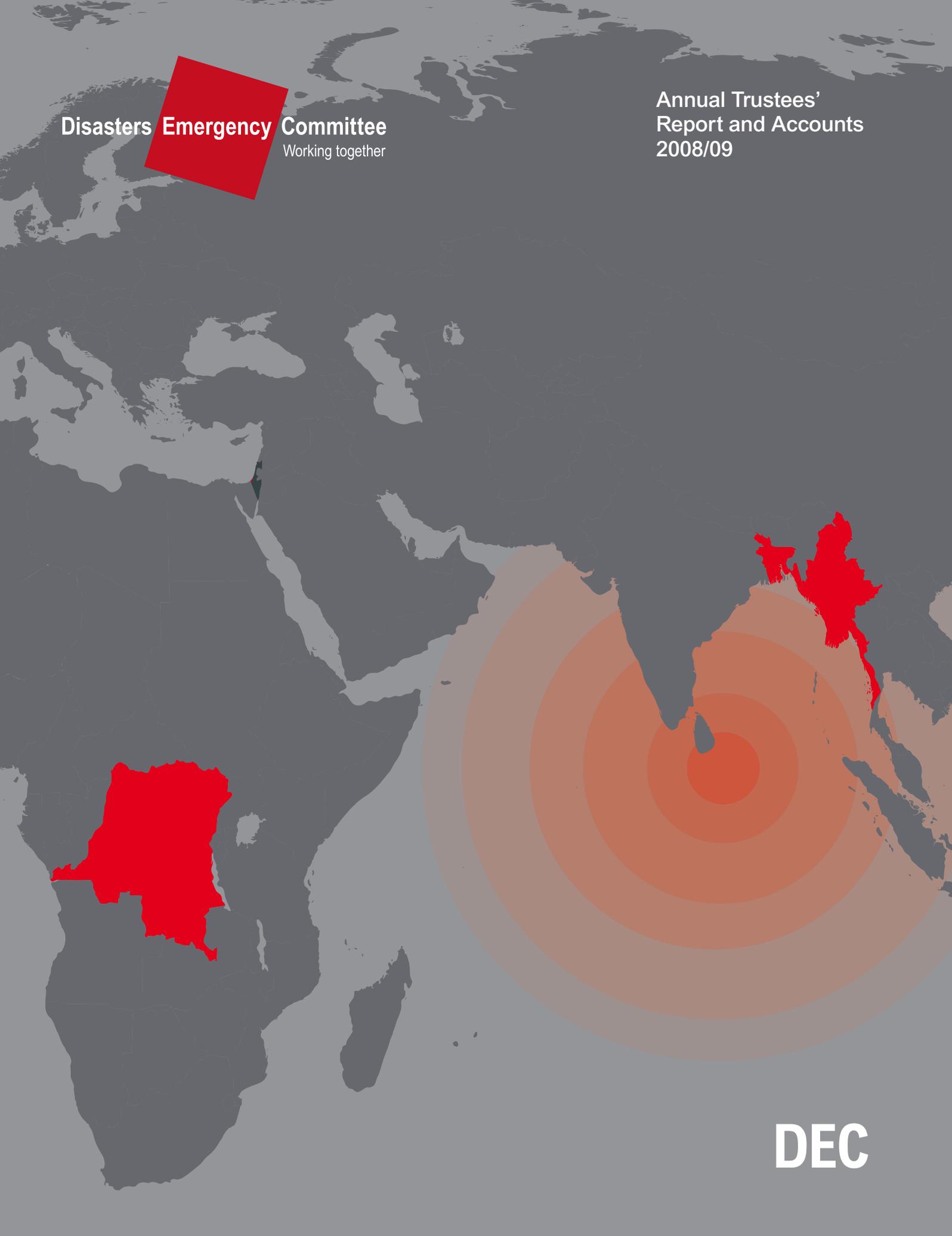


Disasters Emergency Committee
Working together

Annual Trustees'
Report and Accounts
2008/09



DEC

The Disasters Emergency Committee brings together the leading UK aid agencies to raise money at times of humanitarian crisis in poorer countries. By working together we can raise more money to save lives and rebuild shattered communities.

Contents

02 DEC Income streams in total for all appeals

We have run 3 appeals over the last 12 months – Gaza, DR Congo, Myanmar

02 Strategic Objective 1: Maximising Income

Explaining how we fundraise to help those in most need

04 Strategic Objective 2: Building Trust

Reporting back on DEC activities, website development, broadcaster discussions, next steps with public accountability and communications strategy

06 Strategic Objective 3: Working Together Effectively

Setting out Board and subcommittee initiatives, risk management and driving improvements

Our legal entity, our Staff and Board and how they govern the charity

10 Quality Disaster Responses

An overview of DEC Agencies' progress and planned improvements in the Management and Improvement Report

12 Driving Quality, Accountability and Learning

The variety of components that make up the DEC Accountability Framework and the available information

14 Our year at a glance: Where we have provided aid

Over the last year DEC launched 3 appeals – Myanmar, Congo (DR) and Gaza – and continued or finished programmes started in previous years. See map for headlines from the programmes



Unhikshuan Piv/ActionAid

16 Gaza Crisis Appeal

Once the cease fire was agreed we launched the Gaza Appeal for those caught up in the conflict between Hamas and the Israeli Government supporting those who had lost so much, with homes and livelihoods destroyed



Katie Holt/Save the Children

18 Congo DR Crisis Appeal

The Congo Crisis Appeal is helping people displaced due to a flare up in the fighting in Eastern Congo. A quarter of a million people fled their homes on top of the 1 million already displaced by previous fighting



Merlin/Jacqueline Koch

20 Myanmar (Burma) Cyclone Appeal

The relief effort for Myanmar (Burma) had to be managed in the face of mistrust from their Government and relied on the skills of the many DEC Agencies with large numbers of national staff and volunteers who were quickly deployed to the Delta

22 Bangladesh Cyclone Appeal

The work of the DEC Agencies has meant many families are now in stronger homes and livelihoods have been restored

24 Tsunami Earthquake Appeal

Final year spending concentrated on a planned exit leaving communities better able to cope in the future

26 Financial Review

Financial summary of key activities during the year including review of the investments and reserves policies.

28 Independent Auditors' report

Report to the trustees expressing an opinion on the financial statements based on audit evidence obtained

29 Statements of Financial Affairs, Balance Sheet and Cash Flow Statement

Detailed analyses of income and expenditure, statement of assets and liabilities at year end and statement on the use of funds during the year.

- 1
- 2
- 3

Images on this page:

1. Yousef Saed in Jabalia refugee camp with his day's collection of empty cartons. Electricity supply is intermittent and diesel prices have shot up making generators an expensive proposition. He collects the cartons after his school hours. Schools work in shifts
2. Boy fleeing fighting in the Democratic Republic of Congo
3. Pyae Phyo, 4 years old, contracted an acute respiratory infection shortly after Cyclone Nargis in Laputta, one of the most affected areas. He received treatment in Merlin's temporary health clinic, set up to provide health care for homeless survivors living in two camps in Laputta town. Since the cyclone, Merlin has provided health care for 250,000 people affected by Cyclone Nargis

Message from the Chairman



I welcome this opportunity to introduce you to our Annual Report which highlights this year's three appeals. Through the DEC, the UK public have given our Member agencies over £24 million for crises where politics or conflict have complicated or exacerbated the suffering we aim to address.

Most of you will know that following the escalation of the conflict in Gaza and the resulting humanitarian crisis, we took the decision to launch an appeal. As with all potential appeals we assessed it against our three core criteria (substantial unmet humanitarian need, the ability of DEC Agencies and their partners to respond effectively and evidence of public concern) and it was on that basis, given the level of suffering, the DEC Board unanimously agreed that the appeal should go ahead. We understood the polarised context and the need for all DEC partners to demonstrate their impartiality. Our broadcaster partners gave a great deal of thought to their own editorial impartiality and while the BBC and Sky decided against support, a decision we understand, other media partners did help publicise the appeal. We took the deliberate decision not to be drawn into the resulting public media debate. We will continue discussions with our broadcast partners to ensure that future joint appeals can alleviate suffering for the maximum number of people affected.

It has been crucial for the DEC, in polarised situations such as in Myanmar, Eastern Congo and Gaza, to demonstrate our commitment to humanitarian impartiality. This means we are accountable for responding to those with the greatest needs. The assistance must be given wherever it is needed and regardless of race, creed or nationality. For us, it is neither a partisan nor political act.

We also continued work in Bangladesh after the cyclone that hit in November 2007 and completed the final phase of the funding of the Tsunami Earthquake Appeal programmes.

The Board has prioritised improving the way the DEC reports back to our donors, supporters and stakeholders and our website www.dec.org.uk is our key medium for sharing information as well as receiving donations. We are in the second year of our accountability processes with the support of Ernst & Young. A new policy agreed this year means that the DEC has set out a sequence for DEC Agencies commissioning independent reports on the use of DEC funds. The summaries of these reports will be published by the Member Agencies and also available via the DEC website.

DEC has had an unprecedented run of 4 appeals over 14 months, your support and generosity reminds us that we have a very important role in offering a cost effective way for life saving support to reach those with the greatest needs even more so in this difficult global environment.

Many thanks

A handwritten signature in dark ink that reads "Mike Walsh". The signature is written in a cursive, slightly slanted style.

