



# ANNUAL REPORT & FINANCIAL STATEMENTS

2017

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# WELCOME FROM OUR CHAIR

DR. KAMIL ZAKARIYYA OMOTESO

Throughout 2017, humanity faced hardship on unprecedented levels. Millions endured the horrors of war, poverty, disaster and displacement. From the Rohingya refugee and Syria crises to the rise of homelessness in the UK, we witnessed the worst of humanity. Yet, we also saw the best of humanity. Our donors giving selflessly. Our staff, partners and volunteers working diligently. Humans helping humans at every step.

## A MESSAGE FROM THE CHAIR OF TRUSTEES

We continued to grow in 2017, improving and saving lives in 21 countries around the world. Our excellent Programmes team's monitoring system shows that we helped a staggering 4,176,436 people in 2017. In addition to our amazing work saving lives overseas, I am particularly proud of the work we did in the UK in 2017. At a time when the country faced great atrocities, Human Appeal was there. We responded to the victims of the Manchester bombing, as well as those caught up in the Grenfell fire, raising thousands, thanks to the generosity of our donors. We also responded to homeless people across the UK, helping to collect over 24,000 coats for rough sleepers and vulnerable people.

As part of our commitment to excellence and transparency, given the fast growth of our projects in Turkey, in March 2017 we initiated auditors, Moore Stephens to conduct a root and branch review of our Turkey operations, while commencing our process to enhance risk management. In September, our global compliance policy and procedures were reviewed and assessed by USA attorney, Ferrari & Associates and we established our in-house internal audit function. 2017 also saw us engaged in strategy planning workshops using a collaborative approach among Trustees, our directors, managers and staff, while a programmes strategy was developed by the Programmes Team. We also conducted a VAT review of our operations to ensure we were optimising our financial systems, led by Moore Stephens, while introducing financial controls with financial workshops held in Turkey and Pakistan in May and July 2017, respectively.

There's no getting away from the fact that 2017 was also a difficult year for Human Appeal, organisationally. This began when potential issues on aspects of Human Appeal's governance were raised internally with the Trustees. A leading specialist auditor was immediately engaged to investigate and Human Appeal reported the allegations to the Charity Commission to maintain complete transparency. The charity then began a process of implementing the recommendations made by both the auditors and the Charity Commission.

More recently, we welcomed a new CEO in April



2019, made changes to our senior management team and strengthened the governance of the organisation to ensure excellence in our financial governance. Please be assured that the new systems we now have in place mean that the organisation is stronger than it has ever been. I am confident that our new CEO, Dr Ashmawey, will continue to grow Human Appeal so we can help lift even more people out of poverty.

This is just a snapshot of what we achieved in 2017. Day-in-day-out, throughout the year, our staff were on the frontline in the world's most dangerous places, driven to save and change lives, often at personal risk. I want to take this opportunity to thank all Human Appeal staff for all their hard work and our donors for their continuing support, and putting their faith in Human Appeal to save and change lives.

# A MESSAGE FROM OUR NEW CEO

DR MOHAMED ASHMAWEY

I was enormously proud to commence my role as Chief Executive of Human Appeal in April 2019. I came into this job because Human Appeal is a fantastic organisation. I have many years' experience of growing organisations, and knew this is what Human Appeal needed. Whilst the organisation has faced some internal issues, it has achieved many great things and is on track to achieve many more. I am determined to lead the organisation to new levels of excellence in order to continue its great work.

My career path to date includes completing my Phd in Mechanical Engineering from the University of Maryland in 1988 and working for 18 years as an engineer and later as a Manager for General Motors. In 2007, I embarked upon my 3-year role as CEO with Islamic Relief USA, continuing as a consultant for the organisation shortly thereafter. In 2012, I became CEO of Islamic Relief Worldwide, growing the charity from £92 million to £182 million. I went on to become a Senior Management Consultant, advising leaders in the humanitarian and development sector across Europe and the Middle East. I was also a member of the Civil Society Advisory Team created by the World Economic Forum until 2016.

I see my new position leading Human Appeal as another opportunity to serve humanity, and my vision is to transform our charity into one that is a role model for all humanitarians. Looking back at Human Appeal's achievements during its 26th year of operation evokes a combination of emotions in me. As an organisation, Human Appeal enjoyed an exponential growth period, with accounts showing a 22% increase in income to £44 million, thanks to the support of our charity's fantastic donors, partners, staff and volunteers. Sadly, however, my pride in these achievements is coupled with the solemn knowledge that 2017 was also a year of humanitarian crises on an unprecedented scale, while Human Appeal itself faced one of its biggest organisational challenges ever in the latter part of the year.

In Iraq, humanity was under attack in the violent Battle for Mosul. In Yemen, the humanitarian crisis worsened. In Myanmar, huge numbers of Rohingya refugees desperately tried to escape violence and persecution. In Syria, the brutal conflict entered its sixth year, and here in the UK, homelessness



and poverty was on the rise. I am proud that throughout the terrible events of 2017, Human Appeal staff, partners, affiliates and volunteers worked relentlessly, often under life-threatening circumstances, while our donors gave generously and supported us unconditionally. Together, we helped 4,176,436 people in 21 countries.

We established a new field office in Iraq, helping over 750,000 Iraqis, becoming a world-class operation used by many UN organisations to deliver aid. In Yemen, we were on the ground with the World Health Organisation (WHO), implementing a cholera outbreak response, while supplying medicine to treat 24,800 people and working with UN OCHA to provide healthcare, food and nutrition. We provided food and medicine to 77,601 Rohingya people inside Rakhine State in Myanmar and helped 61,250 Rohingya refugees in Cox's Bazaar, Bangladesh. In Syria, we supplied 8,000 tonnes of flour to bakeries, reaching 1,664,000 people across Idlib, Hama and Aleppo. We helped 2,082,370 Syrians with our food assistance and security projects and 150,000 Syrians with healthcare, while over 210,000 Syrians were given shelter, and over 37,577 children were provided with access to education.

In Pakistan, we installed 30 water wells, providing clean drinking water to 29,000 people in the drought-stricken area of Tharparkar, 10,000 people benefited from solar-powered water pumps, while 500 women were offered food and nutritional education. In the UK, Wrap Up Manchester campaign won an award for the best domestic programme and provided 24,000 people with warm coats. During Ramadan, we fed 230,056 people in 17 countries. We gave Qurbani meat to 335,153 people across 18 countries, and we sponsored 10,580 orphans in 10 countries. 2017 also saw us implementing a new Emerging Markets department, to continue our trend of growth and reach more people in desperate need.

Across the world hundreds of thousands of people have benefitted from the work Human Appeal has carried out. We have worked in some of the world's most difficult places to lift people out of poverty, bringing food, medical supplies and education to 4,176,436 people in 23 countries.

I mentioned earlier that Human Appeal faced some internal issues in 2017. In many ways, this was a blessing in disguise, it opened our eyes to areas of weakness and enabled us to address them resulting in a much better and stronger organisation.

As a rapidly growing organisation, Human Appeal had already recognised and responded to its need for operational change in 2016, beginning a process of upgrades in our internal policies, protocols and processes as recommended by an independent auditor. We recruited a Human Resources Director, a Programmes Director, and a Financial Services Director. In January 2017, our HR department ensured that all our Directors and Managers received training on the new policies and procedures to ensure they were being followed correctly. We also introduced RHIZA, our risk register.

Ever since the allegations referenced in the Chairman's note were reported, our organisation has worked to turn the negative events of 2017 into positive action, acting on all recommendations given by our auditors and the Charity Commission. I am proud to be leading Human Appeal into a new period of stability, with improved transparency, accountability and financial control, and new processes, policies and procedures that follow UN standards and best practice in the humanitarian sector. It is vital that, now more than ever, Human Appeal's work must continue, and I am absolutely committed to regaining the trust and respect of our stakeholders, including our supporters, donors, partners and affiliates. By learning from what has happened, and by taking tireless positive action, I believe Human Appeal can become a role model for charities around the world and a formidable force in helping to save and transform lives.

## WHO WE ARE AND WHAT WE DO

Human Appeal is an international humanitarian and development organisation working across 21 countries in Asia, Africa, Europe, and the Middle East. We react immediately and incisively to humanitarian emergencies, and our development work has a lasting effect on people's lives in the world's poorest countries.

**In an increasingly fractured world, we are united by something powerful: our common humanity. We sprang from a simple human instinct: to help other humans in trouble, regardless of creed or colour. We were created by two students in Manchester 27 years ago and now our work spans the globe.**

Our vision is to become a global agent of change for a just, caring and sustainable world.

Our mission is saving lives, alleviating poverty, transforming and empowering local communities whilst championing humanity, impartiality, neutrality, and independence.

We are inspired by the Islamic faith and values, but we deliver help to anyone in need, particularly those who are most vulnerable, so we leave no one behind. We are faith-based, but not faith specific. We have faith in all humanity, and believe we can achieve great things when we work together.

### HUMANITARIAN RELIEF

We are committed to being fast responders to humanitarian needs and emergency situations in our priority countries in an accountable and transparent way. Our values of excellence, compassion, trust, respect, justice and empowerment are central to this approach to international development. From the Syrian conflict to post-war Iraq and the Rohingya refugee crisis in Myanmar and Bangladesh, we are on the ground delivering essential aid to local and internally displaced people, refugees and returnees. During emergencies, we provide core relief items such as food, non-food items and shelter.

We also run Water, Sanitation and Hygiene (WASH) and education projects, and support local health centres with medical supplies. We coordinate and manage camps through community-based integrated activities including child protection.

### SUSTAINABLE DEVELOPMENT

Our work is long-term and our projects align with, and contribute to, the Sustainable Development Goals (SDGs). We provide solutions for sustainable development in the most impoverished communities. We restore shattered lives and fractured families, reinforce the bonds that hold communities together and tackle the root causes of the poverty that holds them back.

We supply local communities with the tools to support themselves, build their resilience and ensure their future safety. Our aim is to help them lead a life of dignity, gender equality, food and income security, and resilience to climate change (including adaptation and mitigation) and natural disasters.

### SEASONAL PROGRAMMES

Our seasonal programmes reflect our Islamic faith but serve both Muslim and non-Muslim impoverished communities. Every year, we connect our donors with the people we support through our Feed the Fasting programmes. This is funded by Zakat donations (the giving of a set proportion of your wealth to charity), as well as Qurbani gifts (sacrificing an animal and distributing the meat to those in need) during Eid ul-Adha. Our annual winter campaigns focus on shelter and non-food items.

### CHILD WELFARE

Protecting children is a central feature of all of our work. Our Orphans Sponsorship programme allows donors to make a regular donation to help an orphaned child get their basic needs met every month, including having enough to eat and somewhere to live. Sponsored school-aged children must receive an education and a values based upbringing.

# ELEMENTS THAT UNITE OUR WORK



### EDUCATION

We improve access to inclusive and quality education for children of school age in vulnerable, marginalised and displaced communities, and equip young people and adults with relevant skills and knowledge through education and lifelong learning opportunities, as well as technical vocational courses and training.



### LIVELIHOODS

We assist in livelihood development for vulnerable and displaced communities to create sustainable income generation opportunities.



### FOOD SECURITY

We enhance food security through sustainable agriculture, strengthening resilience and improving nutrition amongst communities affected by disasters, conflict and poverty.



### WASH

We provide access to clean water, sanitation and improve hygiene practices and awareness among vulnerable and displaced communities.



### EMERGENCY RELIEF

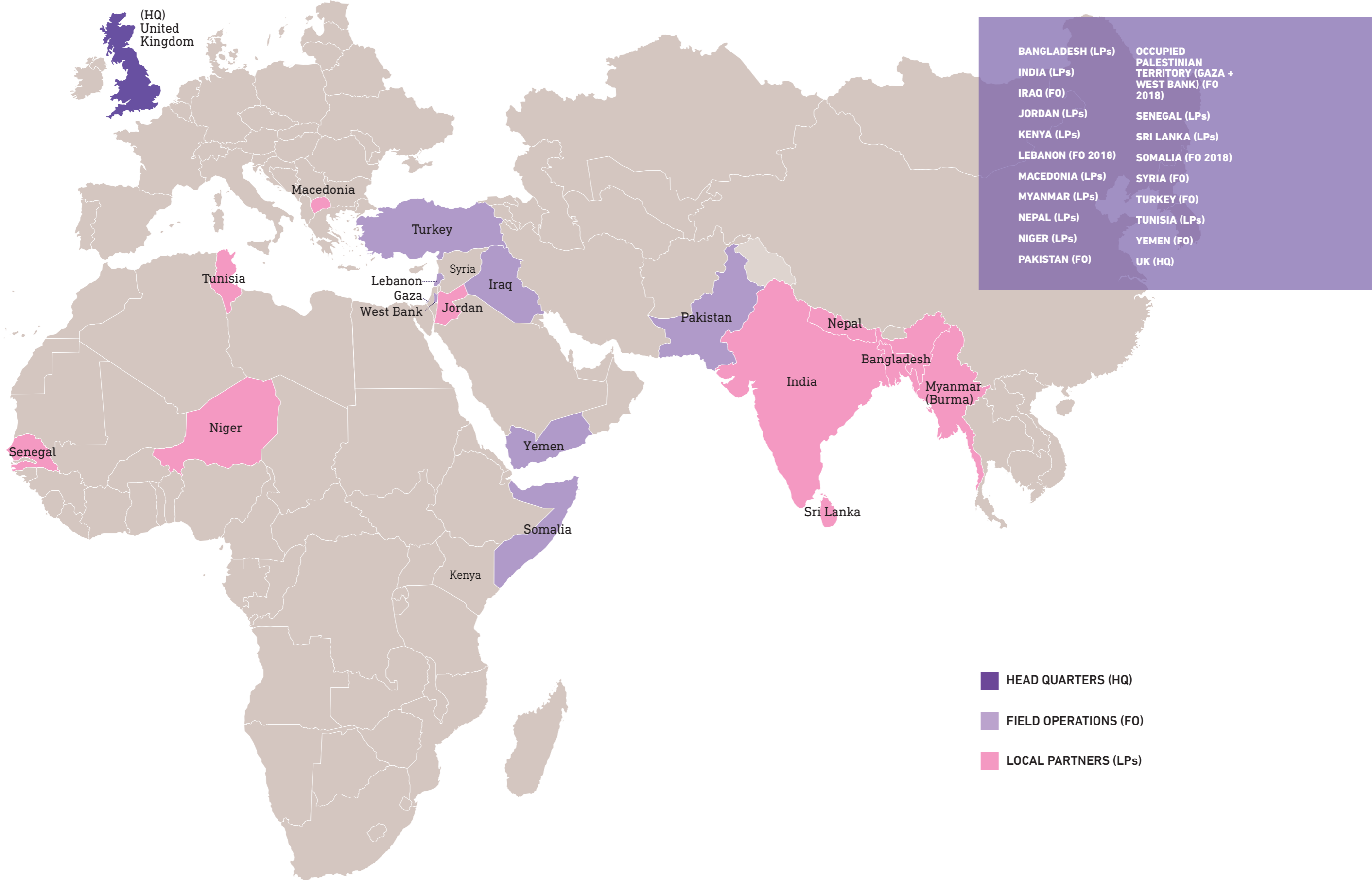
We provide humanitarian assistance in the context of disasters, conflicts and emergencies in the form of food, medical aid, and support to local health facilities, we also provided shelter, camp management, protection, WASH and education in emergency contexts.



### CHILD WELFARE

We provide a one-to-one sponsorship programme to improve child welfare, keeping the safeguarding of children central to our approach.

# WHERE WE WORK



# STRATEGIC PLAN 2017

## HUMAN APPEAL'S STRATEGIC PRIORITIES

We set the key priorities for 2017 revolving around securing funds through winning and retaining supporters, whether donors or volunteers, and ensuring positive brand visibility to translate as a charity of choice within our supporter communities. Furthermore, we prioritized building the infrastructure for the sound stewardship of the funds we collect focused on achieving value for money, and most importantly, delivering interventions that positively impact the lives of our beneficiaries preventing and relieving their suffering, poverty, or financial hardship.

Our strategic key priorities in 2017 were:

### 1. To promote and embed Human Appeal's vision, mission and values

Human Appeal worked to ensure all country offices and regional offices were in line with HQ guidelines and had shared vision, mission and values through a programme of alignment and dissemination. Future work will focus on practicing transparency across the organisation with measurable KPIs.

### 2. To develop a robust and flexible organisational infrastructure

Human Appeal made great strides in updating its policies and procedures including its Staff Handbook and renewing its status with Investors in People. Revised performance appraisal processes were introduced and staff were trained accordingly. Training needs assessments were not yet undertaken. Leadership development took place and will be rolled out further.

### 3. To further develop our Programmes Department

The department was restructured and streamlined to better meet the needs of our developing programmes. Fit for purpose policies, processes and manuals were developed, however, the size of the department still needs to expand to meet delivery expectations. UK programmes were introduced with a variety of activities and a more focused approach will be developed.

### 4. To develop research, campaigning and advocacy streams in our work

Campaigning and advocacy efforts began, but without a focus, as functions were spread over a number of departments. Efforts were made to tie in messaging with specific geographical areas

### 5. To sustain revenue growth, and retain and increase donor numbers

Efforts to increase institutional funding in the field

proved successful as did UK fundraising activities and events, and outreach to the corporate sector and high-net-worth individuals. Further work on developing overseas fundraising offices and charity shops remains key.

### LONG-TERM TARGETS

By 2020 we will:\*

- Reach 8 million people with our interventions.
- Produce robust evidence of the effectiveness of our long-term projects.
- Become a key player in challenging rough sleeping & tackling homelessness in the UK.
- Raise over £50 million from institutional donors and strategic partners.

Human Appeal's ability to respond as originally planned in most areas was repeatedly hampered by lack of accessibility owing to conflict, restrictions of host governments and/or the very active presence of armed non-state actors. Blockades either severely delayed or prevented the importation of needed aid inputs in some cases. In others, host government-imposed reliance on a cadre of newly established local partners to implement nearly all activities forced a great deal of unplanned training and technical assistance.

# FUTURE AIMS

## 1. Strengthening principled humanitarian action

This will be achieved by:

- Strengthening our disaster preparedness, participatory disaster response and resilience-building programmes and planning.
- Ensuring our response is effective, timely, appropriate, proportionate to the need, and relevant.
- Building a global reputation for our expertise in protection activities.
- Strengthening our commitment to localisation of humanitarian action.

## 2. Maximising impact for sustainable change

This will be achieved by:

- Delivering sustainable development programmes.
- Developing a global reputation for expertise in food security and livelihoods.

## 3. Ensuring programme quality

This will be achieved by:

- Enhancing programme quality, monitoring, evaluation and learning.
- Building the capacity of, and providing support to our field offices and local partners.
- Improving accountability to affected populations, donors and other stakeholders.

## 4. Strengthening and enhancing orphans and child welfare programmes

This will be achieved by:

- Ensuring child welfare and protection is embedded in all programme interventions.
- Increasing orphan sponsorships and expanding geographical focus.
- Advocating for children's rights.

