | <b>92</b>             |
| <b>Total expenditure</b>                                 |           | <b>1,229</b>               | <b>1</b>                | <b>27,578</b>            | <b>28,808</b>         |
| <b>Net income/(expenditure) for the year</b>             |           | <b>1,731</b>               | <b>4</b>                | <b>(1,528)</b>           | <b>207</b>            |
| Transfers between funds                                  | 14        | (1,713)                    | (191)                   | 1,904                    | -                     |
| <b>Net movement in funds</b>                             |           | <b>18</b>                  | <b>(187)</b>            | <b>376</b>               | <b>207</b>            |
| <b>Reconciliation of funds</b>                           |           |                            |                         |                          |                       |
| Total funds brought forward                              | 14        | 805                        | 1,044                   | 4,242                    | <b>6,091</b>          |
| <b>Total funds carried forward</b>                       | <b>14</b> | <b>823</b>                 | <b>857</b>              | <b>4,618</b>             | <b>6,298</b>          |

## Notes to the financial statements for the year ended 31 March 2019

### 17. RELATED PARTY TRANSACTIONS

The charity trustees disclosed on page 38 include executives of all member agencies. The material transactions are disclosed in note 3. The member agencies made donations of £1,279,000 (2018: £918,000) in the year to the charity. In addition, £78,000 (2018 £ 181,000) was collected in the year by member charities on behalf of the charity, being £12,000 (2018 £8,000) Yemen Crisis Appeal; £103 (2018 £101,000) East Africa Crisis Appeal; £1,048 (2018 £72,000) People Fleeing Myanmar Appeal; £53,000 (2018 £nil) Indonesian Tsunami Appeal; £12,000 (2018 £nil) Cyclone Idai 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 £373,000. 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 2019:* Christine Allen, Tanya Barron, Jean-Michel Grand, Jane Hanson, Baroness Helene Hayman, Sue English, Chris Roles, Charles Stewart-Smith, Richard Tait, 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:* Jane Hanson  
*Members 2019:* Mike Adamson, Rose Caldwell, Andy Green, Laurie Lee, Amanda Mukwashi, Tim Pilkington.

### Remuneration Committee

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

*Chair:* Sue English  
*Members 2019:* Rose Caldwell, Andy Green, Jane Hanson, Chris Roles.

## BOARD OF TRUSTEES

### INDEPENDENT TRUSTEES

#### Sue English

Chair of Trustees, Independent Trustee (appointed as Chair 26/11/18)

#### Clive Jones, CBE

Chair of Trustees, Independent Trustee (resigned 26/11/18)

#### Ken Burnett

Independent Trustee (resigned 26/11/18)

#### Andy Green

Vice Chair, Independent Trustee

#### Clare Thompson

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

#### Jane Hanson

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

#### Baroness Helene Hayman

Independent Trustee

#### Charles Stewart-Smith

Independent Trustee

#### Richard Tait, CBE

Independent Trustee

The DEC is grateful for the contributions of the Trustees to the mission and work of the charity and would like to thank in particular Sir Clive Jones, Ken Burnett and Clare Thompson who resigned in the course of the year.

## MEMBER TRUSTEES

### Jean-Michel Grand

Action Against Hunger – Executive Director (appointed 10/09/18)

### Girish Menon

ActionAid UK – Executive Director

### Chris Roles

Age International – Director

### Mike Adamson

British Red Cross – Chief Executive

### Chris Bain

CAFOD – Director (resigned 10/03/2019)

### Christine Allen

CAFOD – Director (appointed 11/03/2019)

### Laurie Lee

CARE International UK – Chief Executive

### Amanda Mukwashi

Christian Aid – Director

### Rose Caldwell

Concern Worldwide UK – Executive Director

### Naser Haghamed

Islamic Relief Worldwide – Chief Executive

### Mark Goldring, CBE

Oxfam GB – Chief Executive (resigned 31/12/18)

### Dr Danny Sriskandarajah

Oxfam GB - Chief Executive (appointed 01/01/19)

### 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  
(to 13/05/19)

### Gary Carpenter

Director of Finance and Resources  
(from 13/05/19)

### Simon Beresford

Director of Fundraising and Marketing

### Monica Blagescu

Director of Programmes and  
Accountability  
(to 21/06/19)

### Madara Hettiarachchi

Director of Programmes and  
Accountability  
(from 21/06/19)

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 MANAGEMENT, STAFF WHO SERVED DURING THE YEAR

Adam Bailey, Katy Bobin, Kathryn Brooke, Adam Brown, Priya Changela, Lou Furness, Leon Green, Barney Guiton, Nazia Hassan, Ash Hiden, Mollie Lawrence, Annie Lewis, Sarah Maynard, Aoife McGran, Eppie Nguyen-Xuan, Huw Owen, Sarah Sansom, Hilda Seleji-Paulo, Harry Stevens, Eamon Sutherland, Pete Teverson, Adrian Walker, Matthew Warnock-Parkes, Casia Wiliam, James Winterkorn, Annabelle Whipp.

## VOLUNTEERS AND OTHER SUPPORT

We were also greatly assisted by a number of volunteers both during and outside of our appeals to whom we are extremely grateful, especially Zozi Goodman for coordinating their activities.

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.

## REGISTERED OFFICE

43 Chalton Street  
London NW1 1DU  
(until 27/05/19)

Tavis House  
Tavistock Square  
London  
WC1H 9NA  
(from 28/05/19)

## AUDITORS

Sayer Vincent  
Invicta House  
108-114 Golden Lane  
London EC1Y 0TL

## BANKERS

Barclays  
1 Churchill Place  
London E14 5HP

Cazenove Capital Management,  
12 Moorgate  
London EC2R 6DA

## SOLICITORS

Bates Wells Braithwaite LLP  
10 Queen Street Place  
London EC4R 1BE

Debevoise & Plimpton LLP  
65 Gresham Street  
London EC2V 7NQ

Sidley Austin LLP  
Woolgate Exchange  
25 Basinghall Street  
London EC2V 5HA



**DEC  
MEMBER  
CHARITIES**



**act:onaid**



**DISASTERS EMERGENCY COMMITTEE**

Tavis House  
Tavistock Square  
London WC1H 9NA

Tel: 020 7387 0200  
[www.dec.org.uk](http://www.dec.org.uk)

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