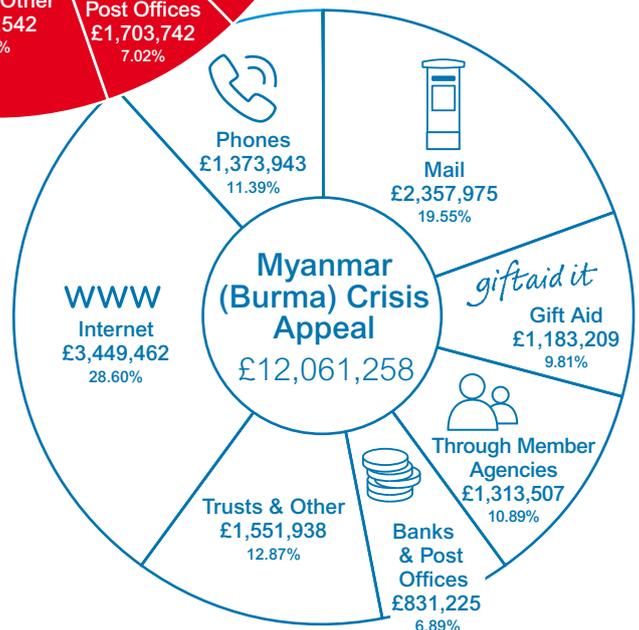
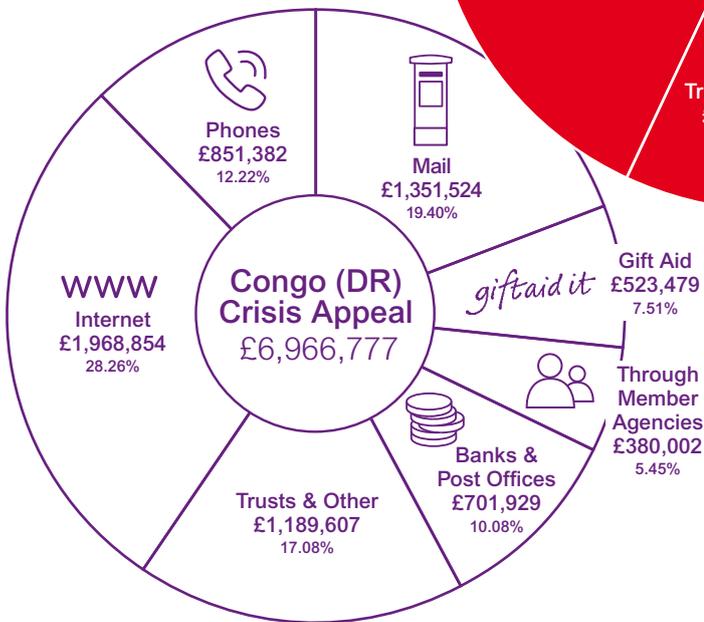
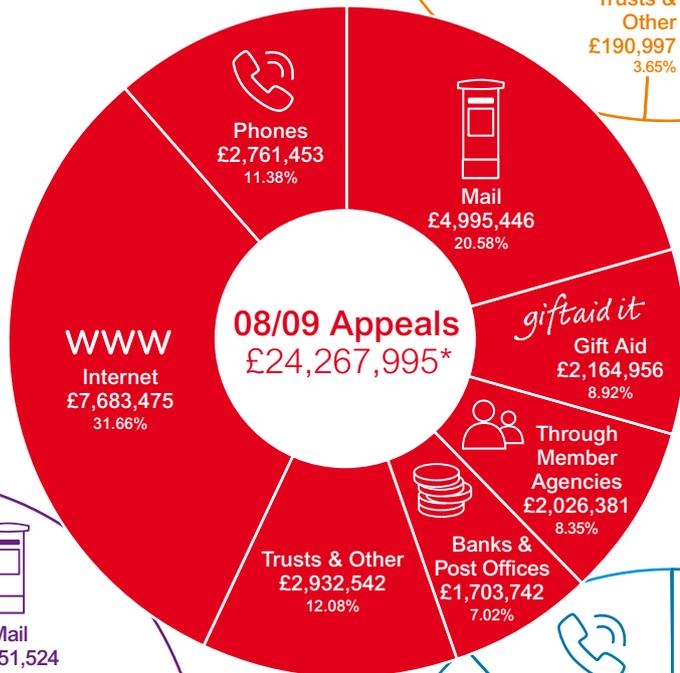
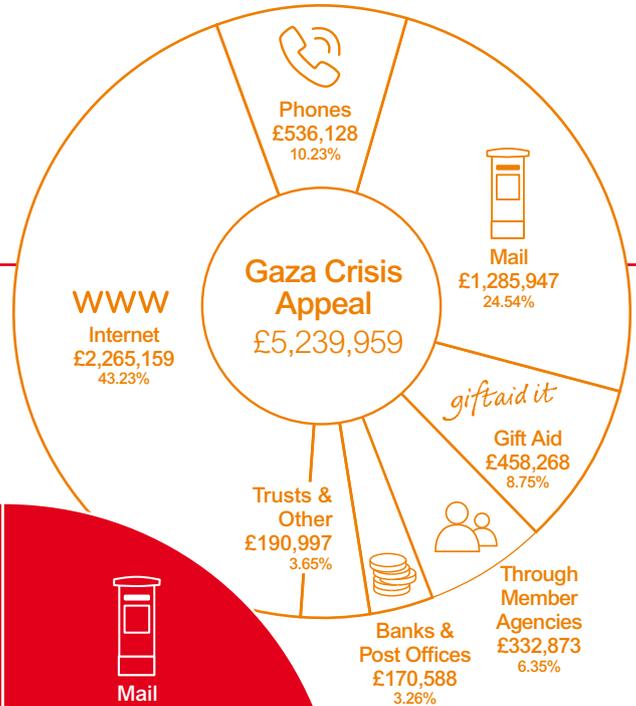
Mike Walsh
Chairman

Maximising Income

This year's three appeals shared a common theme: all were in impoverished communities dealing with the fall-out from natural events or conflict. The challenge of launching DEC appeals for this type of crisis is often the short window of media coverage.

We worked with the BBC and ITV to refine how we describe and categorise appeals to improve their management and establish key messages for the public. This included exploring the possibility of launching appeals to avert major disasters that could be triggered by the effects of drought or long periods of conflict.

In all three disasters the editorial focus highlighted the difficulties for international aid organisations of getting materials and people into the affected area and we were successful in showing that DEC Agencies were able to respond often using experienced local staff and partners. Donors responded generously showing that they are willing to give support for poor affected communities even where the circumstances were challenging.



*Appeal Income as at 30 March 2009



For the Gaza Crisis Appeal, the public controversy sustained attention on the Gaza conflict which highlighted the appeal to donors who responded particularly via the web which once again increased in overall percentage terms, however phone donations fell.



“During an appeal BT provides the online donation platform through which the DEC receives more than a third of all donations. BT also provides the telephony and network management for telephone donations, as well as engaging with its employees. The DEC is one of BT’s strategic charity partners which it has supported since the first broadcast appeal. By utilising our technology and communications expertise, we are able to help raise funds for the most needy in society.”

– Beth Courtier, Community Investment Programme Manager

Developments in the year

We have developed our business continuity arrangements for launching and coordinating appeal fundraising and this has also helped to improve our internal communications for each appeal. We have also formalised procedures for dealing with donor queries. Key performance indicators are set at the time of the Board’s appeal decisions and help to ensure fundraising investments are kept within agreed policy and in line with expected appeal totals.

Plans for the future

We are creating a new donor database to provide better donor care through easier tracking and to enable us to deal with their queries more effectively. The database will improve the speed of our Gift Aid claims. We will formalise our management of key service providers and consider opportunities to further develop DEC fundraising and marketing activity.



Building Trust

We have relied heavily on well-established actors to add personal endorsement to our appeals and reassure potential donors. Juliet Stevenson, Stephen Fry, Jonathan Pryce, Damian Lewis, Daniella Nardini all lent their support in the last year while both Her Majesty the Queen and JK Rowling made generous and public donations to DEC appeals.



“There are hundreds of thousands of refugees in the troubled parts of this world; impoverished, many hungry, frequently desperate. They call them “displaced” but that does not begin to describe the misery of those pushed out of their homes, separated from family and friends and nearly everything that makes life worth living.”

– Jonathan Pryce



“I was honoured to have filmed the Burma appeal.”

– Stephen Fry



“I saw how the cyclone had caused widespread devastation of peoples’ lives, destroyed their homes, roads, jetties, water and sanitation supplies and electricity systems. I was only too happy to help, when the Disasters Emergency Committee asked me to present a public appeal for funds on television in May 2008.

The British public, as they always do, gave what money they could. The donations in turn are vital to facilitate the essential work that the DEC Agencies do.”

– Actor Damian Lewis



Helena Molin-Valdes, UN

Our AGM and Annual Report are other key ways we build trust. This year the AGM was generously sponsored by Tradition and held at the Emirates Stadium. It focused on the topic of Disaster Risk Reduction (DRR) with speakers from the UN and the Global Platform on DRR.

Three appeals were promoted through Google using a Google grant and the DEC was selected as one of the YouTube Non-Profit charities. YouTube run this for selected organisations that have compelling stories to tell. The Amec Awards 2008 gave a Bronze award to Durrants for ‘Best use of measurement for a single event’ for the DEC Myanmar Cyclone Appeal coverage. DEC videos on YouTube have been viewed over 113,000 times. Having all of the appeal videos gathered together gives a sense of credibility, reliability and history and informs new audiences about the work of the DEC.

We provided an update of appeals activity during 2008 in a Christmas thank you e-message to supporters.

Given the polarised nature of the public debate over the Gaza Crisis Appeal we decided to use a voice-over to avoid personalising the appeal.



Google YouTube page

DEC have a designated ‘Nonprofit’ channel on YouTube (<http://www.youtube.com/deccharity>). The DEC videos on YouTube have been viewed over 113,000 times



A Christmas Thankyou

We provided an update of appeals activity during 2008 in a Christmas thank you e-message to supporters



Developments in the year

The more we can demonstrate improvements in the way our appeals are managed and our Member Agencies deliver aid, the greater the trust we will build with donors and other stakeholders. We have focused on two areas:

One: Reviewing programmes and facilitating learning:

We held three learning workshops in 2008 focussing on the areas for improvement identified in the accountability assessments. Topics included Organisational Learning, Accountability to Beneficiaries and Delivering on Humanitarian Standards. Guest speakers from ALNAP and the Humanitarian Accountability Partnership joined the Member Agencies to share best practice on dealing with some of the biggest challenges to the successful delivery of humanitarian aid.

'Upholding humanitarian standards' is one of our Accountability Priorities and Member Agencies' successes and challenges in this area are reported to the Secretariat as part of the regular appeal monitoring. In the past year this has been the focus for two DEC Monitoring Missions: accountability to beneficiaries was a major plank of the Bangladesh Monitoring Mission and for DR Congo the emphasis is on adherence to People in Aid principles.

Two: Strengthening accountability to stakeholders

We further strengthened the DEC Accountability Framework in 2008 by introducing a new policy requiring our Member Agencies to commission and publish independent evaluations of their emergency programmes in receipt of DEC appeal funds. As a minimum, summaries of the evaluations will be published on the Member Agency websites with a link on the DEC website. We have also commissioned two independent reports on Bangladesh and Myanmar for the BBC.

To further promote trust we have published an Open Information Policy which reinforces our commitment to openness and leadership in public accountability through timely and transparent reporting. We have also developed a Complaints Policy, enabling stakeholders to seek and receive responses to their concerns.

Plans for the future

Based on feedback from key individual and corporate supporters we are developing a new communications strategy for 2009/10. Central to that strategy is the development of a consistent approach for both the DEC Secretariat and our Member Agencies on reporting back to key audiences how money has been spent. We are also working to define our audiences more clearly – general public, donors, opinion formers, key stakeholders – to help us tailor how and when we will communicate with each group in the future.

We have initiated a round of discussions with the broadcasters following the Gaza Crisis Appeal. We want to clarify the decision making process for appeals and to consider how we communicate to the public if a broadcaster decides not to support a specific DEC appeal.

Millions of donors and supporters
58 fundraising appeals
46 years' experience
13 Agencies
1 DEC

Working together effectively

The DEC Board agrees and monitors strategic direction, which is managed by the Secretariat with DEC agencies engaging and cooperating for significant emergencies.

The Board of Trustees made Appeal decisions against the three core criteria of substantial unmet humanitarian need, the ability of DEC Agencies and their partners to respond effectively and evidence of public concern. When appeal decisions are taken we agree the category of the appeal and the fundraising income range. We set appeal budgets within the 5% limit for the income range and monitor costs against this.

In January the Board of Trustees met to consider our Strategic Objectives in a risk context. This helped define the complexities of the environment we are working in and confirmed the need to focus on the mechanics of speedy appeal decision making and issues around transparency and reputational risk. The Trustees confirmed they want the DEC to live up to the commitment for open information despite the risks of partial reporting or information being taken out of context.

The Secretariat has monitored and reported to the Board on programme delivery, accountability activity and DEC Agencies' media and fundraising.

The Board carried out a review against the revised Membership Criteria covering 3 key areas - legal (governance), finance and quality programmes – with current Member Agencies and potential members. The review identified that a small number of agencies did not meet the specified levels of private income or expenditure and/or had changing contractual relationships. The relevant Member Agencies have been given a fixed period to comply with the requirements.

In addition the arrangements for the allocation of appeal funds were reviewed – both the calculation of funds for each Member Agency and the timeframe for the delivery of their programme responses. It was agreed that the basis for allocating funds between the DEC Agencies should remain unchanged and that the period for spend should be adjusted to better reflect the needs in the disaster area.

Developments in the year

We have successfully completed the second year of assessments against the DEC's Accountability Priorities, with the support of Ernst and Young. The Board will draw on the assessments of performance, assurance and progress against improvement commitments to hold Member Agencies and the Secretariat to account. The Accountability Priorities are designed to support excellence and drive improvement for well managed appeals and for quality disaster responses. As anticipated the areas of embedding beneficiary accountability and learning are proving to be the most challenging.

We have continued to develop the Accountability Framework aiming for it to be acknowledged as a quality mark for accountability. This has included further independent review of disaster responses for the BBC and exploring alternative methods for validating external reports. The overall results of this year's assessments against our Accountability Priorities demonstrate real progress in establishing documented policies and practice, strengthened evidence of delivery of these policies and more systematic assurance.