## 5. Securing quality sustainable income to support our work

This will be achieved by:

- Increasing sustainable income from institutional donors and strategic partners for humanitarian and development projects.
- Developing and strengthening partnerships with key institutional donors, strategic partners and networks for sustainable funding.

## 6. Creating an innovative volunteer development programme

This will be achieved by:

- Attracting the talent of new generations by not only utilising volunteers in fundraising but across other departments.
- Establishing a volunteer development programme to the extent it becomes a value proposition for volunteers to showcase on their CV.

# OUR SUCCESSES IN 2017

**We delivered humanitarian assistance, worth \$12 million, to around 750,000 people in Iraq During the Battle of Mosul, when many people were displaced.**

## WHO WE SUPPORT

The total number of people we supported: 4,176,436. In Syria, the total number of people we supported was 2,326,038. Total number of people we supported in Iraq: 749,483. In the occupied Palestinian territories (Gaza & West Bank), we supported 290,982 people.

We also:

- Sponsored 10,580 orphans in 10 different countries
- Helped 41,032 people in the UK
- Fed 230,056 people during Ramadan in 17 different countries
- Gave Qurbani meat to 335,153 people in 18 Different countries
- Helped 48,371 people living in poverty around the world during winter
- Worked in 21 countries
- Worked with 31 local partners in 11 countries

## HIGHLIGHTS

The United Nations chose us, along with five other Non-Governmental Organisations (NGOs), to join their Humanitarian Country Team to lead on Iraq's Humanitarian strategy and co-lead the protection working group for Nineveh governorate. We also seconded an expert in protection to the Protection Cluster during the Mosul operation.

We protected over 27,000 people in, and fleeing, Mosul during the height of the conflict in Iraq.

We also provided clean water to 23,000 people in the most heavily destroyed neighbourhoods in Mosul during the battle.

Human Appeal distributed 8,000 tonnes of flour to bakeries to make bread, reaching 1,664,000 people across Idlib, Hama and Aleppo in Syria. We reached 2,082,370 people with our food assistance and security projects in Syria.

During the cholera epidemic in Yemen, we supported hospitals in Al Hudaydah and Al Dhale'e with medical supplies, allowing them to treat 24,800 people. We also provided 10 incubators for premature babies at the Al-Sabeen Hospital in Sana'a, which helped to treat 700 babies.

Our organisation supplied emergency assistance, from food aid to shelter and non-food items, as well as medical aid, to 77,601 Rohingyas inside Rakhine State in Myanmar. We also supported 61,250 Rohingya refugees in Cox's Bazaar, Bangladesh.

We installed 30 water wells to provide clean drinking water to 29,000 people in the drought-stricken area of Tharparkar, Pakistan. We also installed seven solar powered water pumps and provided training to 10,000 people on agroecological, climate smart and low cost agriculture. 500 women were also provided with food and nutritional education in order to improve their household food and nutrition security.

We provided improved access to clean water, sanitation facilities and better hygiene in the Luuq and Dolow districts of Somalia. This project aimed to rehabilitate community-owned water infrastructure, construct waste disposal pits and raise hygiene awareness, helping over 12,000 people.

Our Wrap Up Manchester campaign won an award for the best domestic programme. It collects spare coats from members of the public, and gives them directly to those in need during the winter months. This year, we expanded the programme to Glasgow and Birmingham and collected coats for over 24,000 people.



## FIVE KEY PROJECTS IN 2017



### TACKLING POVERTY IN THE UK

Charity starts at home. That's what we believe and it's why we devote ourselves to working with, and for, vulnerable people in the UK, and not only those abroad. We reached 41,032 people in Manchester and across the UK through projects and campaigns that support people at risk of falling into poverty, or to help them get out of it.

Wrap Up Manchester, our project collecting coats for women, men and children living in poverty in the area, won Best Domestic Programme of 2016 at the Muslim Charities Forum's Humanitarian Awards. We also won Charity of the Year at the British Muslim Awards, with the Wrap Up Manchester project highlighted as one of our biggest achievements. This year, we expanded Wrap Up to Glasgow and Birmingham and Network Rail became a corporate partner. We are part of GM Homelessness Action Network, spearheaded by the Mayor of Greater Manchester, Andy Burnham, to end rough sleeping by 2020 and reduce and prevent homelessness. We helped found Greater Manchester Citizens which mobilised communities and campaigned against homelessness at the Mayoral Assembly in May. We also responded to the Grenfell fire and to the terrorist attack on Manchester Arena.

### RESPONDING TO ROHINGYA REFUGEE CRISIS IN BANGLADESH AND MYANMAR

More than half a million Rohingya people have fled the northern Rakhine province of Myanmar (Burma) for neighbouring Bangladesh since the escalation of the crisis there in August 2017. The Rohingyas, a Muslim ethnic minority, have been facing persecution at the hands of Myanmar's military. The United Nations called it "a textbook

example of ethnic cleansing".<sup>1</sup> Before the crisis escalated, we worked with people living in poverty in Myanmar.

As one of the first to respond on the ground in Rakhine state, through our local partner, as well as in refugee camps in Cox's Bazaar in Bangladesh, we distributed food, shelter, non-food items, medicine and hygiene kits. We also provided access to primary healthcare, and improved access to water and sanitation.

### WORKING AND EXPANDING ASSISTANCE IN A CHALLENGING SITUATION IN YEMEN

The crisis in Yemen reached unprecedented levels in 2017. We were on the ground when the conflict escalated, the spread of cholera and diphtheria became epidemic the risk of famine increased, and there were forced displacements and threats to civilians in affected areas.

During the cholera epidemic, we supported hospitals in Al Hudaydah and Al Dhale'e with medical supplies, such as oral rehydration solutions, antibiotics, syringes, gloves, masks, protective gowns and head covers. This helped them treat 24,800 people. We also provided 100 beds with mattresses protected with plastic to cholera centres in Sana'a, allowing them to serve 18,000 patients throughout the year.



We also started working with partners to deliver life-saving projects in Yemen. With UN OCHA, we will enhance healthcare, nutrition and food security in the Hajjah governorate for those most in need. With WHO, we are supporting people affected by the cholera outbreak in Hudaydah and Raymah governorates.

### HELPING PEOPLE FEED THEMSELVES IN THARPARKAR, PAKISTAN

Tharparkar is a district in the south of Pakistan which is mostly desert, where extreme drought has become a regular phenomenon. Every year, loss of livestock has a negative impact on livelihoods, leading to food insecurity and severe malnutrition.

In line with HA's objective to contribute towards the SDGs 2, 5, 6, 7 and 15, streamlined with the organisation's global programme strategy, our project 'Helping People Feed Themselves' provided water for agriculture, agricultural inputs and training on climate smart, low cost agroecological best practices.

These interventions strengthened the capacity of communities to reduce, mitigate and manage risks proactively, and to adapt and recover. It also addressed the underlying causes of malnutrition, through livestock and agricultural management, alongside education programmes on nutrition for adolescent girls, pregnant women and young mothers.

Men and women farmers were provided with agricultural inputs for multi-cropped demo plots, agroforestry, and kitchen gardens. We also gave training on climate smart practices, agroforestry, multi cropping for livestock fodder, traditional preservation, seed regeneration and income-generating activities to enhance food security.

Seven solar-powered water pumps were installed where the farmers used water for irrigation purposes. At the time of writing, this project has helped over 6,875 individuals, 3,300 of whom are children.

### ESTABLISHING WORLD-CLASS OPERATIONS IN IRAQ

It was the longest urban battle since the Second World War and military operations in Mosul ended in July 2017, leaving the city completely destroyed and bereft of safe facilities and infrastructure. We were the first INGO to respond to the crisis that this produced. In January 2018, we marked one year of working in Iraq. In just 12 months, we became one of the largest leading NGOs in Iraq and the largest food, shelter and non-food item distributing INGO in Mosul.

Overall, we delivered humanitarian assistance worth around \$30 million to nearly 750,000 Iraqis. We've also taken on an important role in the humanitarian community in Iraq: we were elected on to the UN's Humanitarian Country Team to be one of six INGOs leading on Iraq's humanitarian strategy.

We also co-lead the Protection Working Group for Nineveh governorate and seconded an expert in protection during the battle of Mosul.

# HUMANITARIAN RESPONSE

Over 2 billion people live in countries where conflict, violence, and political fragility are the norm. The United Nations have said we are living in a time which has the worst level of suffering since the Second World War.<sup>2</sup> At the 2016 World Humanitarian Summit, the UN set out the ambitious commitments of their Agenda for Humanity to reduce suffering and improve assistance for people caught in humanitarian crises. To meet these commitments, we must do more and we must do it better.<sup>3</sup>

The year saw war and multiple natural disasters leaving populations in Yemen, Somalia and Nigeria at risk of starvation. Famine was declared in South Sudan in February, where the war and a collapsing economy left 100,000 people facing starvation.<sup>4</sup> Effective early warning systems, a prompt response from donors and institutions, international aid and a scaled-up level of operations eventually averted the famine, but there is still a long way to go. It is projected that by 2030, 46% of people who live in extreme poverty will be those in fragile and

conflict-affected contexts.<sup>5</sup> Conflicts are a driver of 80% of all humanitarian needs. According to WFP, out of the 815 million hungry people in the world, 489 million live in countries affected by conflict.<sup>6</sup>

The escalation of crises has forced millions of people to live in inherently unacceptable and dangerous conditions, with a lack of basic facilities and services. It is the most vulnerable who are hit hardest by these conflicts: women, children, the elderly, and people with disabilities. Due to ongoing political crises, countries including Syria, Yemen, Iraq and The Occupied Palestinian Territories have seen their populations plunge into increasingly deeper levels of impoverishment and vulnerability. The coping capacities of millions are being stretched to the limit as resilience decreases and people start resorting to negative coping strategies, such as selling any assets they may have.

At Human Appeal, we are becoming more effective, efficient and cost-effective at responding to these crises. In 2017, we undertook many activities to strengthen our work to make sure we can be there for people in challenging times. We responded to a number of crises that escalated, continued or erupted, from the drought in Somalia and protracted emergencies in Syria and Iraq, to disasters in Yemen and the Rohingya refugee crisis in Myanmar and Bangladesh. We were there, continuously delivering food parcels, shelter, clean water, sanitation, medical aid and education, as well as protection.



# CRISES IN 2017

## IRAQ

**Emergency:** Battle of Mosul, forced internal displacements, Syrian refugees.

**Issues:** Mass displacements, lack of safe infrastructure, inhibited access to services, lack of security and protection, lack of livelihood opportunities.

**Our response:** Human Appeal Iraq provided emergency relief throughout the Battle of Mosul. We delivered food and water, shelter and essential non-food items, as well as continuing the process of post-war reconstruction.

## YEMEN

**Emergency:** Protracted armed conflict, risk of famine, disease outbreaks.

**Issues:** The continuous civil war has resulted in large-scale food insecurity, severe economic decline and the collapse of essential public services and infrastructure, including hospitals and schools. It has also produced the fastest-spreading cholera outbreak since records began, and caused harmful coping mechanisms, including high-risk activities as sources of livelihoods, early marriages and child labour.<sup>7</sup>

**Our response:** Human Appeal Yemen provided emergency aid including medical, hygiene and nutritional supplies to hospitals and cholera treatment centres. We also distributed food and provided educational materials to students in an orphanage in Sana'a.

## SOMALIA

**Emergency:** Drought and risk of famine, cholera outbreak.

**Issues:** Drought caused crop failures across the country, food insecurity, depleted water sources and displacement of populations.

**Our response:** Human Appeal Somalia supported the drought-affected areas of Gedo, Bay and Banadir regions. We provided internally-displaced people within camps, as well as host communities, with a two-month supply of food to reduce household reliance on negative coping mechanisms. Additionally, we worked to increase the resilience of families to food crises and natural disasters.

## SYRIA/TURKEY

**Emergency:** Protracted armed conflict, food insecurity.

**Issues:** Protection concerns as attacks were carried out on civilians and infrastructure; deteriorating public services, high levels of malnutrition and food insecurity; high levels of displacements; refugee crisis; harmful coping

mechanisms including high risk activities as sources of livelihood, child labour and early marriages.

**Our response:** Human Appeal Turkey delivered food assistance, and improved food security along with agricultural projects. We provided access to healthcare and nutrition services, shelter and non-food items, WASH facilities, education and child protection services, as well as camp management.

## BANGLADESH

**Emergency:** Cyclone Mora.

**Issues:** The cyclone affected vulnerable settlements of refugees and undocumented migrants, many of whom were Rohingya. It destroyed shelters, makeshift settlements, household latrines and caused damage to critical infrastructure, increasing the risk of water and vector-borne diseases.

**Our response:** We provided emergency relief to Rohingya refugee camps in Cox's Bazaar and Chittagong which were badly damaged by the cyclone, including food parcels for 2,400 people.

## MYANMAR/BANGLADESH

**Emergency:** Protracted armed conflict, Rohingya refugee crisis, floods.

**Issues:** Human rights abuses against the Rohingya ethnic minority group, sexual and gender-based violence leading to mass displacements, casualties and injuries, restricted movement inside Rakhine state, high levels of diseases, lack of sanitation facilities and clean water in refugee camps.

**Our response:** In both Myanmar and Bangladesh, we delivered food assistance and food security projects, distributed temporary shelter and non-food items, as well as provided access to drinking water and hygiene kits. We also established medical camps and created 10 child-friendly spaces within them.

## OCCUPIED PALESTINIAN TERRITORIES

**Emergency:** Complex emergency–protracted conflict, displacements, insecurity.

**Issues:** Occupation and forced displacements have fragmented the Palestinian territory and weakened the economic situation, posing increasing access and movement restrictions. The situation is also driving a continued lack of sufficient public services, including healthcare, food, water and electricity.

**Our response:** We continued delivering programmes in Gaza and the West Bank, responding to the urgent humanitarian need, as well as implementing development projects. We offered food assistance and food security, as well as education and family livelihood projects. Human Appeal also provided winter emergency relief and focused on youth empowerment and skills-building.

# SEASONAL PROJECTS

Human Appeal's winterisation project provided 14,748 people with winter kits, mattresses, blankets and fuel in Syria. We also helped a further 4,925 evacuees in Aleppo with blankets and mattresses and 7,550 people in Idlib with winter essentials. Human Appeal's seasonal projects reflect the inspiration the Islamic faith has on our work. Every year, we connect our donors and beneficiary communities through the delivery of our 'Feed the Fasting' programmes, funded by Zakat donations during the Holy Month of Ramadan, as well as Qurbani gifts during Eid ul-Adha. We also have annual winter campaigns which focus on shelter and non-food items during the cold winter months. Our seasonal projects focus on serving communities living in poverty, both Muslim and non-Muslim.

## RAMADAN

Ramadan is one of the holiest months in the Islamic calendar. It is a time of generosity and marks the start of fasting for Muslims. Many give their Zakat during this blessed month. With support from our donors and partners, we widened our Ramadan food distribution programme, which spanned 18 countries. We distributed food in Bangladesh, India, Iraq, Jordan, Kenya, Lebanon, Myanmar, Nepal, Niger, Pakistan, Occupied Palestinian Territories, Senegal, Somalia, Sri Lanka, Sudan, Syria, Yemen and the UK. We worked to source food locally and ensured it reached the most vulnerable people. While the contents of each parcel varied across different regions, we ensured they contained food staples such as rice, pulses, lentils, pasta, flour, cooking oil, salt, sugar, tea and dates.

## QURBANI

The festival of Eid ul-Adha marks the end of the sacred Hajj pilgrimage. Muslims around the world

commemorate the obedience of the prophet Ibrahim by sacrificing an animal and distributing the meat to the poor and those in need. Each year, Human Appeal helps Muslims carry out Qurbani on their behalf. This year, with the support of our donors and partners, Human Appeal distributed over 22,000 Qurbani shares, benefitting over 335,000 individuals. We were able to deliver in 18 countries, helping to spread a feeling of solidarity among Muslims. In Somalia, we distributed 3,370 Qurbani shares to 15,525 vulnerable families living in Internally Displaced Persons (IDP) camps. In war-torn Syria, fresh meat was provided to 33,600 individuals in Idlib and Aleppo. In Yemen, we gave away 969 shares, benefitting 23,256 people.

## WINTER

In 2017, we ran two winter campaigns, at the beginning and end of the year. We provided nearly 50,000 people with mattresses, bedding, warm clothes, shelter, fuel, food and other winter essentials in Syria, Jordan, Lebanon, Gaza, Pakistan, and Bangladesh.

We implemented a number of winter projects in the UK, alongside our partners. With One Roof Leicester, we funded overnight accommodation for rough sleepers, with volunteers offering food and companionship.

The night shelter was open to homeless people who were ineligible for benefits, excluded from homeless housing, and/or without any other support network. In partnership with the Heart of England Community Foundation, we supported 281 vulnerable homeless, isolated elderly people and households suffering from food poverty in the West Midlands. With Children of Adam, we provided 180 homeless people in central London with emergency winter packs, and a further 50 people with weekly healthy meals. In Manchester, we worked with Coffee4Craig, providing homeless people and other vulnerable adults and children with winter provisions.

# SYRIA



By the end of 2017, 13.1 million Syrians required humanitarian assistance and 5.6 million were in acute need.

Over 8.2 million people live in areas affected by hostilities. People faced widespread forcible displacement, with the deliberate targeting of civilian places and infrastructure. 2017 was an extremely challenging year for the people of Syria. From chemical weapons being used on civilians in the rebel-held Idlib province in April, to constant exposure to conflict, it is the Syrian people who are suffering the most from the protracted crisis.

Human Appeal continued its assistance to the Syrian people inside Syria, as well as to Syrian refugees in Turkey, Jordan, Lebanon and Iraq. Our interventions reached over 2.3 million Syrians in-country. We continued with delivering food, medical aid and nutritional services, shelter and non-food items particularly during winter months, as well as access to education for school-aged children.

## KEY HIGHLIGHT

Camp Co-ordination and Camp Management (CCCM) in Idlib

We aimed to minimise the negative effects of the winter season on the IDPs camps in northern Idlib through a CCCM project for 7,162 people (3,210 adults and 3,952 children) living in 1,614 tents in Deir Hassan in Idlib. Through this project, funded by UN OCHA, we helped people to access water and sanitation services and improved the road networks inside the camps.

We also excavated open channels for rain drainage, raised the level of the tents from the ground and made them more resistant to winter conditions through paving, waterproofing and insulating them. The project also sought to ensure the privacy of women through the establishment of women's blocks connected to hot water, containing showers, toilets and places to wash utensils and do laundry.

➤ **2,326,038**  
Total beneficiaries in 2017

➤ We extended healthcare to nearly **150,000 PEOPLE**

➤ **8,000 TONNES**  
Of flour supplied to Syrian bakeries

➤ We provided shelter for **210,417 PEOPLE**

➤ **2,082,370**  
People received various forms of food assistance

➤ We provided educational materials and access to non-formal and formal education in Syria and Turkey to over **150,000 CHILDREN**

# HIGHLIGHTS OF OUR INTERVENTION IN SYRIA



Through our seasonal distributions during Ramadan and Qurbani, we provided:

- **117,552** Warm cooked meals to **4,400** beneficiaries to break their fast
- **686 FAMILIES** With food parcels
- **41,500 KG** Of rice to **49,800** beneficiaries in Idlib with Zakat Al Fitr funds
- **11,200 KG** Of meat to **33,600** beneficiaries in Aleppo and Idlib

## FOOD ASSISTANCE

Flour distribution: We have been supporting Syrian bakeries since 2013, providing between 500 to 1,000 tonnes of flour every month in Idlib, Aleppo and Hama governorates. This pioneering project aims to support bakeries and furnaces that were abandoned due to the scarcity of flour. We continued flour distribution in 2017 and delivered 8,000 tonnes overall with a reach of 1,664,000 people.

We have been delivering food assistance to affected populations in Syria in partnership with WFP since 2014. In 2017, we distributed 29,500 food parcels monthly in 189 IDP camps in Idlib. We served over 265,500 people. With the funding from World Food Programme (WFP) we also responded to multiple displacements by providing 2,419 Ready-to-Eat Rations to new IDPs as emergency assistance.

With funding from our strategic US partner, United Muslim Relief, we provided 5,000 beneficiaries with daily cooked meals for a month in response to the ongoing Aleppo emergency where IDPs were fleeing from bombardment. Generous donations from our UK supporters allowed us to provide cooked meals to 11,419 beneficiaries in Azaz, Mare' and al-Bab on a daily basis for a month during the emergency

## LIVELIHOODS

In 2017, we continued our support of Al-Imaan Specialist Hospital for Women & Children and Al-Imaan Primary Health Care (PHC) Centre, improving maternal and child health and nutrition in the community. In March 2017, we established a new Al-Imaan Primary Healthcare Centre in Sheikh Ali, Aleppo. Both facilities provided consultation and free medical care, as well as extended nutritional assistance to people with moderate to severe acute malnutrition. We received an in-kind donation of medicines from Americares worth over \$2.2 million (US) to continue this valuable healthcare provision. With the funding from WFP, we contributed to the reduction of mortality among children under 5, as well as pregnant and lactating women (PLW) in northern Syria. We achieved this through the screening and treatment of moderate acute malnutrition cases, reaching 810 women and young children. We also received an in-kind donation of vitamins through our partner Vitamin Angels, providing micronutrients to approximately 40,000 PLWs and children under 5. We continued supporting an emergency mobile clinic in western rural Aleppo, extending healthcare to more than 20,000 people in the area, many of whom were

IDPs.

In 2017, through a generous donation by the Green Lane Masjid, a blind Syrian lady was given her sight back through cornea surgery on both her eyes, in addition to receiving physiotherapy for her upper and lower limbs and extensive facial plastic surgery. We also provided an integrated curative and preventative nutrition service in Aleppo and Idlib, funded by UNICEF. The project provided life-saving preventative nutrition services, such as infant and young child feeding practices in emergencies, micronutrient interventions and blanket supplementary feeding for the vulnerable population groups, as well as Community-based Management of Acute Malnutrition (CMAM) activities.

## WASH

We implemented a multi-sectoral project including WASH, healthcare, non-food items and food distribution to 6,408 people. The WASH element aimed to improve hygiene services amongst targeted IDPs. Our goal was to create a positive change in knowledge, attitude and practices around hygiene, to improve sanitation and hygiene levels amongst school-aged children. The project provided hygiene kits and cleaning materials to the IDPs in camps. We also distributed communication and awareness-raising materials.

## EMERGENCY RELIEF

Roughly a quarter of the Syrian population is in need of shelter or non-food items, such as household items, winter clothes, blankets and mattresses.<sup>8</sup>

During winter at the start and end of 2017, heavy rain and snowfall damaged the tents of many IDPs in camps across the country. With a donation of £200,000, Human Appeal's winterisation project benefited 14,748 households with winter kits, mattresses, blankets and fuel.

We also helped a further 4,925 new evacuees in Aleppo with blankets and mattresses. With an in-kind donation from Colón's Muslim community in Panama, we provided over 112,580 people in Idlib and Aleppo with batteries, clothes and shoes via the HA-supported hospital in western rural Aleppo. These were distributed through a voucher system to make sure people could choose the items they needed the most.

## ASSISTING SYRIAN REFUGEES



The conflict in Syria continues to drive the largest refugee crisis in the world.<sup>9</sup> Over 5.3 million Syrians were registered as refugees in neighbouring countries as of 1 December 2017. Despite the exceptional generosity demonstrated by host countries, host communities and donors, most Syrian refugee families across the region continue to lack the necessary resources to meet their basic needs. The burden for the refugee situation continued to fall primarily on the neighbouring countries in the region in 2017. Lebanon and Jordan host the largest numbers of registered refugees per capita in the world.<sup>10</sup> In Lebanon, one in five people is a refugee, while in Jordan one in fifteen is a refugee. Turkey continues to host the largest number of refugees in the world. Meanwhile, Iraq and Egypt host large numbers of Syrian refugees along with refugees from many other countries.

### LEBANON

The crisis unfolding in Syria has had a profound humanitarian, socio-economic, security, and political impact on Lebanon and its people as well as a strain on public services and infrastructure. Refugees from Syria represent the world's largest refugee population. Lebanon accounts for the world's highest refugee per capita ratio (169 refugees/1,000 Lebanese).<sup>11</sup> Nearly half of those affected by the crisis are children and adolescents. While Lebanon has remained a generous host to refugees, increased social tensions and possible host-community fatigue, combined with depleted resources among refugees and regional tensions, raise concerns for both the refugee and host population. Human Appeal worked through local partners in Lebanon to deliver emergency food assistance to Syrian and Palestinian refugees and to Lebanese host communities. Our seasonal programmes continued to support people with food parcels, fresh meat and non-food items for winter. Projects were mainly concentrated in the Bekaa Valley region, where most Syrian refugees reside in unofficial camps on private land. Support was also provided in South Lebanon and Tripoli, covering many areas of this small country.

We prioritised female-headed households, as well as those with health problems and families living in camps. We provided two caravans for two families in the Bekaa region which were a source of protection and security, particularly when compared with the alternative of living in tents or unfinished buildings. We ran a project for both Palestinian and Syrian refugees, distributing two bundles of bread each to 1,472 families. We also provided Al-Bashaer Medical Centre, which lies on the border with Syria and treats emergency cases as well as chronic diseases, with a haemodialysis machine to treat patients with kidney failure. The machine can treat two patients per day, with each session taking 4 hours.

### JORDAN

In 2017, Jordan hosted 1.266 million Syrians, 655,833 of whom were registered as refugees.<sup>12</sup> Hosting such a large number of people and providing for their needs has widely impacted on Jordan's finances, public services, and infrastructure, and has had socio-economic and political consequences. Around 50,000 people continued to live in informal settlements in Rukban in the desolate desert on Syria's southeast border with Jordan. With limited access to food supplies, people stranded in Rukban have been living in dire conditions. We provided assistance to Syrian refugees and host communities through our seasonal projects. During Ramadan we distributed 760 food parcels to over 3,000 people in Al Russeifa, where 60% of families are without a breadwinner. During Qurbani we provided fresh meat to 800 food insecure families and frozen meat to 1,368 people, including refugees and host communities: Syrians, Palestinians, Jordanians, Iraqis and Egyptians. Priority was given to more vulnerable female-headed households, and families without an income source. During the winter season, we provided 1,000 families with relief items, including 2,000 blankets, 4,800 litres of fuel and 1,000 food parcels.

## IRAQ



**The battle of Mosul was the largest military operation since the Second World War. The successful operation ended in July 2017, but left the city completely destroyed. Civilians were the ones who suffered the most in this devastating battle. Over 800,000 people remain displaced from the city and surrounding areas.**

### KEY HIGHLIGHT

#### Responding to the Mosul crisis

Throughout 2017, we delivered life-saving assistance to families in Mosul and to those fleeing, as well as rebuilding the city. Having witnessed multiple massacres, loss of life and debilitating conditions, Mosul's recovery is not just material: future psychosocial and community support will be essential for early recovery to be effective as communities and families heal. We conducted almost 20,000 household assessments in Mosul of over 120,000 people and their main worries remain safety, security, income and economic hardships, as well as access to key services such as water and education.

Most of our work in 2017 included responding to the Mosul crisis through the following programmes:

- Protection of civilians during the battle of Mosul, as well as afterwards. We reached over 27,000 people fleeing the military operations and those living in hard-to-reach areas.
- As an implementing partner of UNHCR, our Protection Team provided protection-by-presence to make sure people have access to appropriate assistance, to adequate information, referrals to other relevant NGOs, particularly for people with disabilities, and are protected from abuse and violence, particularly women and children.

- Daily food parcel distributions in Mosul, with the support of the World Food Programme to over 360,000 people.

This became the largest food assistance programme in the city. Shelter and NFIs were distributed to over 216,000 families that were homeless or were living in damaged houses, with support from United Nations High Commissioner for Refugees (UNHCR)

- We also delivered a further 25,000 Core Relief Items (CRIs) to 125,000 beneficiaries in Mosul and greater Ninewa governorate. This project made Human Appeal Iraq the largest shelter and NFIs distributor in the city
- In December 2017, as part of Human Appeal's winter appeal, in partnership with UNHCR, 8,000 of the most vulnerable households in Mosul received a one-off \$400 cash assistance package.

During the battle, we provided daily emergency water trucking to the most heavily destroyed neighbourhoods in Mosul, with support from UNOCHA. Through this project we provided clean water to nearly 23,000 people. We rehabilitated 30 schools in Mosul, in time for the start of the academic year in October 2017, also with the support of UN OCHA. We enabled 21,000 children to return to school for the first time in three years. We equipped specialist mobile medical clinics in camps outside of Mosul with the following specialists: a gynaecologist, dermatologist, paediatrician, psychiatrist, internal medicine consultant, minor surgery consultant and nurses. With the generous donations from our numerous supporters, we were able to provide medical services to 15,000 patients.

## HIGHLIGHTS OF OUR INTERVENTION IN IRAQ



- 750,000 total beneficiaries in 2017
- 667,000 in and fleeing Mosul assisted
- 27,000 people provided with protection
- 466,000 people provided with various forms of food assistance
- 214,000 people reached with provisions of shelter and NFIs
- 23,000 people provided with clean water during the battle of Mosul
- 1,850 Syrian families per day provided with bread in the Gawilan Camp

**Human Appeal, in partnership with the World Food Programme, has been spearheading the distribution of Food For Relief (FFR) in Western Mosul. We became the largest food assistance distributing INGO in the area.**

Apart from the projects in Mosul, we also implemented the following programmes in Iraq:

### FOOD ASSISTANCE

In response to the vast humanitarian challenges, Human Appeal implemented blanket coverage food distribution to mitigate the continuous food insecurity of both returnees and IDPs. Since July 2017, Human Appeal provided 178,693 individuals with food through immediate response rations, which feed a family in need.

Having identified the needs of Syrian refugees in

Iraq in relation to food security, Human Appeal was supporting food insecure refugees in Gawilan Camp. We established a bakery which employed two salaried workers and produced enough bread for per day approximately 1,850 families per day. The benefits of the bakery project are many and include providing breakfast staples so that families may eat every day.

### PROTECTION

Human Appeal Iraq's protection programming expanded to twice its size in less than a year, and provided comprehensive protection responses in Ninewa, Salah al Din, and Kirkuk governorates, programmes that will continue into 2018 and beyond.

### SHELTER AND NFIs

We delivered and installed 700 refugee housing units (RHUs) to households living in destroyed homes across 42 locations in Ninewa governorate. We distributed NFIs such as stoves, hygiene kits, kitchen kits, mattresses, water jerry cans, and kerosene jerry cans to IDPs who fled from Hawija. 3,200 NFI kits were distributed in the Jeddah 6 camp, whilst another 1,300 were provided in four more Jeddah camps.

### EDUCATION

To ensure a generation of Syrian children are not left behind, Human Appeal rehabilitated and repaired a school in Akre Camp, which now hosts a Syrian refugee education programme. The education programme aimed to bring skills and opportunities to a group of vulnerable Syrian refugee children, whilst the rehabilitated school ensured that they have a suitable and welcoming environment in which to learn.

## YEMEN



Yemenis are facing multiple crises, including armed conflict, displacement, risk of famine and disease outbreaks, all of which amount to one of the worst man-made humanitarian crises in living memory.<sup>13</sup> Some 75 % of the population – 22.2 million people – are in need of humanitarian assistance, including 11.3 million people in acute need who urgently require immediate assistance to survive – an increase of one million since June 2017. Vulnerable populations in 107 out of 333 districts are facing heightened risk of famine and require integrated response efforts to avert a looming catastrophe. Conflict, severe economic decline, and collapsing essential public services have taken an enormous toll on the Yemeni population, exacerbating existing vulnerabilities.

Human Appeal expanded its work in Yemen this year and worked tirelessly to respond to the enormous challenges from cholera and diphtheria epidemics, as well as constant protection threats and risk of famine and continued our seasonal distributions and other food aid programmes. We have now secured two large partnerships with WHO and UN OCHA to deliver more life-saving and life-sustaining projects.

### KEY HIGHLIGHT:

**Educational assistance for orphans in Sana'a**

In partnership with WHO, UNICEF, Save the Children, International Medical Corps, Arab Human Rights Fund, and the Family Counselling and Development Foundation we supported 600 children in an orphanage in Sana'a. Human Appeal provided educational materials, uniforms and books.

In 2017, we provided emergency aid, including medical, hygiene, and nutritional supplies to children in Al-Jumhori Hospital in Sa'dah. We provided Al-Jumhori Hospital with a C-arm medical imaging device, allowing the treatment of 4,000 people. We also provided 10 incubators for premature babies at the Al-Sabeen Hospital in Sana'a, which helped to treat 700 babies in 2017.

We are a member of the UN Health Cluster for Yemen. In May 2017, we carried out a rapid needs assessment in Sana'a and Al Hudaydah upon the breakout of the cholera epidemic. In coordination with the health cluster, we delivered 100 beds with mattresses protected by plastic to cholera centres in Sana'a, serving 18,000 patients throughout the year.

During the cholera epidemic, we supported hospitals in Al Hudaydah and Al Dhale'e with medical supplies such as oral rehydration solutions, antibiotics, syringes, gloves, masks, protective gowns and head covers, allowing them to treat 24,800 people.

We delivered emergency food parcels as well as seasonal food distributions during Ramadan and Qurbani festivals to 64,430 people. We have secured partnerships with UN OCHA and WHO to deliver life-saving projects. With the support of UN OCHA, we will be delivering an integrated health, nutrition, and food security response for the most vulnerable people in the Hajjah governorate. Alongside WHO, we have begun the \$1 million response to the cholera outbreak in Hudaydah and Reymah governorates. With this project, we have already supported 3,100 people in 2017 and we are going to help many more in 2018.

➤ **117, 552**  
Warm cooked meals to  
**4,400** beneficiaries to  
break their fast

➤ **686 FAMILIES**  
With food  
parcels

# MYANMAR/BANGLADESH

- **103,440** people assisted in Bangladesh overall
- **10,500** people fed in Myanmar during Ramadan and Qurbani
- **88,601** people assisted in Myanmar overall
- **12,279** people fed in Bangladesh during Ramadan and Qurbani
- **97,501** Rohingya people provided with food aid parcels altogether
- **21,350** people provided with access to WASH facilities in refugee camps

We provided emergency assistance to **77,601** Rohingya people inside Myanmar, 61,250 Rohingya refugees in Bangladesh

Decades of civil war and unrest have contributed to Myanmar's (Burma's) high levels of poverty, making it one of the least developed countries in Asia. The humanitarian situation in Myanmar's Rakhine State has turned into the world's fastest growing refugee crisis since the escalation of violence and human rights violations on the Rohingya ethnic minority in August 2017. According to those who have fled, the villages have been burned, many people were killed in front of their own children or relatives, and women and girls often raped and brutalised. From that time, over 688,000 refugees became registered in neighbouring Bangladesh, with overall numbers reaching 900,000. Rohingya people arrive traumatised, often with injuries from gunshots, shrapnel, fire and land mines. The refugee camps in Cox's Bazaar, the region bordering Rakhine State, are now in one of the most densely populated areas of refugees in the world which poses a number of challenges from lack of access to clean water and sanitation facilities, food, shelter and healthcare, to outbreaks of preventable diseases, such as diphtheria and cholera. Human Appeal has been delivering projects to the Rohingya people since 2014. Through our local partners, we were one of the first to respond to the crisis on the ground in Rakhine State.

## KEY HIGHLIGHT:

Access to hygiene and sanitation facilities for refugees in Cox's Bazaar

We provided several WASH facilities to refugees in Cox's Bazaar since many tube wells and toilets were unavailable or inadequate. We installed 20 shallow tube wells, each supporting 500 people, and a women and girls' community toilet with water and menstrual hygiene facilities. We also installed 75 single pit toilets. This project benefited over 21,350 individuals and was aimed at not only extending the access to basic WASH services, but also reducing the probability of spreading water-borne diseases.

## HIGHLIGHTS OF OUR INTERVENTION

In Myanmar, we distributed emergency food aid to 2,400 Rohingya refugees affected by Cyclone Mora in refugee camps in Cox's Bazaar and Chittagong, which were badly damaged in May 2017.

At the height of the emergency, we implemented a project funded by IDB (Islamic Development Bank), through which we assisted 5,000 families in around 10 villages in Maungdaw Township, with a provision of food packs, drinking water as well as non-food items (clothes, blankets, medicine and supplies for babies).

In September 2017, we provided a food distribution to 5,587 people in IDP camps in Sittwe Township in response to the escalation of the crisis.

We distributed basic food packs, hygiene kits (soap, shampoo, sanitary pads, laundry soap and water treatment tablets) and other non-food items to around 10,000 beneficiaries in Maungdaw and Sittwe Township.

We provided emergency relief in 14 villages in Buthidaung Township in northern Rakhine State, where many organisations were not able to get access. We distributed food aid to around 37,014 people.

In Bangladesh, we provided emergency relief projects to the Rohingya refugees in Cox's Bazaar. We distributed food aid packages and temporary shelters to around 2,000 families (12,000 people). Another of our emergency projects included provision of emergency food aid packages, non-food items, temporary shelter and medical aid to around 500 families (3,000 people). We provided blankets, mosquito nets and reduced carbon ovens and briquettes to 6,000 individuals in Jamtola, Hakimpara, Nambalia and Kutupalong camps. We established two satellite medical camps providing primary healthcare to around 15,000 Rohingya refugees in Kutupalong camp in Cox's Bazaar.

# OCCUPIED PALESTINIAN TERRITORIES

**2017 marked 50 years of the Israeli occupation of Palestine. The occupation and increasing settlement projects have fragmented the Palestinian territory, deteriorated the economic situation, and posed increasing access and movement restrictions on the Palestinian people.**

Ensuring the delivery of essential services including healthcare, food, water, and electricity remain of concern across the Gaza strip and the West Bank due to access restrictions imposed by Israel and neighbouring countries. Needs, particularly water and electricity, are acute in Gaza, where around 24,500 Palestinians remain displaced from the 50-day war in 2014. The ongoing blockade continues to severely restrict the delivery of services and the movement of people and goods.