Plans for the future

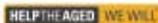
The Board will regularly monitor our strengthened independent trustee led sub committees to ensure they are providing effective review of the external environment and DEC activity to help inform strategic decisions made by the Board. We will endeavour to identify the balance of Member Agency and Secretariat activity which most effectively supports appeal fundraising. We will continue to facilitate DEC learning and improvement to support improvement in the weaker elements of the Accountability framework so that quality programmes are delivered. We will seek understanding and endorsement of DEC's accountability arrangements from lead accountability bodies in the sector, such as ALNAP and HAP. The new donor database and other systems will be implemented to support DEC core functions and continue improving standards of administration.



Our Legal Entity

The Disasters Emergency Committee is a UK registered charity (number 1062638) and a UK company limited by guarantee (number 3356526) and is a fundraising umbrella organisation for 13 Member Agencies (Non Government Organisations – NGOs).

Our governing document is the Memorandum and Articles of Association which states that the charity is governed by a Board consisting of the Chief Executive Officer from each Member Agency together with four independent trustees, Chairman and Honorary Treasurer. These Trustees are also Directors of the Company.



Our People

Board of Trustees

Mike Walsh
Chairman, DEC
Remuneration

Richard Miller
Director, ActionAid UK
Audit, Risk

Sir Nicholas Young
Chief Executive, British Red Cross
Audit

Chris Bain
Director, CAFOD
Accountability

Geoffrey Dennis
Chief Executive, Care International UK
Recruitment, Risk

Dr Daleep Mukarji
Director, Christian Aid
Accountability, Remuneration

Lyndall Stein
Executive Director, Concern Worldwide UK
(resigned 3rd November 2008)

Rose Caldwell
Executive Director, Concern Worldwide UK
(appointed 3rd November 2008)

Michael Lake
Director General, Help the Aged
(resigned 31st March 2009)
Remuneration

Tom Wright
Chief Executive, Help the Aged/Age UK
(appointed 1st April 2009)

Saleh Saeed
Chief Executive, Islamic Relief
(appointed 30th June 2008)

Carolyn Miller
Chief Executive, Merlin
Risk

Barbara Stocking
Chief Executive, Oxfam
Recruitment, Risk

Jasmine Whitbread
Chief Executive, Save the Children
Accountability

Matthew Frost
General Director, Tearfund

Charles Badenoch
Chief Executive, World Vision UK
(resigned 30th April 2009)
Risk

Justin Byworth
Acting Chief Executive, World Vision UK
(appointed 1st May 2009)

Dr Sheila Adam
Independent
Medical Practitioner, former director in NHS
and Department of Health
Accountability

Ann Grant
Independent
Vice Chairman, Standard Chartered Capital
Markets Ltd.
Accountability

Victoria Hardman
Independent
Trustee of the Royal Naval Museum
Portsmouth and Chair of Fundraising
Audit, Recruitment

Adrian Martin
Honorary Treasurer
Non Executive Director of Morgan Sindall
plc, Safestore Holdings plc and M&C
Saatchi plc. Consultant to Reynolds Porter
Chamberlain LLP
Accountability, Audit, Remuneration, Risk

Dr Sheena McDonald
Independent
(resigned 6th September 2008)
Radio and TV producer/presenter
Recruitment, Risk

John Willis
Independent (appointed 9th July 2008)
Television Executive
Accountability

Working together effectively (continued)

Trustees' Responsibilities

The DEC Board of Trustees are accountable for the actions of the DEC. The Board determines the policies that govern the way that the organisation functions. It is responsible for determining whether or not a particular emergency fulfils the appeal criteria. The DEC allocates money raised by an appeal on the basis of a formula intended to reflect the capacity of each Member Agency.

Through its sub committees the Board monitors how allocated funds are spent and Member Agencies plan their programmes in accordance with the parameters of the appeal. The effectiveness of the use of allocated funds is the responsibility of each Member Agency. The Board of Trustees' decisions are made on the basis of a vote. Each Member Trustee and Independent Trustee and the Honorary Treasurer has an equal voting right. In the case of a split vote, the casting vote is made by the DEC Chair. During the year the Board confirmed that an abstention in an appeal decision making situation is counted as a vote against an appeal.

Independent Trustees chair each of the sub committees which oversee key aspects of DEC activity and report back to the full Board.

Trustees are nominated, elected and replaced as follows:

The Chief Executive Officer of each Member Agency is an 'ex officio' member of the DEC Board.

The Chair and Independent Trustee posts are advertised and the Independent Trustees nominate a suitable candidate to the Member Trustees for approval. The candidate nominated cannot be a Member Trustee.

The Chair and Independent Trustees hold office for a term of three years and may be reappointed for a second term and then retire from office.

The Trustees appoint an Honorary Treasurer and decide the term for the Honorary Treasurer.

Roles of the Board sub committees

Audit Committee

The Audit Committee is responsible for reviewing the draft financial statements before they are presented to the Board and considering external audit opinion and management letter. In addition the committee is responsible for advising trustees on the appointment of external auditors; reviewing external audit plans to ensure that they are appropriate; reviewing the effectiveness of the internal control systems and ensuring that the findings contained within Audit Committee reports are taken forward appropriately by the Secretariat. During the year the committee oversaw a tender process and selected a new external auditor.

Recruitment (Trustees) Committee

This committee is responsible for the recruitment of Independent Trustees. In the year John Willis was recruited as a replacement for Sheena MacDonald who retired in 2008. All new Trustees have an induction process which includes briefing sessions with the Chair and the Executive. Independent Trustees also visit at least one Member Agency. The committee is being superseded in 2009/10 by the Membership and Nominations Committee which will have an extended remit for independent trustee recruitment and membership review.

Remuneration Committee

The committee reviews the performance and salary of the CEO and recommends the annual salary budget for all staff for inclusion in the annual budget submitted to the Board. It also advises the Board on employment and remuneration policy and comparison with other sectors.

Risk Management Committee

The Risk Management Committee delivers the risk management strategy and its continuous improvement; oversees key risks both strategic and appeal specific receiving Member Agency and Secretariat updates on mitigating actions; commissions appropriate follow up on material risks; and receives Charity Commission reports. It met quarterly throughout the year and reported issues to the full DEC Board. The Board Away-day in January 2009 considered the risk profile of key DEC issues.



DEC Secretariat Staff

Accountability Committee

As well as being charged with supporting the implementation of the new DEC Accountability Framework, the Accountability Committee reviews the evidence gathered from the Member Agencies and Secretariat annual assessments; reviews the draft accountability contributions to the Annual Report and DEC Board management information; signs off proposals for DEC Secretariat commissioned collective quality and learning initiatives on behalf of the DEC Board.

Secretariat employees

Brendan Gormley
Chief Executive

Kathryn Hindley
Deputy Chief Executive

Andrew Tuffin
Donations Assistant

Pat Willson
Donations Manager

Timothy Aseervatham
Finance Manager

Annie Devonport
Humanitarian Programmes Advisor

Fiona Wilson
Internal Audit and Assurance

Emma Boyle
Office Administrator

Patricia Sanders
Promotions and Communications

Saunvedan Aparanti
Web Editor

Volunteers

The Secretariat has benefited from the services of volunteers throughout the year. We are grateful to John Axon; Laura Gisby; Sam Grizzle; Georgina Howe; Marianne Nathan; Paul O'Keefe; Ben Rymer; Lorenza Tuan and Charlotte Wood for their support and enthusiasm.

Professional Advisors

Bankers

The Co-operative Bank plc
9 Prescot Street
London E1 8BE

Auditors

Horwath Clark Whitehill LLP
Chartered Accountants & Registered Auditors
St Bride's House, 10 Salisbury Square
London EC4Y 8EH

Solicitors

Bates, Wells & Braithwaite
Cheapside House
138 Cheapside
London EC2V 6B

Major Supporters 2008/09

Central to the DEC ways of working are our relationships with numerous partners. The Trustees warmly acknowledge and express sincere thanks to the following organisations that supply services and assist DEC Secretariat at appeal time.

TV broadcasters:

BBC, BSkyB, Channel 4, Channel 5, ITV Networks, S4C, Al Jazeera

Radio broadcasters

BBC Radio, Radiocentre and Commercial Radio stations, Radio Advertising Clearance Centre

Donations, logistics and processing

Alliance & Leicester, British Bankers' Association, BT, Royal Mail, Servebase Global Card Solutions, Streamline Merchant Services, Post Office Ltd

Communications, New Media, Advertising.

Mindshare, Ogilvy One, Google, YouTube, Neo

Registered Office

1st Floor
43 Chalton Street
London NW1 1DU

Quality Disaster Responses

Ernst & Young's second report to the DEC confirmed that overall the results of the DEC Agencies' 2008/09 assessments provide some very positive messages and that excellent progress was made in meeting their Improvement Commitments.

Their report suggested that the DEC may benefit from looking in more detail at the challenges of holding those with delegated responsibility and authority to account, such as partners and alliance members. The new DEC policy on DEC Agencies' independent evaluations will strengthen assurance evidence across all areas.

We use funds as stated

For a second year DEC Agencies were able to demonstrate embedded processes for financial control within their organisations and all articulated confidence in these arrangements.

Good progress was made against the Improvement Commitments that DEC Agencies set themselves for 2008/09.

These focused on systematically ensuring that financial arrangements are responsive to the level of financial risk in disaster response locations. Improvements include:

- consistent use of financial risk registers for emergency operations
- development of a bank credit assessment to ensure the necessary analysis takes place including speed and cost of transfers from the UK.

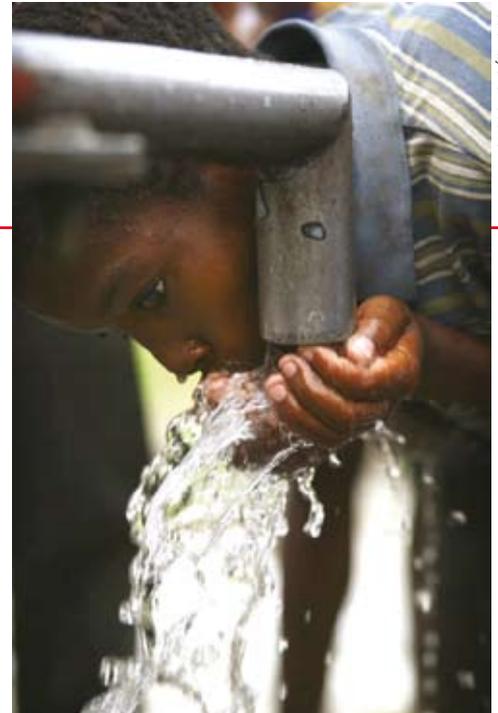
We aspire to fulfil agreed humanitarian principles, standards and behaviours

The majority of DEC Agencies reported room for improvement in this area. All have clear statements in place setting out the standards to which they work and the vast majority have policies and processes governing the application of these standards.

However for some DEC Agencies these policies and processes need further time to embed within operations to be deemed to be systematically applied and to be capable of systematic assurance.

The majority of Improvement Commitments made by DEC Agencies were met as planned and focussed on improving communication of the standards to staff and partners and ensuring they underpinned programme proposals. Improvements for 2009/10 will continue to focus on these areas. Improvements so far include:

- increased induction and training for staff and partners on standards
- the introduction of a menu of indicators, drawing on humanitarian standards and guidelines, to be applied at proposal development phase.



Abbie Trayler-Smith/Oxfam

Sphere Standard – Access and water quantity

We achieve intended objectives and outcomes

The majority of DEC Agencies have overall confidence in their arrangements for programmatic control, and they all have policies and processes in place and apply these. However the related assurance mechanisms need further time to embed and some require further definition.

A number of Improvement Commitments from 2008 were met as planned. The most significant of these was the identification and management of unintended programme impacts and this needs further development in 2009/10. Improvements include:

- the review of unintended impacts as part of regular monitoring visits
- evaluation and report formats to include a section on beneficiary feedback.

Delivering the best possible disaster responses is the responsibility of the DEC Agencies. To support them, the Board of Trustees has agreed five key priorities for improving delivery and against which DEC Agencies will be held accountable. This Management and Improvement Report sets out performance against these priorities in 2008/09 together with progress against planned Improvement Commitments.