During 2017, Human Appeal implemented its projects in the Occupied Palestinian Territories in partnership with local NGOs, responding to urgent humanitarian needs and running development projects to improve lives for thousands of Palestinians in light of the deteriorated economic conditions. We registered our offices in Gaza and the West Bank to be able to directly implement projects and develop our capacity to deliver better interventions. Our projects spanned a variety of sectors from education and food security to emergency and livelihood programmes. With a high level of youth unemployment, our focus was young people through a number of student and youth empowerment programmes and a winter programme for children.

## HIGHLIGHTS OF OUR INTERVENTION

Food Assistance: Seasonal projects aimed to achieve food security for thousands of people and improved their nutrition to ensure healthy lives, as well as promote well-being through Family Sponsorship

Project and seasonal food distributions during Ramadan, Eid ul-Adha and winter.

During Ramadan, we provided a combination of food parcels, hot meals and food vouchers for the impoverished families in Gaza, Jerusalem and West Bank (Ramallah, Hebron, Beit Lahem and Nablus). We also provided iftar meals at Al Aqsa mosque after maghreb prayers.

For Qurbani, we provided around 21,000 people in the Gaza Strip with the sacrificial meat. We distributed meat to families in Jerusalem reaching 2,450 individuals. Human Appeal Gaza provided food vouchers to selected vulnerable families, a total of 8,000 individuals, enabling them to purchase food and basic items from our partner supermarket. We also provided family sponsorship to over 1,000 families in the Gaza Strip, which included food vouchers allowing them to mitigate food insecurity and ensure access to safe, nutritious and sufficient food for a minimum of one month. We focused on marginalised families with a higher number of family members and no stable source of income, as well as women-headed families, people with disabilities and the elderly.

Winter Relief: Human Appeal provided 503 vulnerable children (age 6 to 12 years old) in the Gaza Strip with winter clothing, including jackets, scarves, trousers, pyjamas and underwear. Our Gaza office was called to urgently respond to the needs of 100 passengers who were intending to cross the Rafah border between Gaza and Egypt. These were mainly women, children and the elderly, who were trying to reunite with their families outside Gaza, or were having medical treatment abroad. With the number of people seeking to cross the border, and the gate only opening for a few days every two to three months, not all people can leave and wait times are long. Human Appeal provided those in need with blankets to protect them from the elements overnight. The blankets were secured at the Palestinian gate for future use, rendering the response more sustainable.

- **14,700** people given food vouchers in Gaza
- **6,141** sponsored orphans
- **290,982** total beneficiaries
- **56,978** people given food during Ramadan and Qurbani
- **503** people were given winter kits
- **20,000** people were given access to 13 rebuilt and rehabilitated mosques in Gaza
- **100** Palestinians were provided with blankets at the Rafah border

# SOMALIA



**Decades of political instability, armed violence, insecurity, natural disasters, high poverty levels and slow development have caused continuously high levels of vulnerability amongst the Somali population.**

In 2017, Somalia suffered from a severe drought, driving up the high risk of famine, and causing half of the population to need food assistance. Despite large-scale humanitarian assistance last year, the risk of famine persists. 45% of Somalis do not have access to a safe water supply, and 37% do not have access to basic sanitation. 4.5 million people were in need of WASH assistance. In 2017, Somalia also faced a cholera outbreak, and measles remains a major threat to children's well being. Over 5.7 million people lack access to basic health services, which includes critically important maternal and child healthcare provisions.

Our programme in Somalia during 2017 was dictated by the drought and the ensuing state of emergency.

The results of the drought were crop failures across the country, depleted water sources and mass displacement. Human Appeal contributed to the international relief efforts by supporting the drought-affected Gedo, Bay and Banadir regions. Through the provision of emergency food relief, Human Appeal supported 12,942 vulnerable individuals living in various IDP settlements across Dolow, Luuq and Baidoa districts, as well as camps in and around Mogadishu.

Our dedicated team on the ground were able to communicate with the relevant stakeholders, including local authorities, as well as engage with the elders and camp leaders of the settlements to facilitate effective implementation and identify the most vulnerable households. This includes female-headed households who have young families to feed.

A two-month supply of food reduced reliance on negative coping mechanisms, resulting from lack of assets, livestock and insufficient food. We also provided food assistance during the holy month of Ramadan, and Qurbani.

➤ **53,745**  
total assisted in Somalia

➤ **11,970 PEOPLE**  
provided with food  
during Ramadan

➤ **15,525 PEOPLE**  
received distributed  
Qurbani meat

# SUSTAINABLE DEVELOPMENT



**Through our sustainable development projects we aim to empower people to achieve a life of dignity, equality, sufficient food and income security, as well as resilience to climate change, natural disasters and other shocks and stresses.**

In 2017, we continued aligning our work with the Sustainable Development Goals which guide the global agenda that aims to end poverty, protect the planet and ensure prosperity for all by 2030.

We realise that poverty is not simply a lack of income, but also ill-health, lack of opportunities in education and employment, lack of social security, reduced or lack of access to basic services, food insecurity and malnutrition, inadequate living conditions, disempowerment and lack of effective voice, etc. Poverty is rooted in social, economic and political inequalities and can be worsened by natural disasters, violence and conflict, oppression, climate change and environmental damage.

Adhering to the global commitment of 'leaving no one behind', we strive for inclusion of the most vulnerable and marginalised people in all our interventions, particularly taking into consideration the intersectionality of experiences of inequality and discrimination as well as specificity of needs and requirements of the disabled, the elderly, women and children, minorities, and other vulnerable categories of people. Vulnerability may be increased through various factors, from social exploitation and political powerlessness to discrimination. The interactions of these different factors will determine people's capabilities, access to resources and the realisation of their rights.

We specifically recognise that poverty and vulnerability are gendered phenomena, meaning that they are experienced differently by men and women, and to different degrees. Women often experience poverty and vulnerability more intensely, due to socially constructed gender roles and power relations. From lack of access and control over resources (both financial and basic) and lack of entitlements, to restricted mobility, we try to address the constraints that women and girls face through carefully designed, culturally-sensitive programmes.



# FOOD SECURITY

**Food security includes access to food or affordability, adequacy of food supply or availability, quality and safety of food (nutrition and health aspects), and the stability of supply and accessibility over time, without fluctuations or shortages from year to year. Food security strategies provide for more than just food needs and contribute more broadly to the household livelihood goals.**

Humanity has an ambitious goal of ending hunger and creating sustainable food systems by 2030.<sup>15</sup> To meet Sustainable Development Goal 2, Zero Hunger, governments, the private sector and civil society have to work together to implement ways of achieving this vision.<sup>16</sup> Sustainable food systems provide food security and adequate nutrition for all, without jeopardising the rights of future generations.

New practices need to take into consideration the effects of climate change, particularly on the poorest of countries, and require agroecological approaches that mitigate and allow for adaptation to climate change. In a world where global hunger levels have fallen unevenly - famine was declared in parts of South Sudan as recently as 2017, threatening three other countries - nearly 815 million people still go to bed hungry. Now more than ever we need to work to truly end hunger by 2030. In 2017, we increased food security for 9,050 people through our projects.

## IMPROVING ACCESS TO FOOD AND ENHANCED LIVELIHOODS IN SOMALIA

In a country where more than 6.2 million people are in need of food assistance, we have been working to increase the resilience of small-scale farming households to food crises and natural disasters, as well as improve the nutritional status of individuals and families. Through our pilot initiative we have reached 1,800 people in 2017 in the Luuq district of Somalia. We supported the adaptive capacities of vulnerable communities through the provision of agricultural and livestock inputs, rehabilitation of irrigation channels, and provision of irrigation pumps to pastoralists in order to build appropriate coping strategies and minimise their exposure to climate shocks.

## ENHANCING THE ABILITY OF SYRIAN FARMERS TO CULTIVATE WHEAT

Through a wheat cultivation project in Aleppo and Idlib, we fostered the capacity of 905 farmers to cultivate their land. We assisted in the cultivation of 300 hectares of land and production of 120 metric tonnes of wheat. In December 2017, we began a UN OCHA-funded project to enhance resilient and diversified livelihoods for Syrian farmers in Idlib.

## PROVIDING MALNOURISHED FAMILIES IN MYANMAR WITH AGRICULTURAL SKILLS TO PRODUCE THEIR OWN FOODS

In partnership with a local organisation, we implemented a sustainable development project to improve the food security and nutritional status of 100 of the most vulnerable and impoverished families suffering from malnutrition in the Maungdaw and Rathedaung Townships in northern Rakhine State. The intervention aimed to increase the relevant skills, as well as provide agricultural input for the families to grow their own food sustainably and have more balanced and diverse diets.

## HELPING VULNERABLE FAMILIES IN PAKISTAN IMPROVE THEIR FOOD SECURITY AND MITIGATE EFFECTS OF CLIMATE CHANGE

Last year, Human Appeal Pakistan continued our food security project in District Tharparkar, a desert area of the Sindh province in Pakistan. Our pilot project in Libho village, Tehsil Islamkot, was successfully extended for a further nine months and concluded in March 2017. Through the project we provided training and agricultural input (tools and seeds) to support local farmers to grow vegetables on the available land near their houses and to form kitchen gardens. Training modules were designed to use agroecological methods such as using compost, environmentally friendly pesticides, and integrated pest management. During the project, 241 kitchen gardens were established. The project aimed to build people's resilience to the exacerbated droughts in the region, caused by climate change.

We initiated a new project in November 2017 in six villages in Tharparkar, building on lessons learnt from the pilot project and in cooperation with local community forums. The project will include three integrated components: availability of water for drinking and agriculture/livestock purposes through installation of water wells, training on growing crops and agroecological practices to enable people to self-sufficiently grow nutritious foods, and provision of livestock to those who are most impoverished. The project will also deliver nutritional awareness-raising sessions for women and men.

# WASH

More than 40% of the world's population do not have sufficient and stable access to water, a staggering number, and one which is projected to worsen in the future.<sup>17</sup> Water scarcity will be affected by the rise of global temperatures resulting from climate change. Despite major progress made improving access to sanitation, supply of safe drinking water poses a threat on every continent.

The global ambition is to ensure universal access to safe and affordable drinking water by 2030, including the provision of appropriate and equitable sanitation facilities and hygiene for all, looking specifically at the needs of women and girls and those people in vulnerable states. Human Appeal provides access to clean water and sanitation, and works to improve hygiene practices and awareness among vulnerable and displaced communities.

17,400 people received improved access to water and sanitation in Somalia, with 54% being women and girls.

## IMPROVING ACCESS TO SAFE WASH FACILITIES IN SOMALIA

In 2017, our WASH interventions in Somalia focused on preventative measures, which included community mobilisation through the distribution of hygiene kits and the construction and rehabilitation of community-owned sanitation infrastructure. This aimed to improve the suitability and ownership of the WASH facilities, as well as to promote hygiene awareness for the local communities.

Through our delivery of quality activities we reached 17,400 risk-prone individuals in Luuq and Dolow districts, as well as five IDP camps across two districts of Mogadishu. In response to the cholera outbreak, Human Appeal Somalia provided training to the Ministry of Health and camp management staff, and conducted various community engagement facilities with messages including hygiene promotion and clean-up campaigns, to improve attitudes towards, and knowledge of hygiene and sanitation facilities.

We managed to successfully build strong community support for our work by using context-specific materials to spread awareness which considered the low literacy rates amongst many disadvantaged communities.

## IMPROVING ACCESS TO WATER IN PAKISTAN

Human Appeal Pakistan received a grant from the Embassy of Japan under its Grant Assistance for Grassroots Human Security Projects. The project started in March and we began installing seven water filtration plants in Tehsil Samundri, District Faisalabad. The project aims to provide 17,850 men and 16,955 women with access to safe drinking water and reduce life-threatening water-borne diseases in the area.

During the year we installed 223 deep water wells, in Tharparkar, Mardan, Malakand and Bhimber districts, across three provinces of Sindh, Khyber Pakhtunkhwa and Azad Jammu and Kashmir, benefitting around 13,380 people. In Tharparkar, Sindh, we installed deep water wells for 60 government-owned primary schools, identified as having no access to drinking water for students. There are 3,560 school children that now have access to clean drinking water while at school.

In 2017, we also installed more than 566 hand pumps across district Thatta, Sindh and Rahim Yar Khan and Rajanpur, Punjab, reaching around 16,980 people. The communities benefited from having easier access to water, reducing the time and effort spent fetching water from far-off areas.

Through our special requests projects, Human Appeal provided access to water in vulnerable communities through the construction of 18 deep water wells in rural Senegal. These open wells each serve an entire community. In Bangladesh, we mainly work in the impoverished Khulna region, where the consequences of climate change include flooding and increased vulnerability to sanitation-associated illness. In this area we installed a further 28 deep water wells.

We provided improved access to water, sanitation and improved hygiene to 143,323 people\*\*

## EDUCATION

Education is a human right. Obtaining quality education is indispensable to improving people's lives and enables them to access opportunities essential to achieving sustainable development. Even though much has changed for the better in previous years – more children access education at all levels, enrolment rates have been increasing in developing countries, and basic literacy skills have improved – a lot remains to be done to achieve the goal of universal quality education for all. 57 million children are still out of school, particularly in conflict-affected areas where around 50% of children do not attend primary school. 103 million youths worldwide lack basic literacy skills, with girls being a disproportionate 60% of them.

### PROVIDING EDUCATION AND CHILD PROTECTION TO SYRIAN CHILDREN

We have supported the Deir Hassan school in rural Idlib since the 2015/2016 school year. It provides formal and non-formal education to 604 children from the Syrian host communities and IDPs. In 2017, Human Appeal provided psychosocial support to the students, as well as training the staff in effective teaching methods. Batbu school provides formal education to more than 378 local and displaced children and we have been supporting the school since the 2015/2016 school year. In 2017, Human Appeal supported the school through the provision of teaching and learning materials. Children received psychosocial support and the staff were provided with training on education in emergencies and child protection principles. Al-Huda school has been supported by Human Appeal since the 2015/2016 school year, and provides formal education to 505 children. We have supported the school in equipping the students with educational kits, as well as providing psychosocial support. With the funding support from UNICEF, we distributed 700 educational bags and 300 recreational bags for 96

We reached  
**49,885**  
school-aged  
children and young  
students with our  
educational  
projects

schools in rural Idlib in April and May 2017, reaching 35,909 students (18,485 boys and 17,424 girls). The schools' management staff and teachers were also provided with capacity building training.

With the generous funding from the congregation of the Green Lane Masjid (GLM), we provided the Bayti orphanage in Reyhanli, Turkey with a playground. The centre hosts 73 orphans. With the funding from GLM we also increased access to education, educational materials and other basic needs for orphans in DarAl Salaam Centre in Gaziantep, Turkey. The centre hosts 33 widows and 106 orphans.

### ENABLING PALESTINIAN YOUTH TO OBTAIN PROFESSIONAL QUALIFICATIONS

We sponsored 200 students, 125 women and 75 men at the University College of Applied Sciences (UCAS), which provides technical and vocational training to more than 6,500 students. According to a social survey by UCAS Students Affairs Unit, a large number of students are unable to pay their fees, or even find transportation costs to reach the college. These grants contributed to resolving the issues for students most in need of financial aid. We also provided the Islamic University in Gaza with LCD projectors for lecture halls, 90 laptops for one computer lab serving as a computerised examination room, and 50 laptops for an open lab serving the university in general, which will also be equipped with central printers and internet access, enhancing the ability of students to study. We also fitted the computer labs with air conditioning. This project benefited around 12,000 students.

We sponsored the tuition fees of 75 students on medical, nursing, science, health science, IT, arts, education, commerce and engineering courses. Very often, lack of finance means that many young people are unable to start higher education courses and attain a qualification, or have to drop out. These sponsorships enable students to continue with their education, increasing opportunities for their own future, and that of their country.

## SUSTAINABLE LIVELIHOODS/ INCOME GENERATION

In our modern world, approximately half of the world's population continues to live on roughly US \$2 per day, and nearly 2.2 billion people live below the \$2 poverty line. According to the International Labour Organization (ILO), more than 204 million people are unemployed, with about 75 million being young women and men (2015).<sup>19</sup> For many, having a job does not mean they are able to break free of poverty. Often people work informally, without any protection, rights or entitlements, or on the basis of exploitative contracts. Many work on 'poverty wages', barely able to subsist, while 24.9 million people are in forced labour, and over 40.3 million in modern slavery.<sup>20</sup> An estimated 470 million jobs are needed for new entrants to the labour market by 2030. To eradicate poverty and promote sustainable economic growth, job opportunities and decent working conditions are absolutely vital.

Human Appeal has been working toward the provision of technical and vocational skills, income generation opportunities and sustainable livelihoods for many years. We assist vulnerable and displaced communities through livelihood development.

### EMPOWERING YOUTH IN GAZA

We have been running a number of projects to help people support themselves by building their capacities and providing them with seed funding to grow their own businesses and be self-dependent. With a local partner in Gaza, we launched "Riyada", a project which aimed at supporting entrepreneurs with innovative ideas in information and communication technologies and other sectors, which is continuing through 2018. The project launched with a wide publicity campaign calling for applications and motivating youth, potential entrepreneurs and graduates (in particular female graduates) to apply and participate. We supported and incubated 13 business start-ups creating 37 jobs for young men and women. In November, we also completed the Irada project which had been running since February 2016 at the Islamic University of Gaza. We provided 77 people affected by disabilities with training in six occupations: carpentry, furniture painting, upholstery, manufacturing aluminium products, wood carving, and book binding. 20 impoverished families were provided with furniture produced by the graduates.

### SPECIAL REQUESTS: FOSTERING SMALL BUSINESSES

Through our special requests projects, we provide our donors with the opportunity to give a charity gift in a loved one's name. Whether it is supporting skilled individuals through a livelihood programme, or providing the basic necessity of water to disaster stricken communities, we aim to provide practical and sustainable solutions that will provide long-term relief. From an Islamic perspective, such projects can be considered a form of Sadaqah Jariyah (continuous charity), providing regular benefit to those in need, and a chance to gain ongoing reward.

Our livelihood projects focus on developing market-based skills within impoverished communities, with the aim of increasing self-sufficiency. During 2017, we empowered 71 women in Pakistan through our sewing machine distribution. Beneficiaries enrolled in Human Appeal's skill training centre received a three-month training course and a sewing machine upon successful completion. We also worked with government vocational training institutes and provided sewing machines to Zakat-eligible female graduates. Through our honey bee farming project, 62 farmers took part in our three-day training programme and received the necessary tools – including hives, bees and protective equipment – to help them earn a sustainable source of income. We also provided agricultural tools to farmers and provided training to build on their existing skills and give them the confidence to deal with any future contingencies. Through this project, we impacted 76 households. In drought-stricken Tharparkar, we provided livestock such as milking cows and goats, benefiting seven families.

- In Gaza we carried out
- Awareness sessions for 200 potential entrepreneurs, giving them direction on how to start their own projects
- Capacity-building for 80 entrepreneurs on technical and business management skills
- Standardisation of the start-up support services and products, and facilitated small businesses' linkages to markets.

## CHILD WELFARE AND ORPHAN SPONSORSHIP



Child welfare and safeguarding are a central feature in all of our programs. To protect vulnerable children we promote a child-centred approach and ensure that child protection is mainstreamed throughout all projects. Aside from running our flagship orphan sponsorship programme, we ensure that we safeguard vulnerable children and protect their rights in every project we implement.

### LITTLE HUMAN APPEAL - ORPHAN SPONSORSHIP PROGRAMME

There are an estimated 140 million orphans worldwide. These are children who have lost one or both parents, and are amongst the most vulnerable children.

Those without a breadwinner in the family often face extreme financial hardship, may be forced to drop out of schools to find low-paid menial work, and, in some cases, become victims of abuse, exploitation, or child trafficking.

In 2017, we sponsored 10,580 orphans across 10 countries. The programme provides small but ongoing relief for the orphan and any remaining family. It runs on a one-to-one basis and allows individual donors to sponsor an orphaned child, contributing to meeting their basic needs every month. The programme includes a conditional approach, whereby we require all of our sponsored school-aged children to attend educational facilities.

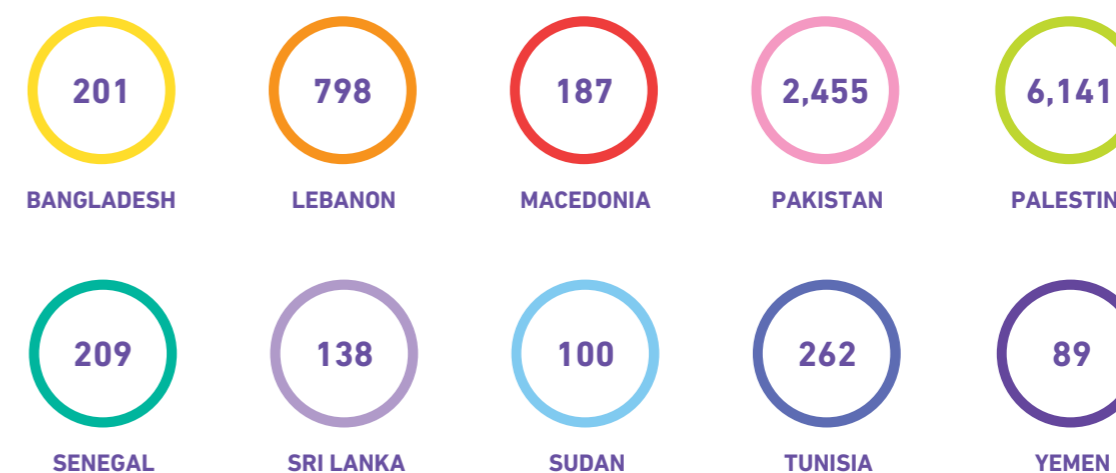
### IMPLEMENTING CHILD SAFEGUARDING AND CHILD PROTECTION STANDARDS ACROSS HUMAN APPEAL

Following good safeguarding policies and procedures is essential in ensuring that children are safe and protected from harm from both adults and other children who might pose a risk. At Human Appeal, safeguarding children is our topmost concern.

Child protection is part of the child safeguarding process. It is about ensuring that any harm to a child is identified, and those likely to suffer from harm are protected, including following procedures of how to respond to any concerns about a child's welfare.

Human Appeal is now looking to become a full member of the Keeping Children Safe (KCS) coalition, which sets international standards and offers certification on safeguarding children from harm. Last year, we ensured that our Child Protection Policy was reviewed regularly; all employees and volunteers that work with children read, understood and signed relevant policies including the Child Protection Statement for staff; our employees and volunteers were carefully selected, trained and supervised; a designated Child Protection Coordinator was located in our headquarters, our country offices and local partner offices.

## NUMBER OF SPONSORED ORPHANS IN 2017



# UK DOMESTIC PROGRAMMES



A report by the Joseph Rowntree Foundation in 2017 revealed that a fifth of the UK population live in poverty.<sup>21</sup> This staggering number includes over 4 million children and 1.9 million pensioners. Despite the last two decades seeing the UK reduce poverty amongst people most at risk, the poverty rates have again been rising. At Human Appeal, we believe that charity begins at home. We deliver and support UK projects that reduce the risk of people falling into poverty, mitigate their experiences of poverty, and make it easier for them to escape it. We foster community cohesion and advocate for those who are all too often left behind.

## PROVIDING EMERGENCY RELIEF

2017 saw two of the UK's largest tragedies in recent years: the Grenfell Tower fire, which was classified as the deadliest structural fire in the UK since the start of the twentieth century, and the Manchester Arena bombing, the worst terrorist attack on UK soil since 7/7.

Human Appeal launched appeals to support these victims and work with partners best placed to support those in need. Human Appeal led the Muslim community in Manchester's response to the Manchester Arena attack in May; our #Muslims4Manchester campaign appealed to the public and raised almost £28,000 for victims of the tragic event. During Ramadan we raised £120,000 for the victims of the Grenfell Tower fire, which was distributed as emergency and individual cash grants to survivors. The grants provided essential goods for those concerned, including food, clothing, medication, transport, and emergency accommodation. In partnership with Hands On London and Here is

the Help, Human Appeal helped coordinate and sort in excess of 20,000 in-kind donations. Our team also worked with local key stakeholders to produce a mandate on physical donations.

## FEEDING THE VULNERABLE

Our distribution efforts helped to feed over 10,000 disadvantaged individuals suffering from food insecurity. We worked with Fare Share to pack and distribute 450 food trays during Ramadan, helping 9,000 children, homeless or socially isolated adults, and survivors of domestic abuse. The food trays were distributed to 500 charities and community groups in Greater London and Greater Manchester.

We provided £1,000 of funding to help Suфра NW London prepare 509 hot meals for those suffering from food insecurity in the local area. 80 Human Appeal volunteers helped to prepare and pack food on the day.

We distributed over 800kg of Qurbani lamb meat to 2,281 disadvantaged individuals across Greater Manchester, Leeds, Glasgow and Edinburgh. 165kg of Qurbani lamb meat was given to Fare Share Greater Manchester to help refugees, asylum seekers and migrants in the region, as well as homeless and vulnerable adults in the North West. This helped a total of 825 people. We sponsored Children of Adam's Weekly Outdoor Soup Kitchen to provide 140 hot meals to homeless and food insecure individuals.

## TACKLING HOMELESSNESS

We provided over 25,000 homeless and extremely vulnerable individuals with resources and support to get back on their feet. We worked with Greater Manchester Citizens, an alliance of institutions and community leaders, to negotiate changes for the common good.

In May 2017, we took part in a 1,000 person assembly to negotiate with Mayoral candidates on issues ranging from housing and homelessness to hate crime and encouraging more employers to pay a Living Wage. We granted £10,000 to Street Support Network to help extend their network of homeless charities. 176 homeless support organisations across all 10 boroughs in Greater Manchester joined their online community, with services offered including advice and guidance, help with debt and financial hardship, and support with housing and skills training.

We granted £16,420 to One Roof Leicester to support the Leicester Winter Night Shelter. The shelter ran from 4 December 2016 – 26 February 2017, providing accommodation and support for up to 10 rough sleepers each night, equating to 665 nights' accommodation across seven venues. Over 1,300 evening meals and 700 breakfasts were served during the project and 250 volunteers were provided with training and support.

We granted £6,000 to Coffee4Craig's winter drop-in centre to help cope with increased demand during winter 2017/18. The grant was used to cover the wages of an additional part-time senior liaison worker over winter and to restock the food bank with non-perishable goods. Approximately 1,834 people were helped via the project.

We distributed emergency winter packs to 170 guests of the soup kitchen. Each winter pack contained warm thermal clothing and toiletries, all placed in a reusable bag. Excess funds from the grant were used to help purchase meals for future guests of the soup kitchen, and other essentials such as sleeping bags and rucksacks.

## WRAP UP CAMPAIGN

Our annual 'Wrap Up' campaign, in partnership with Hands on London, saw us collect a combined total of nearly 25,000 coats and warm clothes for rough sleepers, refugees and other vulnerable people in Manchester, London, Glasgow and Birmingham. 2017's campaign saw the number of coats collected more than double the previous year's total.

The transformative impact made by this campaign was underlined at the MCF charity awards, where the Wrap Up Manchester programme won the Most Impactful Domestic Programme award, and at the British Muslim Awards, where Human Appeal was named Charity of the Year, with the Wrap Up Manchester project highlighted as one of its biggest achievements.

In Manchester, 1,591 coats were donated to people in need, with 24 charities receiving the public's generous contributions. In Birmingham, 687 coats were donated to support those that require warm clothing during winter, with eight charities distributing collections to their beneficiaries. In Glasgow, 1,000 coats were donated to six charities in the city. In London, we were the main charity sponsor for Wrap up London, which saw our partner, Hands On London, collect 20,846 coats.

## SUPPORTING OUR LOCAL COMMUNITIES

Our local community programmes helped 77 isolated older people engage in social and community activities. Human Appeal sponsored the Migrating Minds event, raising awareness of the mental health issues facing refugees and asylum seekers in the UK. An estimated 200 people attended the event, listening to a range of speakers highlighting the challenges facing refugees in this country.

Human Appeal gave a grant to the Heart of England Community Foundation for the Surviving Winter project. Through this project 281 vulnerable people were supported across the West Midlands over winter; 154 homeless people were given advice, guidance, food, clothing and support packages; 77 isolated older people engaged in community activities to increase mobility and social interaction; 50 families with food poverty issues were supported.

Human Appeal is the headline supporter of Mosaic's Primary School Mentoring programme. In 2016/17, the programme supported 1,430 students and parents. 80% of beneficiaries were from 20% of the most deprived wards in the UK. 68 primary schools participated in the primary school programme with 316 mentors supporting the programme. Mosaic's mentoring programmes have been recognised as exemplary for the second consecutive year in the 2016/17 Department of Education's guidance on careers advice.

Human Appeal's sponsorship of the Baroness Warsi Foundation's Social Mobility Programme supported 50 female students across the North West with information and practical experience, helping them to access the UK's top universities and professions. 34 students started university in September 2017; 81% of those that participated in the programme said it helped decide their post-18 options; 96% said the programme improved their personal statement for university; 89% said the programme improved their confidence; 92% said the programme increased their motivation to succeed; 96% said the programme helped them understand how to communicate in a professional environment.

## INSTITUTIONAL FUNDING AND STRATEGIC PARTNERSHIPS



**In 2017, we continued working closely in partnerships with civil society organisations, institutional donors, aid agencies, and governments to deliver more effective programmes across our countries of operations.**

We have continued working with strategic partners, some of whom have supported our work for many years. Thanks to our long-term partners such as the Green Lane Masjid (GLM), United Muslim Relief (UMR), and Islamic Development Bank (IDB), we were able to implement many life-saving, life-sustaining and transformative programmes which allowed us to reach even more people where the need for assistance is

the greatest. Our partners play a significant role in Human Appeal's ability to deliver emergency relief and development programmes.

We are members of different forums which help us in sharing information, learning, networking and improving our effectiveness on the ground. We became members of the Scottish International Development Alliance (SIDA) previously called Network of International Development Organisations in Scotland (NIDOS). We hope that this membership will open more avenues for receiving institutional funding and expand more opportunities for us in Scotland. In 2017, Human Appeal also acquired the consultative status of the United Nations Economic and Social Council (UN ECOSOC). With this status Human Appeal is able to participate in a number of UN events,

including, but not limited to, the regular sessions of ECOSOC, its functional commissions and its other subsidiary bodies

In 2017, we submitted proposals to many institutional donors such as OFID, UNESCO, DFID, the European Commission's Europe Aid, and have successfully been funded by UN OCHA, UNHCR, UNICEF, WFP, Guernsey Overseas Aid Commission (GOAC), IDB, the Japanese Embassy in Pakistan and Education Above All (EAA) ROTA (Reach Out to Asia) programme. We are also in the process of registering with the European Civil Protection and Humanitarian Aid Operations (ECHO) to sign the Framework Partnership Agreement (FPA) and USAID. By acquiring these memberships, Human Appeal would be able to enhance its institutional income from ECHO

and USAID in all countries of operation. We also signed many contracts and developed strong partnerships with institutional donors through the dedicated work of our staff in field offices. Our Iraq team are one of the key partners for UNHCR, WFP and UN OCHA on the ground, and were elected onto the UN's Humanitarian Country Team to lead on the humanitarian strategy for the country as one of only six NGOs.

Overall, we managed to secure institutional donors from strategic partnerships and we remain ambitious. According to our global programmes strategy for 2018-2020, we will aim to raise at least £50 million in institutional contracts by 2020 to deliver more improved, quality, long-term and sustainable projects.

## FUNDRAISING AND CAMPAIGNS



The Charity adheres to all relevant statutory regulations including the Data Protection Act 2018, the Charities Act 2011 and the Telephone Preference Service. We are registered with the Fundraising Regulator and strive for best practice in fundraising by adhering to the Code of Fundraising Practice.

Overall fundraising objectives are agreed with the Board and plans are created to meet these objectives. Key Performance Indicators are set which ensure plans are carried out in accordance with the Fundraising Regulator's Code of Fundraising, to which Human Appeal adheres. The performance of the fundraising teams is monitored by management and reports are issued to the Board regularly.

In the event of dissatisfaction with the performance of Human Appeal or of any person acting on our behalf we have an established complaints policy in place. Issues can be raised through the contact details provided on our website. Complaints are captured centrally, dealt with in accordance with the process laid down in the policy and reported to the Fundraising Regulator through the annual return. A total of nine complaints were recorded in 2017.

During 2017, our fundraising team helped to raise over £2.5 million through a variety of community led activities, events, partnerships and campaigns.

We started the first quarter with hands-on activity involving volunteers and local communities, while through our partnership with the Federation of Student Islamic Societies (FOSIS), we ran our National University Tour to continue our volunteer-led fundraising.

Our Ramadan preparations began with Nights of Spirituality, a six-city tour with world renowned

Nasheed artist, Ahmed Bukhatir and Quran Recitor Qari Fatih Seferagic. The tour was extremely successful, raising over £50,000 for our Syria Appeal.

Our Ramadan campaign was one of our busiest yet, with a record 313 activities in 30 days. We were honoured to have some of the best Qaris (Quran reciters) to help us raise vital funds. We toured mosques, community centres and banqueting halls with Sheikh Al Osi, Sheikh Balushi, Omar Aswat and Fatih Seferagic. Our annual tour with Al Haramain also continued in to Ramadan with Jumma collections, Taraweeh collections and Islamic reminders, allowing us to raise a further £50,000.

Our Grand Iftars in Manchester, Birmingham and London saw over 1000 people enjoying delicious meals, contributing to our Ramadan fundraising efforts.

In the summer of 2017, we took full advantage of the glorious weather by taking part in several outdoor events with our partners. These included Green Lane Masjid Eid Prayer, said to be the largest congregation in Europe where in recent years over 100,000 people have attended Small Heath Park in Birmingham.

We were also the charity partner at the 'Big Johns Mela' at Cannon Hill Park in the heart of Birmingham where thousands of people came together to celebrate Asian Culture, one of the largest events of its kind in the country. We partnered up with Big Johns to raise awareness and showcase our projects. People, old and young, came together from different faiths and the array of colour, art and fashion, Asian cuisine and culture, attracted new donors, while 60 volunteers worked with us on the day.

Our team of fundraisers took part in Nowka Bais, a boat race led by the Bangladeshi community in its 15th annual event at Edgbaston Reservoir, Birmingham.

Our team managed to get to the quarter finals despite fierce competition as racers from all over the country came together to celebrate a unique event and raise over £21,000 for water projects in Bangladesh.

Human Appeal was also the charity partner with Al Noor Foundation in Ilford, London, where a two-day funfair attracted over 12,000 people at Valentines Park. Relationships were cemented with a passionate and charitable community in East London to support various projects.

Following the footsteps of Prophet Abraham, Eid Ul Adha (The Festival of Sacrifice) is the time for the Muslim community to provide meat to less fortunate communities across the globe. We organised several events in the community including a tour of several mosques with the hugely popular Sheikh Jibril and promoted the message of Hajj being the best 10 days of the year to do good deeds, including giving to charity and being kind to your neighbours.

Our award-winning Wrap Up Manchester campaign transformed into a national campaign last year,

Wrap Up UK, where we worked with local partners in Manchester, Glasgow, Bradford, Birmingham and London to collect coats and other clothing items, sorting thousands of coats in the process and handing these over to various partners who work with the homeless community.

We finished the year with a 16-city comedy tour, starting in Glasgow in mid-December and finishing in central London on New Year's Eve. It was our most successful comedy tour to date, with a record 7,000 people enjoying comedy from some of the best comedians on the circuit, including impersonators, award-winning UK comedians, and international artists.

Over the course of the year, we have sustained our grassroots activity within the UK and improved our processes and procedures for the fundraising department, which has allowed us to reach new heights within fundraising across the board. 2017 was a milestone for our fundraising department in which we established a concrete pattern of working with local communities, as well as improving the standard of our tours and events. This enabled us to raise even more for our international relief and sustainable development programmes, whilst driving down costs associated with fundraising.



## COMMUNICATIONS AND PR ACTIVITIES

Human Appeal grabbed headlines in response to the tragic Manchester Arena terrorist attack in May 2017. Human Appeal's Muslims For Manchester campaign raised over £28,000 for the victims of the attack, on behalf of Manchester's Muslim community, going to support the recovery of the victims or help pay for funeral costs. Human Appeal was also a leading organisation responding to Grenfell, helping raise over £120,000 for its victims.

We launched our annual Ramadan Campaign in Church House London, in partnership with our friends at Caabu, with speakers such as Labour MP Sir Keir Starmer, Conservative MP and former Attorney General Dominic Grieve, and Fatima Manji. We launched our "Now Is The Time To Give" campaign, where we stressed the urgency of the work that we do and how vital it is that people donate. We also held an Eid Reception in Parliament where Conservative MP Anna Soubry, Sir Keir Starmer MP and Rabbi Laura Janner-Klausner addressed the rise in hate crime.

We also ran Hajj and Qurbani campaigns to help the most vulnerable around the world. Our World In Crisis campaign highlighted the plight of people caught in areas of poverty, conflict or disaster.

We held our annual event in Parliament to mark the sixth anniversary of the conflict in Syria to keep it on the agenda for UK policy makers and media. It was addressed by Conservative MP and former chair of the Foreign Affairs Select Committee, Crispin Blunt, Labour Peer Lord Alf Dubs and Channel 4's award-winning Syrian filmmaker and journalist, Wa'ad al-Kateab.

To mark the second anniversary of the civil war in Yemen, we partnered with YouGov to conduct a poll that showed over 50% of the UK population didn't even know there was a war happening in Yemen.

We finished 2017 by having our Country Director in Iraq, Omar Ali, short listed for Humanitarian Of The Year in the Bond International Development Awards.

## VOLUNTEERING



Volunteers are integral for the running of any charity. The correct use of volunteers can create a number of benefits for any charity, including the ability to greatly decrease operational costs, the innovation of fundraising ideas and increased brand recognition, to mention but a few.