A DEC Members Workshop

We are accountable to beneficiaries

This remains one of the weaker areas of the framework although good progress was made against a significant number of Improvement Commitments.

The majority of DEC Agencies confirmed that they have guidance and templates addressing beneficiary accountability, but for some these are relatively new. There were also improvements in the publication of entitlements to beneficiaries and in capturing and using beneficiary feedback. These include:

- systematic use of new guidance for community consultation and complaints mechanisms
- a new requirement that programme monitoring plans must feature how beneficiary feedback will be collected and processed.

In addition, one DEC Agency became certified by the Humanitarian Accountability Partnership during the year, which is recognised by the framework as providing sufficient evidence of accountability to beneficiaries. DEC Agencies have committed to a range of improvements across all aspects of this accountability priority in 2009/10.

We learn from our experience

This remains the most challenging area of the framework. DEC Agencies confirmed that controls around learning from experience are more difficult to systematically apply and assure compared to financial and programme management areas.

However, the majority of Improvement Commitments were met as planned and most DEC Agencies now have policies and processes in place to effectively capture key learning from a range of sources and to evaluate this learning. Improvements were also made in incorporating learning into processes and future programmes and effectively communicating learning to staff and partners. Improvements include:

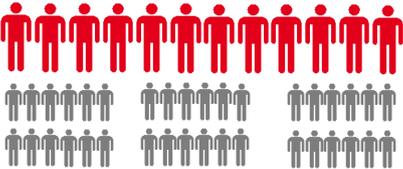
- establishment of Knowledge Management functions
- roll out of a new evidence and learning framework
- formal lesson learning reviews three months into the programme.

Improvement commitments for 2009/10 focus on a more systematic application of policies and processes.



Driving Quality, Accountability and Learning

What's involved



Established cycle of meetings of DEC Board and six sub committees providing sound governance infrastructure

DEC Board of Trustees includes 6 independents and meets 5 times a year. Six established sub committees - Accountability, Audit, Membership & Nominations, Risk, Remuneration, Recruitment – each chaired by an independent Trustee and meeting 4 times a year.



Risk Management in operation across all areas of work

Facilitating awareness of Secretariat and DEC Agencies of what might hinder achievement of objectives so that chosen courses of action are based on a sound understanding of the risks involved.

4

Four key priorities to achieve a 'well managed appeal'

Annual assessment against 4 Priorities: we fundraise effectively; we allocate funds promptly according to capacity; we actively review programmes and facilitate learning; we are accountable to stakeholders. This enables the Trustees to hold the Secretariat to account and keep the public informed about the relevant management processes.



Unqualified report from annual external audit of DEC Accounts

Certifying the true and fair view of the DEC Accounts.

5

Five key priorities to achieve a 'quality disaster response'

Annual assessment against the 5 Priorities helps the Trustees hold each other to account and keep the public informed about the relevant Member Agencies' ability to support excellence and drive continuous improvement.



Comprehensive plans and reports regularly submitted by DEC Agencies to Secretariat for each appeal fund

Covering:

- Programme details
- Humanitarian principles and standards
- Key considerations that impact on programming
- Lesson learning
- Funding and expenditure
- Assurance

and used for decision making, monitoring, reporting to the Board of Trustees and reporting to other stakeholders.



Focused Learning Workshops held for Member Agencies

Providing an opportunity for DEC Agencies to share best practice in some of the most challenging areas of disaster responses.



Robust evaluation policy

Setting out the DEC policies for Member Agencies' independent evaluations and Secretariat commissioned joint desk and field studies. The cycle for Member Agencies' evaluations is set in advance to ensure objectivity.

Formal review of compliance with DEC Membership Criteria

Establishing that DEC Agencies continue to meet the Membership Criteria and therefore represent the leading UK humanitarian aid agencies; reviewing potential new members ability to meet the Membership Criteria.



Joint Desk and Field studies for learning and accountability commissioned regularly

Secretariat led collective initiatives for learning and accountability including the promotion of continuous improvement in standards of aid delivery.

What's published



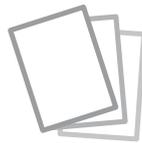
Informative quarterly appeal updates – DEC website

Synthesis of DEC Agencies' reports to provide an overview of their disaster response programmes, including how money raised is spent and the successes, challenges and risks.



Trustee commissioned reports for public accountability – DEC website

To contribute to transparency and accountability in the use of public funds and support accountability to donors and beneficiaries.



Balanced Appeal Summaries – DEC Annual Report

Summary of the nature of a disaster for which the DEC has run an appeal and a synthesis of DEC Agencies' responses to the disaster.

Systematic Member Agency evaluations of disaster responses – Member Agency & DEC websites

Demonstrating independent scrutiny of how the money was spent; the Executive Summary of the reports are published.



Open Information Policy – DEC website

The DEC Trustees are committed to openness and to showing leadership in public accountability through timely and transparent reporting.



Progressive Management & Improvement Report – DEC Annual Report

An overview of assessments against the Accountability Priorities and progress against prior year improvement commitments.



Complaints Policy improved – DEC website

Explaining how members of the public can query a donation or DEC activity; queries and complaints are taken very seriously and treated as opportunities to develop.

Our year at a glance

Where we have provided aid



Congo (DR) Crisis Appeal

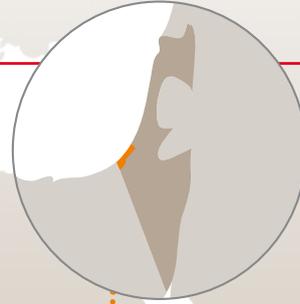
The Democratic Republic of Congo [DRC] has been mired in conflict for many years, with the eastern provinces of North and South Kivu most affected, witnessing continued violence and human rights abuses, particularly against women, since the Rwandan genocide of 1994.

Launch date:
20th November 2008

Appeal funds raised to date:
£10.5 million (£7m by DEC and
£3.5m by Member Agencies)

250,000 people newly displaced
fleeing fighting

Added to almost 1,000,000 who
previously fled



Gaza Crisis Appeal

After an 18 month blockade and 23 day offensive, Gaza was left with an overwhelming humanitarian crisis. The substantial damage to infrastructure and deterioration in livelihoods left previously self-reliant families destitute and completely reliant on assistance which is why the Disasters Emergency Committee decided to respond.

Launch date:
22nd January 2009

Appeal funds raised to date:
£7.7 million (£5.2m by DEC and
£2.5m by Member Agencies)

1.1 million people dependent upon
aid to survive

60% of the population living in
poverty



Bangladesh Cyclone Appeal

On 15th November 2007, cyclone Sidr crossed the northern Bay of Bengal.

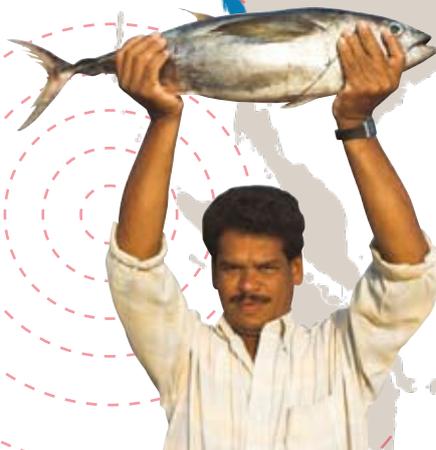
- Winds 155 miles per hour
- Tidal surges 15 feet high

Launch date:
22nd November 2007

£10.2 million (£6.3m by DEC and £3.9m by Member Agencies)

30 districts affected

People living in the 9 coastal districts were the most severely affected



Tsunami Earthquake Appeal

Launch date:
29th December 2004

Appeal funds raised:
£445.2 million (£395.2m by DEC and £50m by Member Agencies)

Final spend by countries affected:

Country	Funds £'000	Percentage
Indonesia	162,619	41.5%
Sri Lanka	122,436	31.2%
India	68,285	17.4%
Maldives	15,696	4.0%
Somalia	14,893	3.8%
Thailand	5,411	1.4%
Myanmar	2,638	0.7%



Myanmar (Burma) Appeal

Cyclone Nargis, struck Myanmar on 2nd of May 2008. Delta region was affected by 200km/h winds and heavy rain, the extreme winds were compounded by a near 4 metre storm tidal surge.

Launch date:
7th May 2008

Appeal funds raised:
£19.6 million (£12.1m by DEC and £7.5m by Member Agencies)

2.4 million people were severely affected by the cyclone

140,000 killed or missing

800,000 displaced

Estimated 260,000 people left living in camps or settlements

Gaza Crisis Appeal

The DEC appeal was launched in January and £3 million was allocated in February to 11 Member Agencies to respond to the crisis.

Background to the Appeal

Gaza is part of the Palestinian Occupied Territories and lies between Egypt and Israel. 1.4 million people live in an area that covers 360 square kms – one of the most densely populated areas in the world. Even before the conflict 56% of the population did not have sufficient food throughout the year;¹ 50,000 children were malnourished and almost half of children under age two were anaemic due to an impoverished diet.

Children bore the brunt of the humanitarian crisis, with at least 412 killed and 1,855 injured². With 21 clinics rendered inoperable due to the conflict, just ten primary health care clinics were left functioning as emergency clinics, hospitals and intensive care units were swamped with casualties.



Unnikrishnan PV / ActionAid

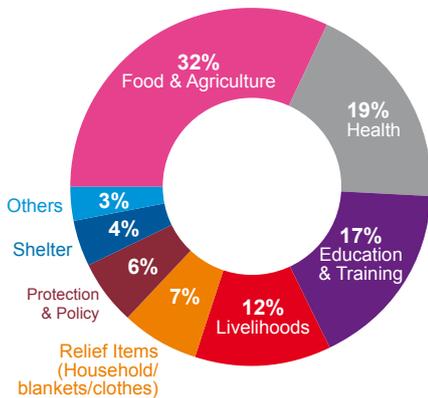
Jabalia refugee camp in the north of Gaza strip Jabalia refugee camp in the north of Gaza strip. 2 school children, both 3rd generation refugees, walk through the rubble and temporary shelter. Jabalia was a flashpoint of the recent bombing. You see destruction everywhere.

Crucial services were damaged by the shelling and around 500,000 people were left without running water and 37% of Gaza's wells severely affected, fuel reserves were depleted due to restrictions on access and damage to pipes and around 75% of the population had no electricity.

Who is benefiting from this response?

The Gaza Crisis appeal was launched in response to the conflict so DEC Agencies can spend in either Gaza or Israel. Assessments showed that the greatest unmet need was in Gaza so DEC Agencies are focusing their efforts with these funds on helping people living in the Gaza strip, whilst some

What programmes are being undertaken?



Headline Achievements after 3 months activity

A number of Member Agencies have initially focused on providing emergency food and household items lost in the shelling whilst others have put their efforts into supporting healthcare. Programmes such as education, reviving livelihoods, protection and policy work have started and these will be implemented over the coming months. At the end of March 2009 28% of allocated funds had been utilised.

Health

9 hospitals provided with sufficient drugs and medical supplies to carry out life-saving emergency surgery

2 mobile health clinics equipped and operational and 5 professional medical staff recruited to provide health care and psychosocial support

10,720 patients have received health care services

Provision of a 24-hour ambulance service, assisting 75 injured people

Medical support to Gaza Artificial Limb and Polio Orthopaedic Centre, providing 70 weapon-wounded people with replacement prosthesis and physiotherapy

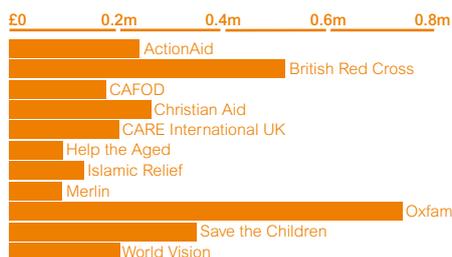
1800 women have received training in first-aid and health promotion

Hygiene kits distributed to 300 vulnerable households

1,800 people have received first-aid kits

1. Report of the Rapid Qualitative Emergency Food Security Assessment (EFSa) – Gaza Strip. FAO WFP 24 February 2009
 2. UNOCHA Situation Report on the Humanitarian Situation in the Gaza strip – No 14. 19 January 2009

Allocation of funds to Members



are also meeting needs in affected areas of Israel using other donor funds. Member Agencies aim to reach over 47,500 households with direct support and many more indirectly.