Our volunteer base is spread throughout different age groups but is predominantly made up of university students. The high majority of our active volunteer list share the faith of Islam and are sought after by many of the other charities in the same sector as ours. Spread across the UK, Human Appeal volunteers boast a presence in all major cities such as London and Birmingham, and many more remote cities.

We had 584 registered volunteers in 2017 (the number of those who are actually actively volunteering with Human Appeal is unspecified). The types of volunteer roles we had are as follows:

- Assistants in the office
- Advisers on particular issues
- Field and fundraising volunteers

The fundraising volunteers support the fundraisers not to just raise funds but to also manage events. For example, in 2017 volunteers supported the fundraisers with Human Appeal's annual Comedy Takeover Tour. Their role includes helping the fundraisers to set up and clear up the venue, welcoming and registering guests, supporting fundraisers with donations and pledges, which includes handing out and reviewing pledge forms.

Our fundraisers are multi-tasking superstars, but having a team of volunteers who help them to coordinate events and complete different tasks can ensure that events run smoothly, guests have an enjoyable experience, and our income on the night is maximised. This makes volunteers' contribution to such events invaluable.

In 2017, departmental internships were introduced to enhance the professional development opportunities we are able offer young people and students. This changed the way we look at volunteers and we now seek to recruit them to aid us in many more aspects of our daily work. Departments can now recruit interns to work with them, and they receive training in return. Interns are different from regular volunteers in that they are with us for a more regulated and structured period of time. The commitment they offer their team is increased, compared with many of our volunteers who support our fundraising teams at various events when they can.

All departments are encouraged to offer internships and offer experience ranging from helping to manage events, assisting with social media or marketing campaigns, and in HR. Although not paid members of staff, volunteers' travel and daily lunch expenses are covered by Human Appeal.

In 2017, interns were also a great source of finding future employees to join Human Appeal. While we cannot promise volunteers or interns a paid position if they volunteer with us, internships give young people the opportunity to gain skills and experience, which may make them more employable if they choose to apply for one of our paid positions. For example, People & Culture's HR Assistant started as an HR Intern. Please see below for her case study.

# IMAN AHMED HR ASSISTANT

STARTED AT HUMAN APPEAL: OCTOBER 2017

## 1. Why did you apply for an Internship at Human Appeal?

I applied for an Internship because I was really struggling to find work after I graduated and every position I applied for required experience, so when I heard about the Internship in the HR Department I thought it would be a great opportunity for me to gain experience and also get an insight into what it's like working in the Charity Sector.

## 2. Were you given many responsibilities during your Internship?

I was given lots of responsibilities during the Internship in all areas, which helped me gain confidence in my work and in myself.

## 3. What skills did you learn during your Internship?

- Patience
- Importance of confidentiality
- Negotiation
- Ability to work under pressure.

## 4. What kind of responsibilities were you given during your Internship?

- Organising and updating Personnel Files
- Conducting Intern Interviews and Staff Exit Interviews
- Delivering training during New Starter Inductions
- General ad hoc administrative tasks, supporting all HR Functions – Employee Relations, Learning and Development, Recruitment.

## 5. What do you enjoy most about working at Human Appeal?

I love the family culture and the purpose behind the charity organisation – it's really rewarding knowing you're working for the greater good.

## 6. Why would you recommend an Internship at Human Appeal?

I would definitely recommend an Internship at Human Appeal. I believe it's a great way of picking up a vast amount of experience in a very short space of time – my Internship only lasted for three months because then I was offered a full-time, paid position as an HR Assistant!

# BRAND AND IDENTITY

Human Appeal began in 1991 as two students, with big hopes, in a small flat in Manchester. Fast forward to 2017 and we're a rapidly growing organisation with field offices around the world, thousands of beneficiaries, and a significant need to rebrand.

Although already an admired and successful brand in the Muslim charity sector, our brand and identity far from reflected the truly global and human-centric organisation we had become. Our challenge was clear. We needed to evolve our brand in a way that enabled us to keep expanding our humanitarian work by appealing to a wider global audience without alienating our loyal base of existing supporters.

We knew all too well that successfully revitalising our brand needed to be built upon a much stronger foundation than a few internal creative brainstorming sessions. We conducted a series of internal workshops and insight sessions with our staff and partners and asked searching questions about who we are, what we do, and how we could move forwards in an incredibly competitive market. We were no longer a young, small organisation. It was time to develop a strategy and create a bold new identity that would help us make a bigger impact and help more vulnerable people.

Our initial discussions helped us to clarify our mission, vision and target markets, as well as our brand values, personality, strengths, weaknesses and USP. It enabled us to objectively examine the current positioning of our brand, look at what was working and not working, while investigating the possible directions we could go in to maximise our brand's potential. Together, we worked tirelessly to develop a strategy that created a unified message and identity, which would carry us through to the execution process.

As the project progressed, it became clear that our name, and not just what we do, should drive the core narrative, placing 'humanity' and 'human' at the centre. Our position could be summed up in four words: Here for every human. Likewise, although the initial ideas developed during the design stage focused on typography, we finally settled upon a universal symbol that could be easily identified across our 25 territories, and that incorporated the 'H' in Human Appeal and a human being. We chose a unique 45-degree angle theme and dramatic wide-angled immersive photography, strengthening our traditional purple, while adding a new palette.

The latter part of 2017 saw us planning the roll out of our internal and external re-brand launch campaigns across all touchpoints in readiness for our intended launch in March 2018. From creating signage throughout our UK and global offices and dispensing our new brand guidelines, to creating an upbeat and informative launch video entitled 'Now Even More Human,' which was key to our strategy in educating our internal and external stakeholders. Far from just showcasing our new brand attributes, we wanted to talk to them clearly and candidly about the reasons for our rebrand, how we created our new identity and its meaning and its objectives: to secure a competitive and sustainable position, both domestically and internationally, attracting more donors, partners and volunteers and increasing brand revenue.

We believe our new identity will enable us to be instantly recognisable no matter which country we are seen in, allowing us to have an even bigger impact on the lives of vulnerable people, and bringing us closer to our vision of creating a just, caring and sustainable world. Our supporters are a vital part of our growing Human Appeal family and we thank you for your continued support as we transition to our new look and feel.



# STRUCTURE, GOVERNANCE AND MANAGEMENT

## GOVERNING DOCUMENT

Human Appeal is an international Non-Governmental Organisation (NGO) incorporated in the United Kingdom as a company limited by guarantee at Companies House in England and registered as a charity with the Charity Commission of England and Wales as well as with The Office of the Scottish Charity Regulator (OSCR). Human Appeal works across the globe to strengthen humanity's fight against poverty, social injustice and natural disaster, through the provision of immediate relief (usually in the form of emergency response to a natural disaster or man-made calamity) and establishment of self-sustaining and long-term development programmes.

Human Appeal was formerly known as Human Appeal International and was legally established in 1991 by a trust deed and registered 3 June 2013 with the Charity Commission under registration number 1005733. In 2014, Human Appeal changed its legal structure, registering as a company limited by guarantee at Companies House in England 22 March 2004, and with the Charity Commission 21 October 2013 under registration number 1154288. The funds in the original Trust were transferred to the newly incorporated company, and thereafter the original trust was de-registered 26 February 2014. Human Appeal has been operating under the company structure to this day. Human Appeal's name change was reflected by Companies House 1 October 2016.

**Human Appeal's objectives as enshrined in its governing document are:**

(a) The prevention or relief of poverty anywhere in the world by providing grants, items and services to individuals in need and/or charities or other organisations working to prevent or relieve poverty;

(b) The prevention or relief of poverty or financial hardship anywhere in the world by providing or assisting in the provision of education, training, healthcare objects and all the necessary support designed to enable individuals to generate a sustainable income and be self-sufficient;

(c) The relief of financial need and suffering amongst victims of natural or other kind of disasters in the form of money or other means deemed suitable for persons, bodies, organisations and/or countries affected, including the provision of medical aid.

From its origins in the UK, Human Appeal has established operations in a number of countries across the globe. Today it conducts its operations in one of three ways:

- a) By establishing a permanent presence through a separate local entity, who are independent of the UK Human Appeal entity;
- b) By establishing a branch of the UK Human Appeal entity and all operations in that country are carried out through that entity;
- c) Emergency, seasonal responses, short term responses performed by a team from an existing Human Appeal office or through a partner organisation. Prior to being contracted by Human Appeal, any partner organisation is subject to rigorous due diligence checks (the procedure includes screening through Thomson-Reuters World-Check) before being entrusted to implement projects for Human Appeal.

**Human Appeal's vision is 'A just, caring, sustainable world free of poverty' and its mission statement is:**

1. To emerge as a leading international humanitarian and development agency
2. To develop immediate and long term sustainable interventions
3. To empower local communities through inclusive development to build local capacity
4. To champion peace and justice through effective advocacy
5. To ensure the protection and security of our stakeholders

**Human Appeal undertakes its work with the following values in mind:**

1. Excellence, Professionalism and Commitment
2. Trust and Respect for All
3. Integrity and Transparency
4. Empowerment and Equality

## BOARD OF TRUSTEES

The Board of Trustees directs and oversees the charity. The Board appraises the CEO and the executive management team. The Board of Trustees oversees strategic planning, governance and regulatory requirements.

## RECRUITMENT AND APPOINTMENT OF TRUSTEES

New trustees are nominated by members of the Board of Trustees, interviewed and then appointed if they have the necessary skills and knowledge to contribute to the charity's development and management. All the trustees are volunteers who dedicate their time, skills, knowledge and experience to Human Appeal.

### Trustee Induction and Training

To ensure Human Appeal benefits from a professional, appropriate board, trustees are provided with a comprehensive induction and ongoing training in new or emerging areas of responsibility. New trustees receive a full overview of the strategic and operational functions; their legal obligations under charity laws and regulations (including the charity's Memorandum and Articles of Association); the committee and decision-making process; recent financial performance and future plans, and objectives of the charity. They also meet other trustees, the leadership team and any key employees.

The CEO and Executive Director team keeps trustees up to date with changes in regulatory standards and training possibilities. We continually evaluate the Board's effectiveness. The Board of Trustees receives regular performance reports, annual financial reports, plans and budgets.

## ORGANISATION LEADERSHIP

The CEO is accountable to the Board of Trustees and, along with other senior staff, is responsible for the day-to-day management of the organisation. The CEO chairs the leadership executive team, which is made up of key functional leaders. The leadership team ensures the policies agreed by the Board of Trustees are implemented and they also support the work of other staff and volunteers.

### Key Risk Management, Financial Policies & Procedures in place:

- Safeguarding
- Anti-Bribery and Corruption Policy
- Risk Management Policy
- Serious Incident Reporting Policy
- Counter-Terrorism and Anti-Money Laundering Policy.
- Finance Manual – regulating controls, procedures over income and expenditure including financial management and reporting

- Child Protection and Safeguarding Policy
- Field Security and Field Reporting Policies\*
- Aid Diversion Policy
- Monitoring and Evaluation Policy
- Logistics and Procurement Policy
- Beneficiary Selection
- Policy

## RESPONSIBILITIES OF LEADERSHIP MANAGEMENT TEAM AND TRUSTEES

The trustees - who are also directors of Human Appeal for the purposes of company law – are responsible for preparing the Trustees' Report. This includes the group Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charity Commission Statement of Recommended Practice (SORP 2015).
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charitable group will continue in operation.

The trustees have to keep proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group that enables them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the charitable company and group and therefore for taking reasonable steps to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

#### Statement on disclosure of information to the auditors

Under Section 418, in the case of each director in office on the date the Trustees' Report is approved, the reports include a statement that declares:

- So far as they are aware, there is no relevant audit information of which the auditors are unaware, and;
- They have taken all the steps necessary to make themselves and our auditors aware of any relevant audit information.

#### COMPANY LIMITED BY GUARANTEE

Members of the charity guarantee to contribute an amount not exceeding £1 to the net assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2017 was four.

The trustees are members of the charity and this entitles them to voting rights. The trustees have no beneficial interest in the charity.

#### PUBLIC BENEFIT

The trustees have taken into account the statutory duties of public benefit. This report highlights examples of Human Appeal's activities that illustrate how our work fulfils public benefit and the benefits it brings to individuals and communities globally, irrespective of their race, religion, or creed.

We develop strategic plans to make certain that we provide maximum public benefit and achieve our strategic objectives, which fall under purposes defined by the Charities Act 2011. In setting the charity's objectives and planning activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

#### REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

None of the trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or a senior manager of the charity with a donor, beneficiary, supplier or contractor must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

We believe that the opportunity to have a positive impact on the lives of the poor is an important part of the total reward of working for Human Appeal, especially at management level. In setting appropriate pay levels for key personnel, our remuneration policy reflects and takes into consideration specific matters such as assignments and the responsibilities undertaken. In addition, the remuneration policy helps promote long-term goals for safeguarding our company's interests.

Benchmarking is undertaken to ensure that the remuneration of key personnel matches the level in comparable organisations, whilst also taking into consideration the required competencies, effort and the scope of board work.

#### STANDARDS, PRINCIPLES & CODES

We are committed to industry-specific standards, principles and codes in addition to Investors in People and the ISO 9001 Quality Standard. We adhere to:

#### INTERNATIONAL RED CROSS AND RED CRESCENT MOVEMENT PRINCIPLES OF CONDUCT

We are a signatory to the International Red Cross and Red Crescent Movement Principles of Conduct and these include:

- The humanitarian imperative comes first.
- Aid is given regardless of the race, creed or nationality of the recipients and without adverse distinction of any kind. Aid priorities are calculated on the basis of need alone.
- Aid will not be used to further a particular political or religious standpoint.
- We shall endeavour not to act as instruments of government foreign policy.
- We shall respect culture and custom.
- We shall attempt to build disaster response on local capacities

- Ways shall be found to involve programme beneficiaries in the management of relief aid.
- Relief aid must strive to reduce future vulnerabilities to disaster as well as meeting basic needs.
- We hold ourselves accountable to both those we seek to assist and those from whom we accept resources.
- In our information, publicity and advertising activities, we shall recognise disaster victims as dignified human beings, not hopeless objects.
- We are committed to applying the Sphere Humanitarian Charter and Minimum Standards in responding to humanitarian crises.

#### CORE HUMANITARIAN STANDARD ON QUALITY & ACCOUNTABILITY (CHS)

We are committed to principled humanitarian action:

##### Humanity:

Human suffering must be addressed wherever it is found. The purpose of humanitarian action is to protect life and health and ensure respect for human beings.

##### Impartiality:

Humanitarian action must be carried out on the basis of need alone, giving priority to the most urgent cases of distress and making no adverse distinction on the basis of nationality, race, gender, religious belief, class or political opinion.

##### Independence:

Humanitarian action must be autonomous from the political, economic, military or other objectives that any actor may hold with regard to areas where humanitarian action is being implemented.

##### Neutrality:

Humanitarian actors must not take sides in hostilities or engage in controversies of a political, racial, religious or ideological nature. Human Appeal works towards applying the CHS with its nine commitments:

- Communities and people affected by crisis receive assistance appropriate and relevant to their needs.
- Communities and people affected by crisis have access to the humanitarian assistance they need at the right time.
- Communities and people affected by crisis are not negatively affected and are more prepared, resilient and less at-risk as a result of humanitarian action

- Communities and people affected by crisis know their rights and entitlements, have access to information, and participate in decisions that affect them.
- Communities and people affected by crisis have access to safe and responsive mechanisms to handle complaints.
- Communities and people affected by crisis receive coordinated, complementary assistance.
- Communities and people affected by crisis can expect delivery of improved assistance as organisations learn from experience and reflection.
- Communities and people affected by crisis receive the assistance they require from competent and well-managed staff and volunteers.
- Communities and people affected by crisis can expect that the organisations assisting them are managing resources effectively, efficiently and ethically.

#### "KEEPING CHILDREN SAFE"

Human Appeal is committed to "Keeping Children Safe", and upholds the following safeguarding principles:

- All children have equal rights to protection from harm.
- Everybody has a responsibility to support the protection of children.
- Organisations have a duty of care to children with whom they work, are in contact with, or who are affected by their work and operations.
- If organisations work with partners they have a responsibility to help partners meet the minimum requirements on protection.
- All actions on child safeguarding are taken in the best interests of the child, which are paramount.

We work to apply the four core standards in "Keeping Children Safe":

**Standard 1:** Policy: The organisation develops a policy that describes how it is committed to preventing, and responding appropriately to, harm to children.

**Standard 2:** People: The organisation places clear responsibilities and expectations on its staff and associates and supports them to understand and act in line with these.

**Standard 3: Procedures:** The organisation creates a child-safe environment through implementing child- safeguarding procedures that are applied across the organisation.

**Standard 4: Accountability:** The organisation monitors and reviews its safeguarding measures.

## PROTECTION FROM SEXUAL EXPLOITATION AND ABUSE

Human Appeal adheres to the core principles of the UN Task Force on Preventing Sexual Exploitation and Abuse in Humanitarian Crises 2002. These apply to implementing projects for children, families and communities, and apply irrespective of whether there is an emergency situation or not.

- Sexual exploitation and abuse by project workers constitute acts of gross misconduct and are there foregrounds for the termination of employment.
- Sexual activity with children is prohibited regardless of the age of majority or age of consent locally. A mistaken belief about a child's age is not a defence.
- Exchange of money, employment, goods, or services for sex, including sexual favours or other forms of humiliating, degrading or exploitative behaviour are prohibited.
- Sexual relationships between project workers and beneficiaries are strongly discouraged since they are based on inherently unequal power dynamics. Such relationships would undermine the integrity of work to help vulnerable and excluded persons.
- Concerns or suspicions regarding sexual abuse or exploitation by a colleague, whether in the same organisation or not, must be reported in accordance with the procedures in place.

## POLICY OF EMPLOYMENT OF DISABLED PERSONS

Our policy for employment of disabled persons and its adherence to the Equality Act 2010, ensures that we have a strong commitment to developing the diversity of our staff and volunteers. We work to achieve this through equal opportunity policies, training and practical action. This includes encouraging applications from disabled people, developing their skills, and taking every reasonable measure to adapt our premises and working conditions to enable disabled people to work or volunteer with us.

**We will continue to ensure:**

- We make reasonable adjustments if required.
- Our policies and practices do not disadvantage.
- We provide equal training and career development for all employees.

## INVESTING IN STAFF TRAINING

We support our employees and develop their skills. We encourage all colleagues to engage with the strategy and objectives, and to give their suggestions and views on plans and performance.

We are committed to the Investors in People code of good practice. We are an equal opportunities employer and are proud to recruit and promote our staff based on their aptitude and ability, without discrimination. Staff benefit from policies focusing on training and career development as well as regular supervision and an annual appraisal.

We believe effective internal communications is key to Human Appeal achieving its strategy and outcomes. This supports the smooth running of Human Appeal, successful change programmes and good leadership in our vision, strategy and objectives.

We undertake employee engagement through regular team workshops and staff briefings, which supports better performance, employee retention and wellbeing. Employees are more engaged when information flows freely and they are aware of organisational activities and management decisions that affect their jobs.

## RELATED PARTIES AND CO-OPERATION WITH OTHER ORGANISATIONS

Human Appeal works with and through partner organisations to achieve common goals and specifically to:

- Develop immediate and long term sustainable interventions.
- Empower local communities through inclusive development to build local capacity. We do this by delivering projects in line with our core areas of work:
- Emergency relief/humanitarian response
- Sustainable development
- Orphans and child welfare
- Seasonal programmes

## Grant-making Policies

Our partner relations are informed by, and managed to a set of clear procedures and principles. Before making a grant, Human Appeal completes appraisals of the project and proposed partner organisation. These ensure that Human Appeal undertakes complete due diligence and vetting of the partner organisation, its key management and project objectives are consistent with Human Appeal's, and the project is well-designed to deliver humanitarian aid in a manner that provides value for money and achieves the intended impact and outcome.

Grants are managed through specific agreements with partners that set out the conditions of the grant, including reporting requirements and disbursement schedules. Grants are usually disbursed in instalments to ensure that agreed objectives, standards and time frames are met.

Our staff monitor and evaluate progress throughout the period of the grant, according to the size of the grant and perceived level of risk. If Human Appeal is not satisfied with how the grant is being managed, according to the partner agreement, Human Appeal can discontinue the grant funding. All partners are subject to regular supervision and an annual appraisal.

## Charity Governance Code

The Trustees are aware of the Charity Governance Code and a review is planned in the near future.

## PRINCIPAL RISKS AND UNCERTAINTIES

Human Appeal works to alleviate poverty, and transform and empower local communities whilst championing humanity, impartiality, neutrality and independence. We are risk-taking to prioritise saving the lives of people, working across unstable environments such as Iraq, Yemen, Somalia and Syria. Our work in this area was brought to even sharper focus in December 2017 after the whistle blowing case that led Human Appeal to initiate a forensic investigation across the organisation and notify the Charity Commission. We acknowledge that during a period of fast growth of the organisation, we had not always done enough to ensure that the organisation's culture and behaviour was 'fit for purpose'.

## Strategic Risk

The charity has identified the following strategic risks.

1 Charity Commission Statutory Inquiry. On the 18 April 2018 the Charity Commission opened a statutory inquiry into Human Appeal under section 46 of the Charities Act 2011. The Commission were responding to allegations of misconduct and/or mismanagement in the administration of the Charity. An Order under the provisions of section 84A of the Charities Act 2011 prohibited the trustees

and staff of the Charity from: (a) Any activities that did not comply with the Charity's existing policies and procedures; and (b) Commencing any new programmatic activities in the UK or elsewhere. On the 29 November 2019 the Charity Commission revoked the second of these orders, noting improvement in the management of documentation relating to the Charity's projects. In the intervening period the charity missed out on numerous opportunities and this, coupled with reputational damage sustained, resulted in a decline in donation levels during 2018 and 2019. In the latter stages of 2019 and the early weeks of 2020 it has been noted that income levels are rising once more. The achievement of the charity's long term ambitions are, however, dependent upon closure of the Statutory Inquiry and, at present, the timing of this is unknown.

2 Going Concern. Human Appeal is now well advanced along its path to recovery and financial resilience has been improved to support its charitable objectives. During this period the charity has introduced measures to improve all aspects of its operations including governance, financial management, human resources and compliance. The Trustees have reviewed the Charity's financial position, taking into account the level of reserves, the income and expenditure, the annual plan and its improved systems of financial and risk management. Early 2020 has seen the overall income position of the Charity continue to strengthen but the unrestricted fund position continues to be of concern to the Trustees. A detailed financial plan is being developed for the year commencing in January 2020 with an emphasis on growing unrestricted income. Systems have been developed to enable the Charity to manage operational and financial risks successfully and to meet strategic and operational goals over the next 12 months and the medium term. The achievement of the charity's ambitions is dependent on the success of these plans.

3 Companies House Filing Deadline. The departure of senior executives at the end of 2017 and early 2018, the opening of the Charity Commission inquiry and the resignation of the auditors led to delays in the normal audit timetable. The loss of knowledge associated with the departure of finance and programmes personnel resulted in delays in providing relevant audit evidence to the new auditors. The charity trusts that donors will appreciate the transparency of the disclosures made in the 2017 Annual Report and will continue to respond favourably to the array of Human Appeal campaigns and projects in 2020 and beyond.

## Risk Management Framework

From 2017 to 2018 we undertook a review of our approach to risk. Based on this review, we designed and implemented a new risk management approach, this was developed with Moore Stephens audit firm.

Our investment in the risk management software RHIZA, has complemented our existing functions and enables accurate risk identification, recording and reporting, evaluation and planning. To complement this the utilisation of RHIZA risk champions across each function have been established. This means that senior management and trustees have visibility of all risk management across the organisation.

Furthermore, our new assurance-based approach has seen the introduction of our in-house Internal Audit in 2017 and a dedicated Compliance function in 2018 to oversee the adherence to our compliance policies and procedures. The Board of Trustees receives the strategic risk register at each of the quarterly meetings, as well as discussing key operational risks in the course of normal meetings.

### WE HAVE A RISK MANAGEMENT STRATEGY:

The Board of Trustees have established an Audit Committee which includes non-executive directors that oversees risk, finance and audit from a strategic and governance perspective.

The CEO and the executive directors team regularly review key strategic and operational risks, and maintain a risk register to record both the risk and its associated action plans.

Risk Management is a strategic priority and executive directors who are responsible for owning each risk oversee and manage the risk. Senior staff are nominated Risk Managers, who identify and manage risks as an integral part of their daily work.

The Internal Audit function carries out audits across all operations and activities, which is approved by the Audit Committee.

#### Management of Risk

We have a visible, clear and easily accessible whistle blowing procedure. Assigned staff will investigate any incidents of loss, theft, fraud or any other issues and report them to the Audit Committee, helping to ensure that any breaches and weaknesses are addressed and improved.

#### Fraud, Corruption and Bribery Prevention

We recognise that we work in some of most challenging environments across the world, where fraud, corruption and even bribery are key risks. In line with our organisational values, Human Appeal has a zero tolerance to fraud, bribery and corruption, and will investigate thoroughly any incident with a view to minimising the risk affecting programmes and humanitarian delivery.

During the year, we delivered further training and briefing sessions as refreshers and reminders on our policies of anti-fraud, corruption and bribery.

#### Humanitarian Delivery in Complex Environments

Human Appeal also recognises the risks of delivering humanitarian aid in areas with an armed force presence (governmental and other armed groups) across a wide socio-political spectrum. This raises the need for INGOs such Human Appeal to ensure the safety of our staff as well as the need to secure humanitarian corridors to deliver basic necessities for survival.

#### Audit Committee

The Board of Trustees has in place an Independent Audit Committee that meets at least four times a year. It consists of a mixture of non-executive external experts and trustees.

The Audit Committee's Terms of Reference include a review of the Risk Management for Human Appeal.

#### Internal Audit

Until September 2017, Human Appeal was utilising an outsourced service provided by Dua Governance Chartered Accountants. As of September 2017, Human Appeal established its in-house audit function supported by external audit providers undertaking reviews and audits on behalf of Human Appeal (2017-2018) such as Moore Stephens, Crowe UK, Mersey Internal Audit Agency and other providers.

This is additional to the internal audits performed in-house by Human Appeal functions such as Finance, People & Culture and quality audits in accordance with ISO 9001 by the Effectiveness, Accountability and Learning function.

#### Other major risks

The following major risks were identified at an organisational level in 2017 and 2018. For each risk, specific actions and performance indicators relating to them were monitored by the senior management and Board of Trustees.

RISK	MANAGEMENT ACTIONS
<p><b>Culture and Behaviour</b> Inconsistent application of organisational policy, procedures and protocols. Challenges in maintaining effectiveness and efficiency across the organisation.</p>	<ul style="list-style-type: none"> <li>➤ A review of Human Appeal's policy and procedures to ensure they are 'fit for purpose.'</li> <li>➤ Enhanced support to field offices in Iraq, Turkey, Somalia, Pakistan and Yemen.</li> <li>➤ A programme of regular training for all staff.</li> </ul>
<p><b>GDPR</b> Failure to comply with new Regulation Data breach or security incident.</p>	<ul style="list-style-type: none"> <li>➤ A GDPR working group was established in 2017 to prepare for the GDPR changes.</li> <li>➤ The recommendations of the GDPR group were adopted. Changes were made to systems to comply with GDPR and website cookies and policies were amended accordingly.</li> <li>➤ A Data Protection Officer is in place.</li> </ul>
<p><b>Fraud, Corruption and Bribery</b> Risk of fraud, corruption and bribery has Human Appeal works in conflict zones where proscribed groups operate and in countries which are subject to international sanction.</p>	<ul style="list-style-type: none"> <li>➤ Human Appeal's suite of policies and procedures reviewed and updated with support of USA legal counsel Ferrari &amp; Co.</li> <li>➤ Increased focus on improving operational and regulatory compliance through Internal Audit and Compliance functions.</li> <li>➤ Enhanced due diligence operating procedures introduced that are subject to continuous monitoring and review.</li> <li>➤ Continuous fraud risks awareness raising and training.</li> </ul>
<p><b>Non-compliance with Fundraiser Regulator Code</b> This could compromise Human Appeal ability meet its objectives.</p>	<ul style="list-style-type: none"> <li>➤ Continuous review of fundraising activities by management and Internal audit * 2019 begin implementation of new 'customer relationship management' system * Continuous fundraising regulator code awareness raising and training.</li> </ul>
<p><b>Adverse Media Coverage</b></p>	<ul style="list-style-type: none"> <li>➤ Human Appeal works with legal counsel and advisors to proactive manage brand and image impact that may result from adverse media coverage.</li> <li>➤ Staff are actively engaged with regulators, donors, banks, etc.</li> </ul>

# FINANCE REVIEW

## Income

Human Appeal's income in 2017 was £44 Million, an increase of 22% on the previous year. The most important factors in this success have been the continued support of our loyal supporters combined with a legion of donors trusting Human Appeal for the first time. We would like to thank once again all the individuals, partners and institutions for their confidence in our charity to deliver for the beneficiaries.

These results were achieved against a background of a weakening UK economy and growing economic and political uncertainty worldwide. During 2017 our sources of funding became more diversified meaning that we are now less reliant upon single institutions to fund projects needing urgent delivery.

Donations and legacies include all types of income that are made on a voluntary basis. This includes all individual giving, community fundraising, and some corporate income. In 2017 we raised £37 million, an increase of £12 million from 2016 reflecting the growing success of our fundraising efforts. Other trading income comes mainly from our hugely successful Comedy Tour held in December which attracts larger and larger audiences every year.

## Expenditure

In 2017, we spent £31 million on charitable activities up from £26 million in 2016. Major areas of expenditure were Humanitarian Response,

£11 million up from £4 million in 2016 and Food Security, £15 million slightly down from £16 million in 2016. Combined these areas accounted for 85% of our charitable spending in 2017.

Our achievements with this expenditure are set out throughout this report.

Our expenditure on raising funds during 2017 rose to £8.5 million from £8.1 million in 2016 as we continued to invest in the growth of our reach to our existing and new donors, partners and institutions.

In 2017 we also spent £0.7m, the same as last year, on developing our fundraising partners' capabilities across Europe who in turn raise funds enabling projects to be delivered by the Human Appeal family to change and save lives around the world.

# TRUSTEES ASSESSMENT OF GOING CONCERN

At the end of 2017, issues around Human Appeal's financial governance were reported through the charity's whistleblowing policy and the Charity Commission launched a Statutory Enquiry on 18 April 2018. The charity has been through a period of transition and there have been a number of key personnel changes. A new Chief Executive Officer was recruited in April 2019 and necessary changes were made in the structure and operations of key areas including Finance, Programmes, Marketing and Fundraising. The charity suffered a dip in income in 2018 but growth has now been restored. As a result of this period of turbulence, the preparation of the financial statements including the future forecasts and projections which are necessary to support the going concern assumption has been challenging for the new management team. New Trustees have also been appointed and their role in reviewing the future forecasts and projections has been invaluable. The information to support the going concern assumption has been compiled, and reviewed by the Board. As we are now well past our filing deadline, the Trustees assessment of Going Concern has been based on the latest information available.

Human Appeal is now well advanced along its path to recovery and financial resilience has been improved to support its charitable objectives. During this period, the charity has introduced measures to improve all aspects of its operations including governance, financial management, human resources and compliance. The Trustees have reviewed the Charity's financial position, taking into account the level of reserves, the income and expenditure, the annual plan and its improved systems of financial and risk management. Early 2020 has seen the overall income position of the Charity continue to grow while working to boost the unrestricted fund position of the organisation. A detailed financial plan is being developed for the financial year commencing in January 2020. Systems have been developed to enable the Charity to manage operational and financial risks successfully and to allow us to meet our strategic and operational goals over the next 12 months and the medium term.

The following assumptions are made in the financial projections.

- The charity will be able to raise the voluntary income from donors and supporters which it has projected. The success of recent events, most notably the December 2019 Comedy Tour, demonstrates there are an increasing number of donors and volunteers committed to supporting Human Appeal.
- On the 29 November the Charity Commission revoked an order made in April 2018, not to commence any new programmatic activities, noting improvement in the management of documentation relating to the Charity's projects. It is envisaged that this encouraging development will lead to the closure of the Statutory Enquiry. The removal of this constraint on the Charity's activities will enhance prospects of income growth from institutional funders during 2020.
- The organisation will continue to periodically review its cost base to ensure it is in line with income projections.

Despite the strong early signs of recovery lending credence to the financial and cash flow forecasts, the Trustees recognise that there is material uncertainty relating to the underlying assumptions, and in particular to those relating to income levels. Receipts from event-based fundraising are reasonably predictable but the timing and size of receipts from institutional funders is more difficult to forecast. As a result the Trustees consider this indicates the existence of a material uncertainty which may cast doubt as to the charity's ability to continue as a going concern. The Trustees and CEO are proactively addressing the level of unrestricted funds and will continue to have day to-day focus on income generation and cash flow forecasts will be reviewed on a monthly basis. As a result of these recent changes and the early signs of success the Trustees are of the view that it is appropriate to prepare the accounts on a going concern basis. The financial statements do not include the adjustments that would result if Human Appeal was unable to continue as a going concern.

# RESERVES

## GENERAL RESERVES (UNRESTRICTED)

Unrestricted reserves are generated when there is no donor stipulation on how funds are utilised and so the Trustees have more discretion in how these funds are spent to further Human Appeal's charitable objectives. The Trustees recognise the need to hold sufficient unrestricted reserves to allow protection of core activities in the event of any income shortfalls and to implement long-term strategic programmes and enable the Charity to carry out its essential projects. Consideration is also given to the fact that humanitarian disasters and crises are increasing around the world and there is a need to meet humanitarian objectives. The reserve policy ensures, as far as possible, the sustainability of charitable activities across various sectors.

## RESTRICTED FUNDS

These funds are tied to a particular purpose, as specified by the donor or as identified at the time of a public appeal. These are spent in accordance with their particular purposes.

## RESERVES POLICY

Our reserves policy requires that reserves are maintained at a level that ensures our core programme work (including adequately responding to humanitarian disasters and emergencies) could continue during a period of lack of funds, while at the same time ensuring we do not retain income for longer than required, thereby balancing the needs of present and future beneficiaries.

As at 31 December 2017 the charity had total reserves of £9.9m (2016: £6.4m) which was made up of restricted reserves of £8.5m (2016: £4.3m) and unrestricted reserves of £1.4m (2016: £2.0m) which includes £2.8m (2016: £2.4m) which can only be realised by disposing of tangible fixed assets. Free reserves (defined as unrestricted reserves less the net book value of fixed assets) totalled -£1.4m (2016: -£0.4m).

The Trustees are developing a strategy to build up unrestricted reserves to a level commensurate with the Charity's ambitions. It has been recognised that much of the charity's recent fundraising activities have been narrowly focussed on tightly defined projects and themes. This has prevented the growth of unrestricted funds and hampered the charity's flexibility to respond quickly in a rapidly changing humanitarian aid landscape. In future, through training and improved systems, emphasis will be placed on growing unrestricted income to grow the charity's capacity to become a formidable force helping those in need around the world. The first milestone in this journey is to create a reserve sufficient to cover at least six month operating costs and field offices running cost expenditure. We are looking at cost structures currently with a view to then confirming this figure.'

The Trustees' Annual Report which includes the Strategic Report has been approved by the trustees and signed on their behalf by



Dr Kamil Omoteso Chair of the Board of Trustees  
30 January 2020

# REFERENCE AND ADMINISTRATIVE DETAILS

## Company and Charity Legal Name:

Human Appeal

## Charity Registration Number:

1154288 (England & Wales)

SC046481 (Scotland Company Registration Number: 08553893)

## Principal and Registered Office:

Pennine House, Carrs Road, Cheadle, Cheshire, SK8 2BL

## Directors and Trustees:

Dr Kamil Omoteso (Chair of the Board)

Dr Hussain Nagi

Mr Mohammed Yousef

Mr Imad Zahida

Mr Omar Mashjari

Dr Kasim Randeree

Dr Ihab Saad

Dr Hossam Said

Change taking place after 31 December 2017 (as at 31 March 2019) Appointments to the Board of Trustees took place on 13th December 2018 of Mr Omar Mashjari, Dr Kasim Randeree and Dr Ihab Saad and Dr Hossam Said.

## Executive Directors Team:

Chief Executive: Dr Mohamed Ashmawey

Chief Operating Officer: Elfatih Ibrahim

People & Culture Director: Karim Samir

Programmes: Arif Syed Muhammad

Fundraising: Zaheer Khan

Communications: Owais Khan

Emerging Markets Director: Hameed Al-Asaly

Change taking place after 31 December 2017 (as at 31 March 2019); Appointments to the Board of Trustees took place on 13th December 2018 of Mr Omar Mashjari, Dr Kasim Randeree and Dr Ihab Saad and Dr Hossam Said.

Mr Imad Zahida retired from the Board of Trustees on 18th November 2019 and Dr Kasim Randeree retired from the Board of Trustees on 1st December 2019.

Owais Khan became Interim Communications Director replacing Zahid Rehman. Arif Sayed Muhammad became Interim Programmes Director replacing Mohammed Alsousi. Zaheer Khan became Head of Community Fundraising replacing Razul Karim.

## Solicitor

Johns and Saggar

16 High Holborn

London

WC1 6BX

## Bankers

National Westminster Bank Plc

9/11 Precinct Centre

Oxford Road Manchester M13 9NX

## Auditors

Crowe UK

## FOOTNOTES



1 <https://ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=22041&LangID=E>

2 <https://agendaforhumanity.org/summit>

3 <https://agendaforhumanity.org>

4 UN and food organisations define famine as when more than 30% of children under age 5 suffer from acute malnutrition and mortality rates are two or more deaths per 10,000 people everyday, among other criteria.