Challenges faced by the Member Agencies

By early April electricity had been largely restored but water supplies and waste facilities remained damaged leaving 50,000 people without taps due to damage to their homes and a further 100,000 with no water supply. Others have water only sporadically, every 4 – 7 days.

Delays with visas and the restrictions placed on the importation of goods into Gaza have been major challenges to overcome. Currently no construction materials have been permitted, impeding efforts to repair water and sanitation systems, schools, clinics and homes. This is compromising the ability of some agencies to achieve recognised Sphere standards, particularly in relation to the supply of clean water. DEC Agencies have adapted their programmes to overcome these restrictions. For example, smaller household items and food is being sourced locally which also helps put money back into the local economy and farming projects have been revised to work round the extensive damage to farm land.

Unexploded ordinance and continued insecurity also pose risks to the response. Member Agencies are continually monitoring the security situation and talking to all parties whilst also doing their utmost to ensure the safety of staff working in the area. These risks have delayed some planned activities but these will be carried out as soon as possible. New restrictions on the movement of patients across the border are putting an extra burden on health services in Gaza.

Review Activity and Lesson Learning

Four Member Agencies will conduct an external evaluation of their programme and publish a summary of the results with links to the DEC website, later in 2009.

Conclusion

The major task of rebuilding homes lies outside the remit of the DEC, but Member Agencies have delivered emergency aid to the most vulnerable and needy in Gaza despite the difficulties faced. Foundations have been laid for the regeneration of livelihoods and other longer term programmes in the coming months.



A bird's eye view of the area destroyed during the air raid in Beit Lahiya, northern Gaza, 8 January 2009. In the first ten days of the crisis, Save the Children has reached some 6,000 people, including 3,000 children, distributing 641 food packages in Gaza City, east Jabaliyah, Beit Lahiya, Beit Hanoun and Um Al Nasser.

Food and Agriculture

3740 vulnerable households received food parcels

To provide these food parcels over 20,000kgs of fresh agricultural produce purchased from small-scale farmers and women's cooperatives

1800 people received kitchen kits

Employment opportunities for 30 poor farmers to rehabilitate their land

190 farmers received a total of 60.5 tons of potato seeds and 140 farmers received a total of 1 million watermelon seeds

Over 1,490 m² of destroyed crops replanted

Other (Psychosocial Support/Resilience/Protection)

60 women participated in women's support groups designed to increase economic and social resilience

1 child-friendly space established, providing educational and play activities for 500 children

Development of Teacher's Guide to Psychosocial Support for Children under 5 year in Emergencies

17 young people trained to provide community psychosocial support

Congo (DR) Crisis Appeal

The CNDP³, Congolese rebels under the leadership of self styled General Lauren Nkunda, sought to rout the Hutus, responsible for the genocide, who fled into the forest. In August 2008 the conflict escalated as the CNDP attempted to capture the provincial capital of North Kivu, Goma. Despite attempts by UN forces and the National army to halt their advance, the CNDP took the western part of Goma.

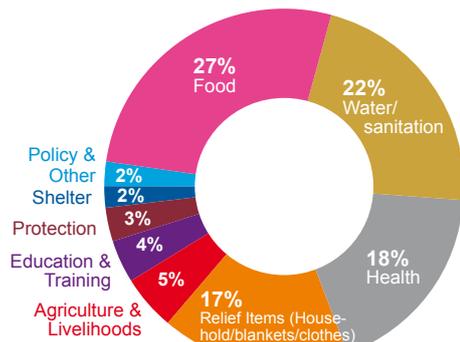
Background to the Appeal

The families displaced by the fighting scattered to a variety of locations – camps within DRC, Uganda and Rwanda; lodging with host families within the DRC, whilst others clustered together in informal groups outside the organised camps. Host families are, in many cases, unknown to the displaced families and are themselves very poor.

Laid low by conflict and poverty, the displaced people urgently needed shelter, food, clean water, clothes and healthcare, as well as care for victims of rape, education services for children; protection and help rebuilding their livelihoods.

In December twelve Member Agencies were allocated a share of £5.5 million for programmes. 4 opted to use the funds over 6 months with the remainder planning to use the full 9 month programme period.

What programmes are being undertaken?



Who is benefiting from this response?

People and communities affected by the conflict, both the displaced and those who are giving them shelter have benefited. Some are in camps whilst others are in the community. A total of 204,116 households are expected to be reached over 9 months. Already an estimated 8,960 displaced people in Uganda have been provided with clean water.

Several agencies have focused their programmes on helping children through nutrition programmes for the acutely malnourished and reuniting those separated from their families. Other Member Agencies are providing for the sick by providing medicines and equipment to medical facilities, many of which were looted during the worst of the conflict. These are catering for those displaced as well as the local population by supporting primary health care services including curative care, maternity, immunisations, along with treatment of wounds. Take-up of these services has far exceeded expectations, possibly due to them being offered free.

Challenges faced by the Member Agencies

In Goma, finding and identifying the displaced people who were not in camps was the biggest challenge, alongside the everyday dangers of working in an area as volatile as North Kivu. The arrest of General Lauren Nkunda in February 2009 improved the overall security of the region but many people remain reluctant to return to their homes because of the continued risk of violence from the Hutu rebels⁴. Although some families went home others became newly displaced when threatened by new violent outbreaks⁵. Member Agencies regularly reassess the whereabouts of displaced people.

Coordination between NGOs, Government and UN bodies is always a challenge and Member Agencies identified early on the key risk of geographic and

Headline Achievements after 3 months activity

Most DEC Agencies already had a strong existing presence in Eastern Congo and were able to scale up activities quickly to meet the needs of those affected by the conflict. After 3 months 43% of funds had been utilised. The following outlines the major achievements after 3 months.

Health

Drugs and medical equipment supplied to 9 health centres

Free and subsidised medical treatment for 34,310 households

Immunisation programme reaching 4,560 people

400 staff trained in treatment of malnutrition, HIV/AIDS, and cholera

7,320 children screened and treated for malnutrition

17 counsellors trained in psychosocial care for victims of sexual violence with 337 victims of sexual violence having received counselling

Health education sessions reaching 13,910 people and increased awareness of HIV prevention among 1,940 h hld

Water and Sanitation

Improved access to safe drinking water for 11,200 households

24 water springs catchments built 100 hand-washing facilities installed in IDP camps to reduce cholera risk 380 latrines constructed

70 showers installed in IDP camps

190 people trained in hygiene promotion

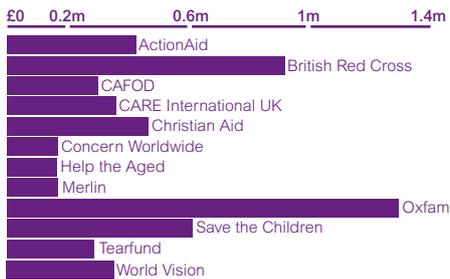
Hygiene kits distributed to 1,760 women

3. CNDP – Congrès national pour la défense du peuple – National Council for the Defence of the People

4. IRIN: <http://www.irinnews.org/Report.aspx?ReportId=83661>;

5. Reuters: <http://www.alertnet.org/thenews/newsdesk/L276520.htm>

Allocation of funds to Members



© 2008 Kate HeilCARE

programmatic gaps and in particular a gap in the provision of shelter. Approaches have been made to the UN to revise this, as clearly with so many people displaced the provision of adequate shelter is crucial. Within the Health Sector some problems have arisen from the lack of consistency over charging for health care. Services have been temporarily provided free of charge by some agencies but the general policy in the region is for drugs and services to be paid for.

A new challenge for the region is an increase in seismic activity of the volcanoes that lie just outside Goma. Nyiragongo, which erupted in 2002, is again threatening the provincial capital.

Review Activity and Lesson Learning

A Monitoring Mission took place in May 2009 and will report back imminently. Given the importance to the success of the programme in getting the right people to implement it, the difficult working environment and the fact that D R Congo is a Francophone country, we are reviewing human resource decisions and practice against the Humanitarian communities standards enshrined in the People In Aid Code of Good Practice. Five Member Agencies will undertake an external evaluation of their programme and publish a summary of the results, with links to the DEC website, later in 2009.

Conclusion

A further allocation of approximately £800,000 funds is likely to be made in August 2009 for programmes starting in September 2009.

Protection

130 people trained in child protection; 1,970 in civilian protection; and 72 trained in peaceful conflict resolution

660 children reunified with their families and 780 tracings launched

32 registration posts for separated and unaccompanied children

Advocacy on IDP rights among 325 women

Food, Shelter and Relief Items

One month's supply of Emergency food rations distributed to 5,660 households

Plastic sheeting for constructing shelters distributed to 2,360 households

Sleeping mats to 3,100 people, including 740 pregnant women; 40,480 blankets and 6,030 mosquito nets distributed

8,110 households received relief items including jerry cans, bedding and cooking pans

Clothing distributed to 3,990 children and elderly people

930 households have improved food security as a result of the distribution of 70kgs seeds and 6,000 hoes

Education

Improved access to education and learning materials for 2,770 displaced children

500 women participated in adult literacy classes

Myanmar (Burma) Cyclone Appeal

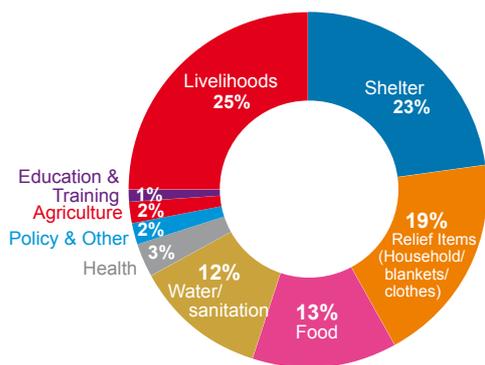
Cyclone Nargis was a category 3 Cyclone, when it struck Myanmar, (formally known as Burma). The winds tore down trees and power lines, while the storm surge submerged countless villages, causing widespread devastation of peoples' lives, destruction to homes and critical infrastructure, including roads, jetties, water and sanitation systems, fuel supplies and electricity

Background to the Appeal

Myanmar is home to 51.5 million people and has around 2,000km of coastline. When the Tsunami struck in 2005, the death toll was just 60 – 80, so Cyclone Nargis was on another scale entirely. The country is ruled by a Military government, which initially imposed a number of operating restrictions on aid agencies.

After intense discussions concerning the ability of DEC Agencies to reach the affected population, we launched an appeal on 8th May 2008 and raised £19.6 million; £12.1 million to the DEC and £7.5 million directly to Member Agencies. 11 DEC Agencies participated in the response with the majority of the programmes implemented through partners with a large number of local staff.

What programmes are being undertaken?



Who is benefiting from this response?

DEC Agencies focused their support in the Ayeyarwady Delta and Yangon areas. The devastation was so total in some areas that it was hugely difficult even reaching people in need. On top of that, Myanmar's culture of sharing meant it was very challenging to target the help to the most vulnerable, such as children, widows, the elderly and disabled. Nevertheless, some agencies focused efforts on programmes designed to help the disabled, children and the elderly. In particular through robust advocacy the concerns of older people are now integral to the Myanmar's 3 year strategic plan for cyclone recovery.

What has been achieved at 9 months

At the 9 month stage 74% of DEC funds raised have been used to support those most affected by the disaster with approximately 326,000 households having received help. Many Member Agencies have been able to help more people than they initially expected when plans were drawn up after the cyclone.

The initial emergency phase of the response focused on the immediate needs of food, clean water, shelter and emergency health care. Using cash for work programmes, money was quickly injected into the devastated communities so they could buy their own food. This was followed up by livelihoods programmes that helped re-establish the fishing and farming communities essential to rebuilding the devastated communities.

Headline Achievements after 9 months

Health

26,350 households benefited by receiving medical treatment
 7,860 children, pregnant and lactating women were treated for malnutrition
 31 'Child Friendly Spaces' have been established providing support to 1,740 families
 2,080 medical staff and volunteers received training
 6 disability resource centres set up and educational resources distributed to 7,420

households
 2,750 People with disabilities have received medical treatment, mobility aids and physiotherapy
 7,150 pregnant and lactating women received mosquito nets and health kits
 14 psychosocial centres built and psychosocial care and counselling provided to 19,970 households

Watsan

Over 81,730 households have improved access to safe drinking water Rainwater catchment systems installed for 53,170 households
 51,700 hygiene kits were distributed
 Improved sanitation facilities for over 2,670 households & 7,000 latrines built 130 wells and ponds constructed or repaired

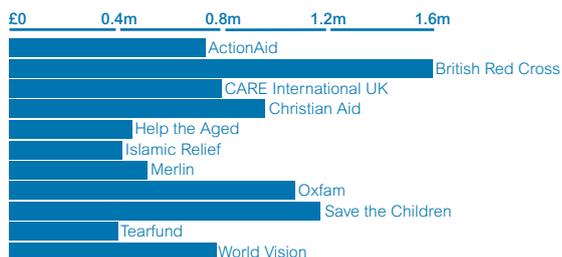
Food

Food rations distributed to 67,860 households, including women, children and the disabled 11 community kitchens set up

Shelter

70,930 households provided with emergency and temporary shelters 300 permanent houses built and repaired 420 accessible shelters built for people with disabilities

Allocation of funds to Members



Challenges faced by the DEC Member Agencies

The initial challenge concerned scaling up country programmes to meet the needs of devastated communities in the face of real mistrust by the government. Visas and internal travel passes for expatriate staff were delayed whilst suspicion over the import of goods and food also impeded early progress. Member Agencies without ongoing programmes overcame this by working through partner organisations with pre-existing permission to operate. Eventually, thanks to pressure from the UN and neighbouring Asian countries, the Myanmar Government took a more co-operative approach. The practical challenge of getting to the people in need was another difficulty due to their remoteness, lack of roads and destruction wrought by the cyclone.

One Member Agency suffered huge losses of trained Community Health Workers, with 94 killed in the storm and a further 42 diverted to other activities. As a result it was forced to find and train new volunteers to provide the support needed.

A huge number of homes were destroyed and replacing all of them with sturdier buildings was beyond the means of the DEC Agencies. The immediate needs of survivors for shelter were met by providing basic materials or grants to help local people rebuild to the local standard.

Despite the efforts of several Member Agencies, many communities are still without access to adequate drinking water. Work will continue over the next few months to address that issue.

Review Activity and Lesson Learning

The DEC Secretariat CEO undertook a field visit to Myanmar in the autumn of 2008 to see the impact the response had made. He found that Member Agencies had scaled up quickly to meet the needs of the people and communities most affected by the disaster. One of the biggest risks identified by the Member Agencies and confirmed by the field visit was not reaching vulnerable groups or individuals, given community leaders preference for sharing out resources equally. Member Agencies assessed this issue regularly and worked with community groups. The other key finding from the trip was the remarkable resilience and self-reliance of the people of Myanmar in the face of disaster on an overwhelming scale.

Despite the uniqueness of the Myanmar context four agencies reported that lessons from the 2004 Tsunami had informed their programming. Nine Member Agencies have undertaken evaluations of their programmes of which a material sample will be linked to the DEC website.

Conclusion

The level of destruction wrought by Cyclone Nargis was in part due to the lack of preparedness for such an event. In order to strengthen resilience for the future, agencies have placed great emphasis on building local capacity and constructing permanent shelters that are more likely to withstand a climatic event. In February 2009 nine Member Agencies took a share of £2.7 million to build on the work already done, and many are directing their efforts towards disaster preparedness and risk reduction.

Education

Disaster Risk Reduction [DRR] training to 220 officials and development of DRR curriculum and community training materials

School equipment distributed to 100 schools, benefiting 8,000 children

22 damaged schools repaired

Livelihoods

10,530 farming households received assistance to recover livelihoods, including tractors, threshers and seeds

Fishing boats and nets distributed to 3,220 households

31900 households have used cash grants to replace productive assets and recover their precyclone incomes

40 People with Disabilities received support in establishing home-based industries, such as fish net weaving

Cash-for-work programmes provided an income to 6,550 households

Restoration of farm land in time for the planting season benefiting 500 households

Additional livelihoods support, such as livestock, distributed to 4,340 households

Non-food items

9,640 Households received emergency items such as blankets & bedding, mosquito nets, clothing, jerry cans, water filters and cooking sets

Bangladesh Cyclone Appeal

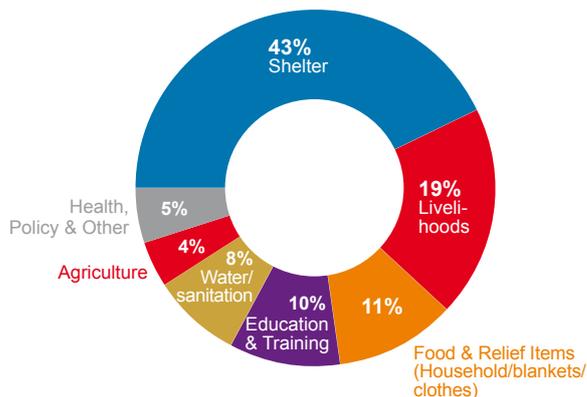
The people of Bangladesh regularly have to deal with devastating natural hazards, but Cyclone Sidr caused untold damage in the region. All 13 Member Agencies ran programmes to help the people living in the 9 coastal districts most severely affected by the cyclone.

84% (£5m) of DEC funds was distributed for the first allocation and in September 2008 a further £1 million was allocated to 5 of the DEC Agencies that were most on track with their first programmes. The chart below shows how DEC Agencies have allocated programme funds to different types of support. The percentages below reflect not only the priorities of the affected people but also the relative costs associated with each type of activity.

Use of funds by sector of activity

After responding to the immediate emergency, Member Agencies focused on helping shattered communities rebuild their lives and livelihoods. The Bangladeshi Government assigned each agency an area in which to work, reducing the risk of overlap. With so many homes lost, providing

What programmes are being undertaken?



shelter was crucial. DEC Agencies could not meet all the needs but each focused on helping those who were most vulnerable – the poorest, widows, the elderly and households headed by children. Some Member Agencies set out to support families without land, including fishing communities living precariously outside the coastal levies.

In addition to housing, support was directed towards rebuilding livelihoods through the provision of boats, seeds, tree saplings and other support including training. Member Agencies also rebuilt damaged schools and improved health through access to clean water by providing pond water filters, digging wells and hygiene education.

Challenges faced by the agencies

The challenge presented by the requirement of the Bangladesh NGO Bureau to present all programme plans for approval before implementation resulted in significant delays for some agencies. This was compounded by the deliberations of the UN Shelter Cluster, which took 9 months to agree finally on a standard for the rebuilding of houses. Additional time was taken to secure land to build new homes for those who were previously classed as landless. The DEC took the view that it was better for the beneficiaries to have a quality programme than to rush expenditure. During this time, exchange rates moved adversely for sterling. All these factors resulted in fewer houses and boats being built with DEC funds than had been first planned. Member Agencies that decided to support families that did not own land faced delays in securing suitable plots. Despite this delay, some of the poorest and most vulnerable families now face a more secure future.

Headline Achievements after 9 months activity

Agencies report that a total of 401,794 households, with an average of 5 people per household, have been assisted with these funds.

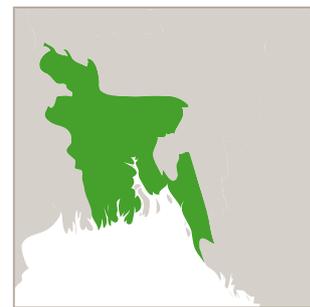
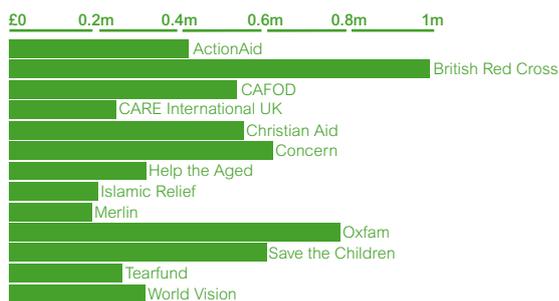
Shelter & Construction

- 4,000 houses built
- 2,060 families provided with materials for temporary houses
- 500 houses repaired
- 5 schools rebuilt with toilet facilities

Livelihoods

- More than 280 Boats equipped with nets supporting 1,020 households
- 4 market places rebuilt to support the local economy
- Milking cows to 460 families; 3 goats to 1,700 & 550 elderly received other small livestock
- 4,050 livestock vaccinated
- 2,950 households received grants or Cash for Work to start up livelihood activities
- Seeds provided for 26,110 households
- 111,350 tree saplings planted

Allocation of funds to Members



Feedback of the outcome of the community beneficiary selection

Review activity and lesson learning

A DEC Monitoring Mission identified that almost all Member Agencies appropriately used cash transfers and vegetable seed distribution to help with the early recovery, enabling communities to quickly re-establish gardens for the planting season. Three Member Agencies drew on lessons from previous disasters and targeted their shelter efforts on quality transitional materials to provide adequate protection against the impending monsoon. There was good evidence of involvement of beneficiaries in the disaster response with a high awareness of gender issues and the importance of respecting local customs and culture.

Many Member Agencies recognised their programmes were ambitious for the time allowed and had miscalculated the time it takes to get agreements on land and shelter design. Working with the landless was considered a positive intervention, despite the difficulties this presented. DEC Agencies worked closely with the Humanitarian Accountability Partnership to improve systems of working with communities. Through this they found new ways to advertise their programmes and set up feedback and complaints mechanisms.

Nine DEC Agencies have either undertaken or are in the process of commissioning evaluations of their programmes. Some of these will feature on the individual websites.

Conclusion

Cyclone Sidr caused huge damage to the coastal area of Bangladesh, with considerable loss of life. The affected area is not as prone to cyclones as other areas so many people were unprepared. DEC Agencies have a long standing presence in the country with sound relationships with partner agencies. This enabled many of them to quickly utilise resources to assist the early phase of the relief activities.

Relief Items Distributed

Food packs to 36,140 households

47,920 cash for work days provided

141,830 Households received items

such as jerry cans, blankets, clothes and cooking utensils

Water and Sanitation

590 ponds cleaned

53 tube wells constructed, 67 repaired or cleaned

2,620 latrines built

1,000 households received kits to construct a latrine

1,810 pond sand filters distributed

Chlorinated water distributed for 30 days to 13,500 households

19,500 Hygiene kits

11,250 households benefited from hygiene education

Health

Improved access to health care for 104,500 households

Emergency medical assistance provided to 58,280

Oral rehydration solution distributed to 5,000 older people

2,000 mosquito nets

Disaster Preparedness

1 Cyclone shelter for 400 families

Training for 4,690 children on Disaster Preparedness

Education & Training

35,770 children provided with school supplies, warm clothing & learning materials

21,000 children supported back to schools

1,230 teachers and volunteers trained in children's psychosocial needs

240 teachers trained in hygiene and nutrition

2,420 households benefited from livelihood and technical training

Tsunami Earthquake 2008 – 2009

This was the final year of funding from the DEC Tsunami Appeal Fund.

The aim was to wind down in a planned way, secure the significant investment in livelihoods support and agriculture and further invest in building local capacity to face future disasters including local stockpiling of relief items.

Over three quarters of a million households benefited across the 7 countries most affected by the disaster, but the majority of funds were spent in Sri Lanka, Indonesia and Somalia.

As the greatest percentage of money from the total response was used to rebuild homes destroyed by the tsunami, the DEC commissioned Arup to produce a special study based on agencies' experience in Aceh, Indonesia to be published in 2009.

Expenditure of funds by Member Agencies

The table shows expenditure by Member Agency in the 3 years from 2005 – 2007 and additional allocation for expenditure in the last year.

Expenditure	2005 – 2007 £'000	2008 – 2009 £'000	Total Expenditure £'000
ActionAid	28,552	2,739	31,291
British Red Cross	58,685	815	59,500
CAFOD	25,323	2,427	27,750
Care Int UK	31,065	2,569	33,634
Christian Aid	37,486	1,591	39,077
Concern Worldwide	11,096	-	11,096
Help the Aged	8,981	631	9,612
Islamic Relief	1,014	1,537	2,551
Merlin	10,492	1,480	11,972
Oxfam	60,918	5,947	66,865
Save the Children	52,469	2,581	55,050
Tearfund	19,179	1,936	21,115
World Vision	20,525	1,940	22,465
Total	365,785	26,193	391,978

Key Headline Achievements in 2008

Approximately 859,000 households have been reached over the past year through a variety of programmes. Here are some of the main achievements.

Health

Medical equipment supplied to 37 medical and dental centres, benefiting 127,480 households

30 antenatal clinics equipped; emergency obstetric and newborn care services functioning at 1 health centre

Training and equipment provided to 4 hospitals benefiting 22,000 patients

39,360 patients treated for medical conditions

Sight restored in 100 patients through cataract operations

100 pregnant women and children treated for malnutrition and nutrition education sessions for 631 parents

Health education and HIV/AIDS awareness sessions delivered to 9,820 households

7,530 home visits conducted, including care to 6,340 older people

Health Training

- 1200 medical staff
- 360 women and children in First Aid, Nutrition and Health issues
- 60 community health volunteers

Construction, Water and Sanitation

1,600 houses completed and 2,380 household latrines repaired or constructed

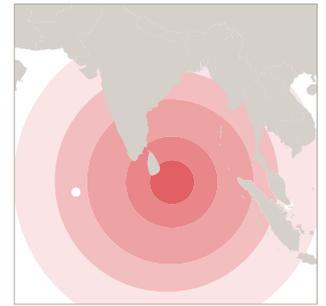
3 rural schools renovated, allowing 630 students to access education

Improved access to safe water for 2,040 households; 750 wells repaired or constructed; 20 rooftop water harvesting systems

installed; 110 water filters and 3 water quality testing kits distributed

Water and sanitation facilities installed in 22 schools, benefiting 1,760 households

Hygiene awareness campaign reaching 2,500 households; 1,250 hygiene kits distributed



Sri Lanka/Geoff Crawford

A prize catch at dawn as fishing communities return to normal with livelihoods restored. Rizvy Mohammed Yassin (32) – a fisherman in Kalmunai for 15 years – lost 19 members of his family

Disaster Risk Reduction [DRR]

2 evacuation centres built and 7 disaster centres renovated and supplied with Early Warning Systems and first-aid kits

Development of a national DRR curriculum in Indonesia and a Global Network for Disaster Reduction set up with 600 members in 90 countries including the development of a DRR manual

Risk assessments and disaster preparedness plans drawn up for 20,220 households

Raised community awareness of disaster risks among 34,940 households, 13,210 children and a further 69,950 people, e.g. through TV and radio shows

11,050 people trained in Early Warning Systems and DRR including children, students and elderly

10,730 trees planted to reduce flood risk and risk of landslides reduced in 5 villages

Climate change awareness workshops held for 460 Households

First aid kits supplied to 100 schools and first aid training for 25 young people

Road safety campaign reaching 500 students and conflict prevention programmes running in 10 schools

Livelihoods

Equipment distributed to 5,140 households, including fishing nets, seeds and carpentry tools

4,260 households with increased food security as a result of livelihoods assistance, including grants and subsidies

Cash-for-work activities, renovating roads and drainage channels, employing 4,020 people

1,210 people received skills training e.g. food processing, candle-making and 500 attended business management training

Training provided for 2,000 female coir workers and 8 women's self-help groups formed

500 organic home gardens planted and a 10,000 banana tree nursery established

Milk collection centre constructed serving 220 households and 1 rice mill set up

130 farmers received irrigation kits and training

Finance

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements. The Trustees have chosen to prepare accounts for the charity in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). Company law requires the Trustees to prepare such financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period and comply with UK GAAP and the Companies Act 1985. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a Trustees' Report which comply with the requirements of the Companies Act 1985.

Financial review

The total voluntary income including gift aid recoveries and interest receivable amounted to £25.83m (2008 – £23.04m) during the year of which £24.27m relates to three DEC appeals for overseas disasters during the financial year. Distribution of appeal funds to Member Agencies amounted to £37.57m (2008 – £110.51m) for their relief expenditure on the current appeals and appeals launched in previous years. During the year disbursement to Member Agencies were completed for the appeals for Tsunami Earthquake, Niger Crisis and Asia Quake.

Achievements and Performance

DEC cost ratios change from one year to another depending on the public's response to the appeals launched during each year. Expenditure on charitable activities as a percentage of total resources expended over the past five years is over 98%. During these five years the DEC has distributed £504.9m of donated funds to its Member Agencies for their relief work in the areas hit by disasters. Member Agencies are entitled to spend up to 7% on management and support of programme delivery.

Cumulative fundraising costs, as a percentage of cumulative voluntary income over the past five years is 1.18%. The increase in costs in the year is due to fixed costs associated with launching three appeals. The DEC has raised £524m over the last five years of which £6.18m was spent on fundraising.

Figure 10. Analysis of cost of generating income over last five years (£'000)

Year	2004/05	2005/06	2006/07	2007/08	2008/09	Total
Total incoming resources	343,355	112,298	19,797	23,036	25,830	524,316
Cost of generating funds	1,686	1,699	604	1,020	1,174	6,183
Cost of generating funds (%)	0.49	1.51	3.05	4.43	4.55	1.18

Figure 11. Analysis of resources expended on charitable activities over last five years (£'000)

Year	2004/05	2005/06	2006/07	2007/08	2008/09	Total
Resources expended on charitable activities	51,703	149,096	156,492	110,739	37,782	505,812
Total resources expended	53,515	150,915	157,214	111,910	39,224	512,778
Resources expended on charitable activities (%)	96.61	98.79	99.54	98.95	96.32	98.64

Volunteers

The benefit to the DEC of volunteer support throughout the year is not easily expressed in monetary terms; however, on average this is roughly equivalent to one full time administration support officer.

Investment policy and performance

Under the Memorandum and Articles of Association, the charity has the power to make investments. However, the charity needs to be in a position to enable Member Agencies to react very quickly to emergencies and therefore has a policy of keeping funds in short-term deposits (i.e. fixed term or call deposits with top security rating and fixed interest or with a fixed relationship to base rate) which can be accessed readily. The charity has an investment policy which states that minimum rate of return on investment should be no less than 0.5% below base rate. During the year, several reductions in base rate commencing in April 2008 brought the rate down from 5.5% to 0.5% by March 2009. The average quarterly yields during the year were in the region of 6% to 1.2%. The performance is well in excess of bench mark of between 5% & 0% as per the investment policy. DEC continued to invest funds in both bank deposits and 'AAA' rated liquidity funds in order to minimise risks associated with large scale investment. At balance sheet date funds totalling £4.5m were on short term fixed deposits, 'AAA' rated liquidity funds with instant access and £8.3m in interest bearing current accounts.

Reserves policy

The general reserve fund represents the unrestricted funds in the balance sheet. The Trustees have reviewed the requirement for free reserves, which are those unrestricted funds not designated for specific purposes or otherwise committed. The review concluded that the appropriate level of free reserves should be equivalent to 6 months operational costs of the Secretariat, which allows flexibility to cover potential timing differences between realising appeal funds and claims from Member Agencies, and to provide adequate working capital for DEC core costs. Trustees have also recommended that any surplus free reserves can be earmarked for improvements to Secretariat's IT systems. The free reserves at 31st March 2009 amounted to £571k (2008 – £545k) in line with the policy.

Public Benefit reporting

The Trustees come under a new statutory reporting duty this year – to illustrate how in practice the activities of the DEC meet the legal public benefit requirement.

In this respect the Trustees have noted and paid due regard to the Charity Commission's statutory guidance on public benefit that is relevant to the DEC's Mission, and the report has highlighted details of the DEC's activities to illustrate how our work fulfils that Mission and the significant benefits it brings to:

- people in poorer countries in urgent need of emergency relief regardless of race, creed or nationality through the funding provided to 13 of the UK's leading humanitarian agencies (the public benefit is described in the 5 Appeal Summaries).
- the UK public through convenient and cost-effective ways to donate to overseas emergencies (the public benefit is described in Strategic Objectives 1 & 3).

Auditors

During the year Deloitte & Touche LLP resigned as the External Auditors and Horwath Clark Whitehill LLP were appointed as the new DEC External Auditors

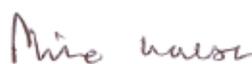
A resolution for the re-appointment of Horwath Clark Whitehill LLP will be proposed at the forthcoming Annual General Meeting on 22nd July 2009.

Each of the persons who is a Trustee at the date of approval of this report confirms that:

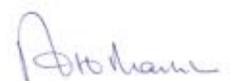
- so far as the Trustees are aware, there is no relevant audit information of which the Company's Auditors are unaware; and
- the Trustee has taken all the steps that s/he ought to have taken as a Trustee in order to make him/herself aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 234ZA of the Companies Act 1985.

This report was approved by the Board and signed on its behalf by:



Mike Walsh
Chairman



Adrian Martin
Honorary Treasurer

24th June 2009
1st Floor, 43 Chalton Street, London, NW1 1DU

Independent Auditors' Report to the Members of the Disasters Emergency Committee

We have audited the financial statements of Disasters Emergency Committee for the year ended 31 March 2009 set out on pages 29 to 37. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The Trustees' (who are also the directors of Disasters Emergency Committee for the purpose of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if in our opinion the information given in the Trustees' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding Trustees' remuneration and other transactions with the charity is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

Basis of opinion

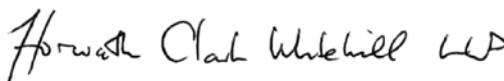
We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charitable company as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.



Horwath Clark Whitehill LLP
Chartered Accountants & Registered Auditors
St Bride's House, 10 Salisbury Square, London, EC4Y 8EH
29th June 2009

Statement of Financial Activities

for the year ended 31st March 2009

(incorporating the income and expenditure account)

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2009 £'000	Total 2008 £'000
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Appeal income		-	24,495	24,495	18,510
Donations from Member Agencies		554	-	554	529
Other voluntary income		11	-	11	120
		565	24,495	25,060	19,159
Investment income	2	40	730	770	3,877
Total incoming resources		<u>605</u>	<u>25,225</u>	<u>25,830</u>	<u>23,036</u>
Resources expended					
Cost of generating funds					
Costs of generating voluntary income	3	422	752	1,174	1,020
Charitable activities					
Distribution to Member Agencies	3,4	-	37,575	37,575	110,511
Lesson learning and evaluation	3	-	207	207	228
		-	37,782	37,782	110,739
Governance costs	3	157	111	268	151
Total resources expended		<u>579</u>	<u>38,645</u>	<u>39,224</u>	<u>111,910</u>
Net movement in funds		26	(13,420)	(13,394)	(88,874)
Total funds at 1 April	13	545	26,403	26,948	115,822
Total funds at 31 March	13	<u>571</u>	<u>12,983</u>	<u>13,554</u>	<u>26,948</u>

All the above results are derived from continuing activities. All gains and losses are recognised in the year and are included above. Accordingly a statement of total realised gains and losses has not been prepared.

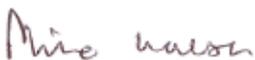
The notes to the financial statements are an integral part of this statement of financial activities.

Balance Sheet as at 31st March 2009

	Notes	2009 £'000	2008 £'000
Fixed Assets			
Tangible assets	8	<u>25</u>	<u>35</u>
Current Assets			
Debtors	9	<u>1,602</u>	<u>764</u>
Cash and short term deposits	10	<u>12,810</u>	<u>27,795</u>
		14,412	28,559
Creditors: amounts falling due within one year	11	<u>883</u>	<u>1,646</u>
Net current assets		<u>13,529</u>	<u>26,913</u>
Total assets less current liabilities		<u>13,554</u>	<u>26,948</u>
Net assets		<u>13,554</u>	<u>26,948</u>
Funds			
Restricted funds	13	<u>12,983</u>	<u>26,403</u>
Unrestricted funds	13	<u>571</u>	<u>545</u>
Total Funds	13	<u>13,554</u>	<u>26,948</u>

The Charity is free to apply its Unrestricted Funds on both capital and revenue expenditure without reference to external restrictions.

The financial statements on pages 29 to 37 were approved by the board on 24th June 2009 and signed on their behalf by:



Mike Walsh
Chairman



Adrian Martin
Honorary Treasurer

Cash Flow Statement for the year ended 31st March 2009

	2009 £'000	2008 £'000	
Reconciliation of net outgoing resources to net cash outflow from operating activities			
Net outgoing resources	(13,394)	(88,874)	
Depreciation charge	10	15	
Increase in debtors	(838)	(219)	
(Decrease) / increase in creditors	(763)	808	
Interest receivable	(770)	(3,877)	
Net cash outflow from operating activities	(15,755)	(92,147)	
Returns on investments and servicing of finance			
Interest receivable	770	3,877	
Capital expenditure			
Payments to acquire tangible fixed assets	-	(41)	
Cash outflow before management of liquid resources	(14,985)	(88,311)	
Management of liquid resources			
Decrease in investments held on short term deposits	13,668	94,725	
(Decrease) / increase in cash	(1,317)	6,414	
Analysis of changes in net cash balance			
	31st March 2008	Cash flow	31st March 2009
Cash at bank and in hand	9,621	(1,317)	8,304
Short term deposits	18,174	(13,668)	4,506
Cash at bank and short term deposits	27,795	(14,985)	12,810

Notes to the financial statements for the year ended 31st March 2009

1. Accounting policies

(a) Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the applicable accounting standards and with the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005).

(b) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and includes associated tax reclaims. Income from Member Agencies is treated as donations and is accounted for when received.

During the year the DEC has benefited from advertising and donor fulfilment services received free or at discounted rates from many service providers. The cost of identifying all these services and assessing their value to the DEC would outweigh the benefit to users of the accounts and therefore no value has been attributed to these services in the accounts.

(c) Resources expended

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. Overhead costs that are premises related are allocated on a floor area basis, staff costs are allocated on an estimate of time usage and other overheads have been allocated on the basis of the head count.

Fundraising expenditure has been shown separately. These costs are those incurred in seeking 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 cost associated with general management, payroll administration, budgeting and accounting, information technology, human resources, and financing 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. Central overheads are allocated on the basis of their use with the aim of ensuring that those costs remaining within administration relate to the management of the charity's assets, organisational administration and statutory requirements (see note 3).

(d) Fund accounting

General funds comprise funds which represent accumulated surpluses and deficits in the Statement of Financial Activities. General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the appeal. The purpose and use of the restricted funds is set out in note 13.

(e) Depreciation

Tangible fixed assets are stated at cost. Depreciation is provided on all tangible assets at values calculated to write off the cost over their expected useful economic lives as follows:

Furniture and fittings: 20% straight line method
Office equipment: 25% straight line method

(f) Operating leases

Costs in respect of operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

(g) Company status

The charity is a company limited by guarantee. The members are the Trustees named on page 7. The liability in respect of the guarantee, as set out in the Memorandum, is limited to £1 per member of the company.

2. Investment income

	2009 £'000	2008 £'000
Bank interest received	770	3,877

3. Total resources expended

	Member allocations £'000	Other direct costs £'000	Allocated support costs £'000	Total 2009 £'000	Total 2008 £'000
Cost of generating voluntary income	-	909	265	1,174	1,020
Distribution to Member Agencies	37,575	-	-	37,575	110,511
Lesson learning and evaluation	-	207	-	207	228
Governance	-	-	268	268	151
Total resources expended	37,575	1,116	533	39,224	110,910

Distribution to Member Agencies is the amount committed during the year to each participating member agency subject to the agreed allocation. The agreed allocation of money raised from an appeal is based on a formula intended to match capacity of each participating member.

Allocated support costs: Cost allocation includes an element of judgement and the charity has had to consider the cost benefit of detailed calculations and record keeping. To ensure full cost recovery on projects the charity adopts a policy of allocating costs to the respective cost headings through the year. This allocation includes support costs where they are directly attributable. Therefore the support costs shown are a best estimate of the costs that have been so allocated.

Support costs and basis of allocation:

Nature of cost	Allocation basis	2009 £'000	2008 £'000
Staff	Estimate of where staff spend their time	448	348
Premises and utilities	Floor area	20	17
Other overheads	Actual and estimated usage	65	64
Total support		533	429

The DEC aims to keep the cost of generating voluntary income below 5% of appeal income (see Figure 10 in the Trustees report).

Notes to the financial statements for the year ended 31st March 2009

4. Distribution to Member Agencies

Disbursements from appeals payable to the following participating Members:

	Previous Appeals £'000	TEA £'000	BCA £'000	MBC £'000	DRC £'000	GCA £'000	Total 2009 £'000	Total 2008 £'000
ActionAid UK	55	2,338	416	758	171	-	3,738	7,835
British Red Cross	56	375	990	1,359	917	484	4,181	27,086
CAFOD	82	1,412	434	-	288	100	2,316	3,981
CARE International UK	289	1,909	245	795	50	-	3,288	9,333
Christian Aid	152	1,015	180	957	314	-	2,618	5,778
Concern Worldwide UK	320	-	444	-	-	-	764	275
Help the Aged	158	716	130	465	75	40	1,584	3,715
Islamic Relief	197	901	202	407	-	-	1,707	2,604
Merlin	112	947	108	501	-	-	1,668	3,113
Oxfam	525	2,886	474	1,137	-	226	5,248	18,854
Save the Children	516	2,173	246	1,237	-	-	4,172	12,834
Tearfund	182	1,586	-	599	224	-	2,591	7,438
World Vision UK	553	1,940	322	699	186	-	3,700	7,665
Total	3,197	18,198	4,191	8,914	2,225	850	37,575	110,511

Previous Appeals: Niger Crisis Appeal
Asia Quake Appeal
Darfur & Chad Crisis Appeal

TEA: Tsunami Earthquake Appeal
BCA: Bangladesh Cyclone Appeal
MBC: Myanmar (Burma) Cyclone Appeal
DRC: Congo (DR) Crisis Appeal
GCA: Gaza Crisis Appeal

5. Particulars of employees

(a) Their total remuneration was:

	2009 £'000	2008 £'000
Salaries and wages	450	418
National insurance	49	43
Pensions premiums and life assurances	37	24
Total	536	485

(b) The average number of employees during the year was:

	2009	2008
Full time	9	9
Part time	1	1
Total	10	10

(c) Employees whose emoluments, including pension contributions, were equal to or greater than £60,000 per annum.

	2009	2008
£100,001 - £110,000	1	-
£90,001 - £100,000	-	1
£60,001 - £70,000	1	-

(d) The average number of persons employed by the charity during the year was:

	2009	2008
Fundraising	6	6
Finance	1	1
Administration	3	3
Total	10	10

6. Trustees*Emoluments*

None of the Trustees received emoluments in the year (2008: £nil). Amounts reimbursed to one trustee for travel and other expenditure was £2,229 (2008: £218).

7. Net movement in funds is stated after charging:

	2009 £'000	2008 £'000
Auditors' remuneration - Statutory Audit fee	24	22
Operating lease payments – Premises	40	40
Depreciation charge	10	9

8. Tangible fixed assets

	Furniture & Fittings £'000	Office Equipment £'000	Total £'000
Cost			
At 1 April 2008	74	11	85
Disposals	(26)	(6)	(32)
At 31st March 2009	48	5	53
Depreciation			
At 1 April 2008	39	11	50
Charge for Year	10	-	10
Disposals	(26)	(6)	(32)
At 31st March 2009	23	5	28
Net Book Value			
At 31st March 2009	25	-	25
At 31st March 2008	35	-	35

Notes to the financial statements for the year ended 31st March 2009

9. Debtors

	2009 £'000	2008 £'000
Prepayments and accrued income	<u>1,602</u>	<u>764</u>

As at 31 March 2009 prepayments and accrued income included £981,747 estimated Gift Aid receivable for the Congo (DR) Crisis and Gaza Crisis Appeals.

10. Cash and short term deposits

	2009 £'000	2008 £'000
Cash and interest bearing current accounts	8,304	9,621
Deposit accounts	<u>4,506</u>	<u>18,174</u>
Total	<u>12,810</u>	<u>27,795</u>

11. Creditors: amounts falling due within one year

	2009 £'000	2008 £'000
Trade creditors	167	152
Taxation and social security costs	13	13
Accruals	<u>703</u>	<u>1,481</u>
Total	<u>883</u>	<u>1,646</u>

12. Financial commitments

During the next year, the company is committed to making the following annual payments on leasehold properties under operating leases which expire:

	2009 £'000	2008 £'000
Two to five years – other	22	20
Over five years – premises	51	51

13. Statement of funds

	Balance 1 April 2008	Income	Distributed to members	Resources expended	Balance 31 March 2009
	£'000	£'000	£'000	£'000	£'000
Unrestricted income funds					
General Reserve	545	605	-	(579)	571
Restricted Funds					
DEC Tsunami Earthquake Appeal	18,372	404	(18,198)	(275)	303
DEC Niger Crisis Appeal	545	31	(573)	(3)	-
DEC Asia Quake Appeal	724	34	(757)	(1)	-
DEC Darfur & Chad Crisis Appeal	2,246	125	(1,867)	(14)	490
DEC Bangladesh Cyclone Appeal	4,340	318	(4,191)	(48)	419
DEC Myanmar Cyclone Appeal	176	12,060	(8,914)	(263)	3,059
DEC Congo (DR) Crisis Appeal	-	6,966	(2,225)	(214)	4,527
DEC Gaza Crisis Appeal	-	5,240	(850)	(252)	4,138
Income received for Next Appeal	-	47	-	-	47
Total Restricted Funds	26,403	25,225	(37,575)	(1,070)	12,983
Total funds	26,948	25,830	(37,575)	(1,649)	13,554

Notes:

All restricted fund balances at year end are represented by cash balances.

DEC Niger Crisis Appeal and DEC Asia Quake Appeal: as reported in the previous year, the funds brought forward had been fully utilised by Member Agencies during the year.

Expenditure by Member Agencies on DEC Darfur & Chad Crisis Appeal and DEC Bangladesh Cyclone Appeal will be completed during 2009/10 financial year.

DEC Myanmar (Burma) Cyclone Appeal: this appeal was launched in May 2008 and funds totalling £11.6m have been allocated to the Member Agencies for programmes ending 31st October 2009.

DEC Congo (DR) Crisis Appeal and DEC Gaza Crisis Appeal were launched in November 2008 and January 2009 respectively.

Member Agencies have been allocated £5.5m for the disaster response in Congo and £3m for the Gaza appeal. Member Agencies will be allocated further funds during the next financial year when their current programmes conclude.

14. Related party transactions

The charity trustees disclosed on page 7 include executives of all Member Agencies. The material transactions are disclosed in note 4. The Member Agencies also made donations of £554k (2008: £529k) in the year to the charity.

15. 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 section 505 of Income and Corporations Taxes Act 1988 or section 256 Taxation of Chargeable Gains Act 1992. No tax charge has arisen in the year.

Disasters Emergency Committee (DEC)
1st Floor
43 Chalton Street
London NW1 1DU
T. 020 7387 0200
F. 020 7387 2050
E. info@dec.org.uk

www.dec.org.uk

Disasters **Emergency** Committee
Working together

Registered Charity No: 1062638 Company No: 3356526

Design: www.paulingallagherme Print: Avalon Print