5 <http://www.worldbank.org/en/topic/fragilityconflictviolence/overview>

6 <https://www.wfp.org/sites/default/files/12-28-17%20SHOTLIST%202017%20A%20Year%20of%20Unprecedented%20Humanitarian%20Emergencies%20%28For%20the%20Media%29.pdf>

7 <https://www.unocha.org/story/yemen-fastest-growing-cholera-epidemic-ever-recorded-brings-number-cases-895000>

8 <http://www.un.org/en/sections/issues-depth/refugees/>

9 <http://reporting.unhcr.org/node/19889>

10 <http://www.unhcr.org/uk/statistics/>

[unhcrstats/5b27be547/unhcr-global-trends-2017.html](https://unhcrstats/5b27be547/unhcr-global-trends-2017.html)

11 [https://reliefweb.int/sites/reliefweb.int/files/resources/echo\\_syr\\_bud\\_2018\\_91000\\_v2.pdf](https://reliefweb.int/sites/reliefweb.int/files/resources/echo_syr_bud_2018_91000_v2.pdf)

12 <http://www.un.org/en/sections/issues-depth/refugees/>

13 <https://reliefweb.int/report/yemen/yemen-humanitarian-response-plan-january-december-2018-enar>

14 For other projects implemented in the occupied Palestinian Territories, please see the 'sustainable development' section.

15 <http://www.un.org/en/zerohunger/challenge.shtm>

16 <http://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-2-zero-hunger.html>

17 <http://www.undp.org/content/undp/en/home/sustainable-development-goals/goal-6-clean-water-and-sanitation.html>

18 This figure includes all our WASH projects in humanitarian emergencies as well. We reached 82,565 people with sustainable development projects only.

19 <https://sustainabledevelopment.un.org/sdg8>

20 <https://www.ilo.org/global/topics/forced-labour/lang-en/index.htm>

21 <https://www.jrf.org.uk/report/uk-poverty-2017>

## ACRONYMS

**ACEVO** Association of Chief Executives of Voluntary Organisations

**ALNAP** Active Learning Network for Accountability and Performance

**AJK** Azad Jammu and Kashmir (Pakistan)

**BOND** British Overseas NGOs for Development

**CABU** The Council of Arab-British Understanding

**CCCM** Camp Coordination and Camp Management

**CHS** The Core Humanitarian Standard

**CMAM** Community Management of Acute Malnutrition

**CRI** Core Relief Items

**EAA** Education Above All Foundation

**ECHO** European Civil Protection and Humanitarian Aid Operations

**ECOSOC** Economic and Social Council

**FAO** Food and Agriculture Organisation of the United Nations

**FCDA** Family Counselling and Development Foundation, Yemen

**FFR** Food for Relief

**FPA** Framework Partnership Agreement

**GLM** Green Lane Masjid

**GOAC** Guernsey Overseas Aid Commission

**HA** Human Appeal

**HDI** Human Development Index

**IDB** Islamic Development Bank

**IDP/s** Internally Displaced Person/s

**I/NGO** International / Non-Governmental Organisation

**KCS** Keeping Children Safe

**KPK** Khyber Pakhtunkhwa (Pakistan)

**KRG** Kurdistan Regional Government (Iraq)

**NFIs** Non-Food Items

**OFID** OPEC Fund for International Development

**OPT** Occupied Palestinian Territories

**PHC** Primary Health Care

**PLW** Pregnant and Lactating Woman

**ROTA** Reach Out To Asia

**RTEs** Ready-to-Eat

**SIDA** Scotland's International Development Alliance

**SDGs** Sustainable Development Goal/s

**UMR** United Muslim Relief

**UNDP** United Nations Development Programme

**UNFPA** United Nations Population Fund

**UNHCR** United Nations High Commissioner for Refugees

**UNICEF** United Nations Children's Fund

**UN OCHA** United Nations Office for Coordination of Humanitarian Affairs

**WFP** World Food Programme

**WASH** Water, Sanitation and Hygiene

**WHO** World Health Organisation

**WHS** World Humanitarian Summit

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**HUMAN APPEAL**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUMAN APPEAL**

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**Opinion**

We have audited the financial statements of Human Appeal (the 'charitable company') for the year ended 31 December 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the matters described in the Basis for Qualified Opinion section of our report, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for qualified opinion**

Our qualified audit opinion has arisen for the following matters in relation to our audit of the financial statements for the year ended 31 December 2017:

1. We have been unable to conclude that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We have been provided with the current budgets and cash flow forecasts to the year ended 31 December 2020. We reviewed these forecasts, however we have concluded that these are not sufficiently reliable to support the trustees' conclusion for the following reasons:
  - a. Regular and reliable projections and forecasts have not been produced throughout the period and there have been material variances between projections and outturn.
  - b. We have not been provided with sufficient detailed analysis and evidence which underpins the forecasts and projections for the period of the trustees' assessment on going concern so we are unable to properly assess and validate key assumptions or judgements.
  - c. The Charity is currently showing a deficit on free reserves. The forecasts provided do not address this deficit.
  - d. The Charity is under investigation by the Charity Commission which has not been concluded. The impact of any findings on the future funding streams is not predictable and there has been no scenario planning in this respect.

We have been unable to perform alternative audit procedures to be able to form an opinion as to whether managements' assessment of the going concern basis is appropriate or whether there may exist a material uncertainty in respect of going concern.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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**HUMAN APPEAL**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUMAN APPEAL**

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**Material uncertainty related to going concern**

We draw attention to note 1 in the financial statements, in which the Trustees have set out the current position of the charity and their conclusion that a material uncertainty exists in respect of going concern.

As set out in the Basis for Qualified Opinion paragraph above we have been unable to conclude that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate or whether a material uncertainty may exist in respect of going concern as we have not been provided with sufficient reliable audit evidence to support their conclusion.

**Other information**

The Trustee is responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustee's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustee's Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**HUMAN APPEAL**  
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUMAN APPEAL**

**Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

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

  
Kerry Brown (Senior statutory auditor)

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

Date: 30/01/20

**HUMAN APPEAL**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

		Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
	Note				
<b>Income from:</b>					
Donations and legacies	2	3,995,594	32,922,992	36,918,586	24,557,921
Charitable activities	3	-	7,221,594	7,221,594	11,589,170
Other trading activities	4	35,443	36,187	71,630	79,389
Investments	5	43,191	-	43,191	17,430
Other income	6	12,136	(66,395)	(54,259)	249,169
<b>Total income</b>		<b>4,086,364</b>	<b>40,114,378</b>	<b>44,200,742</b>	<b>36,493,079</b>
<b>Expenditure on:</b>					
Raising funds	7	1,056,096	7,407,833	8,463,929	8,124,387
Charitable activities	9	3,311,927	28,236,148	31,548,075	26,847,789
Other expenditure	10	48,709	658,757	707,466	754,166
<b>Total expenditure</b>		<b>4,416,732</b>	<b>36,302,738</b>	<b>40,719,470</b>	<b>35,726,342</b>
<b>Net income / (expenditure) before transfers</b>		<b>(330,368)</b>	<b>3,811,640</b>	<b>3,481,272</b>	<b>766,737</b>
Transfers between Funds	22	(339,050)	339,050	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>(669,418)</b>	<b>4,150,690</b>	<b>3,481,272</b>	<b>766,737</b>
<b>Net movement in funds</b>		<b>(669,418)</b>	<b>4,150,690</b>	<b>3,481,272</b>	<b>766,737</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		2,057,216	4,364,290	6,421,506	5,654,769
<b>Total funds carried forward</b>		<b>1,387,798</b>	<b>8,514,980</b>	<b>9,902,778</b>	<b>6,421,506</b>

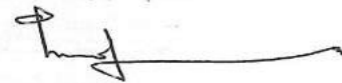
The notes on pages 68 to 88 form part of these financial statements.

**HUMAN APPEAL**  
(A company limited by guarantee)  
REGISTERED NUMBER: 08553893

**BALANCE SHEET**  
AS AT 31 DECEMBER 2017

	Note	£	2017 £	£	2016 £
<b>Fixed assets</b>					
Intangible assets	15		398,818		328,371
Tangible assets	16		2,394,223		2,090,588
Investments	17		200,000		275,000
			<u>2,993,041</u>		<u>2,693,959</u>
<b>Current assets</b>					
Stocks	18	10,960		1,431	
Debtors	19	1,930,612		4,413,046	
Cash at bank and in hand		6,961,986		3,766,707	
		<u>8,903,558</u>		<u>8,181,184</u>	
<b>Creditors: amounts falling due within one year</b>	20	(1,993,821)		(4,453,637)	
<b>Net current assets</b>			<u>6,909,737</u>		<u>3,727,547</u>
<b>Net assets</b>			<u>9,902,778</u>		<u>6,421,506</u>
<b>Charity Funds</b>					
Restricted funds	22	8,514,980		4,364,290	
Unrestricted funds	22	1,387,798		2,057,216	
<b>Total funds</b>			<u>9,902,778</u>		<u>6,421,506</u>

The financial statements were approved and authorised for issue by the Trustee on signed on their behalf, by: \_\_\_\_\_ and \_\_\_\_\_



**Dr Kamil Omoteso** Chair of the Board of Trustees

The notes on pages 68 to 88 form part of these financial statements.

**HUMAN APPEAL**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	24	<u>3,593,731</u>	<u>1,555,256</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		43,191	17,430
Proceeds from the sale of tangible fixed assets		-	9,896
Purchase of tangible fixed assets		(540,546)	(693,261)
Proceeds from sale of investment properties		98,903	-
<b>Net cash used in investing activities</b>		<u>(398,452)</u>	<u>(665,935)</u>
<b>Change in cash and cash equivalents in the year</b>		<u>3,195,279</u>	<u>889,321</u>
Cash and cash equivalents brought forward		<u>3,766,707</u>	<u>2,877,386</u>
<b>Cash and cash equivalents carried forward</b>		<u>6,961,986</u>	<u>3,766,707</u>

The notes on pages 68 to 88 form part of these financial statements.

**HUMAN APPEAL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. Accounting Policies**

**1.1 Charity information**

Human Appeal is a company registered and incorporated in England and Wales, limited by guarantee, without share capital. The company registration number is 08553893. Human Appeal is registered with the Charity Commission under registration number 1154288 as well as with The Office of the Scottish Charity Regulator.

Its registered office and principal place of business is Pennine House, Carrs Road, Cheadle, SK8 2BL.

Human Appeal is an international humanitarian and development organisation working across 25 countries in Asia, Africa, Europe, the Middle East and Europe.

**1.2 Basis of preparation of financial statements**

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

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

**1.3 Reconciliation with previous Generally Accepted Accounting Practice**

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

**1.4 Going concern**

At the end of 2017, issues around Human Appeal's financial governance were reported through the charity's whistleblowing policy and the Charities Commission launched a Statutory Enquiry on 18 April 2018. The charity has been through a period of transition and there have been a number of key personnel changes. A new Chief Executive Officer was recruited in April 2019 and necessary changes were made in the structure and operations of key areas including of Finance, Programmes, Marketing and Fundraising. The charity suffered a dip in income in 2018 but growth has now been restored. As a result of this period of turbulence the preparation of the financial statements including the future forecasts and projections which are necessary to support the going concern assumption has been challenging for the new management team. New Trustees have also been appointed and their role in reviewing the future forecasts and projections has been invaluable. The information to support the going concern assumption has been compiled and reviewed by the Board. As we are now well past our filing deadline the Trustees assessment of Going Concern has been based on the latest information available.

**HUMAN APPEAL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. Accounting Policies (continued)**

Human Appeal is now well advanced along its path to recovery and financial resilience has been improved to support its charitable objectives. During this period the charity has introduced measures to improve all aspects of its operations including governance, financial management, human resources and compliance. The Trustees have reviewed the Charity's financial position, taking into account the level of reserves, the income and expenditure, the annual plan and its improved systems of financial and risk management. Early 2020 has seen the overall income position of the Charity continue to grow while working to boost the unrestricted fund position of the organisation. A detailed financial plan is being developed for the financial year commencing in January 2020. Systems have been developed to enable the Charity to manage operational and financial risks successfully and to allow us to meet our strategic and operational goals over the next 12 months and the medium term.

The following assumptions are made in the financial projections.

- The charity will be able to raise the voluntary income from donors and supporters which it has projected. The success of recent events, most notably the December 2019 Comedy Tour, demonstrates there are an increasing number of donors and volunteers committed to supporting Human Appeal.
- On the 29 November the Charities Commission revoked an order made in April 2018, not to commence any new programmatic activities, noting improvement in the management of documentation relating to the Charity's projects. It is assumed that this encouraging development will lead to a closure of the Statutory Enquiry. The removal of this constraint on the Charity's activities will enhance prospects of income growth from institutional funders during 2020.
- The organisation will continue to periodically review its cost base to ensure it is in line with income projections.

Despite the strong early signs of recovery lending credence to the financial and cash flow forecasts, the Trustees recognise that there is material uncertainty relating to the underlying assumptions, and in particular to those relating to income levels. Receipts from event-based fundraising is are reasonably predictable but the timing and size of receipts from institutional funders is more difficult to forecast.

As a result the Trustees consider this indicates the existence of a material uncertainty which may cast doubt on the charity's ability to continue as a going concern. The Trustees and CEO are proactively addressing the level of unrestricted funds and will continue to have day to-day focus on income generation and cash flow forecasts will be reviewed on a monthly basis. As a result of these recent changes and the early signs of success the Trustees are of the view that it is appropriate to prepare the accounts on a going concern basis. The financial statements do not include the adjustments that would result if Human Appeal was unable to continue as a going concern.

**1.5 Company status**

The company is a company limited by guarantee. The members of the company are the Trustee named on page 62. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**HUMAN APPEAL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. Accounting Policies (continued)**

**1.6 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**1.7 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

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**1. Accounting Policies (continued)**

**1.8 Intangible fixed assets and amortisation**

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

**1.9 Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Over 50 years
Plant and machinery	-	Over 15 years
Motor vehicles	-	Over 5 years
Fixtures and fittings	-	Over 4 years
Computer equipment	-	Over 5 years
Software	-	Over 10 years

**1.10 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities incorporating income and expenditure account.

**1.11 Investment properties**

Investment properties are included in the Balance sheet at their open market value and are not depreciated.

**1.12 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

**1.13 Operating leases**

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

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**1. Accounting Policies (continued)**

**1.14 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.15 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.16 Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.17 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.18 Financial instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.19 Taxation**

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value added tax (VAT) is not recoverable by the company, and is therefore included in the relevant costs in the statement of financial activities (as stated in Note 1g).

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**1. Accounting Policies (continued)**

**1.20 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities incorporating income and expenditure account.

**1.21 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. Human Appeal operates a group personal pension scheme, which effectively means that all employees who join the scheme have their own pension plan, which is a defined contribution scheme. The assets of the pension scheme are held separately from those of the charity in an independently administered fund. The total contribution owing at 31 December 2017 was £9,567 (2016: £17,528)

**1.22 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**1.23 Gifts in Kind**

Gifts in kind for use by the charity are included in the accounts at their approximate market value at the date of receipt. Gifts in kind for distribution are included in the accounts at their approximate market value at the date of distribution.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**2. Income from donations and legacies**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	1,849,081	11,640,505	13,489,586	17,984,541
Gift aid tax reclaimed	1,896,013	-	1,896,013	1,892,567
Donated goods and services	-	17,133,089	17,133,089	1,574,314
Donations from fundraising events	-	3,371,385	3,371,385	3,106,499
Donation of assets of Human Appeal Pakistan	250,500	778,013	1,028,513	-
<b>Total donations and legacies</b>	<b>3,995,594</b>	<b>32,922,992</b>	<b>36,918,586</b>	<b>24,557,921</b>
<b>Total 2016</b>	<b>4,099,774</b>	<b>20,458,147</b>	<b>24,557,921</b>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**3. Income from charitable activities**

	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Charitable activities	7,221,594	7,221,594	11,589,170
<b>Total 2016</b>	<b>11,589,170</b>	<b>11,589,170</b>	

**Analysis of income from charitable activities**

	2017 £	2016 £
United Nations World Food Programme	1,643,830	9,815,989
United Nations	885,184	1,369,870
Americaires	18,518	-
Isle of Man Government	-	30,000
Organisation of the Petroleum Exporting Countries Funds for International Development	-	236,859
UK Islamic Mission	14,009	136,452
ROTA	478,701	-
Islamic Development Bank	271,086	-
United Muslim Relief	1,321,101	-
Islamic Relief	50,000	-
Oxfam	5,025	-
Terre des Hommes	169,633	-
UNOCHA	335,447	-
UNHCR	926,010	-
WHO	355,229	-
COHI	72,789	-
Qatar Charity	419,242	-
UNICEF	5,346	-
Human Appeal Ireland	63,167	-
Human Appeal Australia	129,393	-
Embassay of Japan	57,884	-
<b>Total</b>	<b>7,221,594</b>	<b>11,589,170</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**4. Other trading activities**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Sale of goods	8,176	-	8,176	2,316
Ticket sales	27,267	-	27,267	77,073
Other	-	36,187	36,187	-
	<u>35,443</u>	<u>36,187</u>	<u>71,630</u>	<u>79,389</u>
<i>Total 2016</i>	<u>79,389</u>	<u>-</u>	<u>79,389</u>	

**5. Investment income**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Property Rental Income	12,000	-	12,000	12,000
Bank Interest receivable	31,191	-	31,191	5,430
	<u>43,191</u>	<u>-</u>	<u>43,191</u>	<u>17,430</u>
<i>Total 2016</i>	<u>17,430</u>	<u>-</u>	<u>17,430</u>	

**6. Other incoming resources**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Exchange rate gains/losses	(1,652)	(66,395)	(68,047)	294,845
Gain/loss on disposal of asset	13,788	-	13,788	(45,676)
	<u>12,136</u>	<u>(66,395)</u>	<u>(54,259)</u>	<u>249,169</u>
<i>Total 2016</i>	<u>249,169</u>	<u>-</u>	<u>249,169</u>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Costs of raising funds**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Fundraising costs	347,255	3,237,399	3,584,654	2,704,393
Publicity costs	485,534	1,604,543	2,090,077	2,079,149
Event costs	119,066	934,536	1,053,602	2,150,845
Fundraising staff costs	104,241	1,631,355	1,735,596	1,190,000
	<u>1,056,096</u>	<u>7,407,833</u>	<u>8,463,929</u>	<u>8,124,387</u>
<i>Total 2016</i>	<u>1,679,139</u>	<u>6,445,248</u>	<u>8,124,387</u>	

**8. Grants to institutions**

	2017 £	2016 £
Novo Jibon	99,906	132,126
Orphans in Need	132,024	-
Global One	50,000	23,288
Dhaka Ahnsania Mission	172,636	30,000
Sabalambay Unnayan Samity	52,823	24,997
Nahla	-	2,557
Ethar Relief	157,359	61,159
Bicklang Avarn Upekshit Seva Sadan	-	95,748
Al Imdaad (India)	24,000	10,000
Afkar Society for Development and Relief	2,839	12,000
Al Sabireen Foundation for Sustainable Development	130,240	162,211
Al-Zakah Committee of Jerusalem	410,215	-
British Red Cross	26,000	-
Coffee4Craig	6,000	-
Finsbury Park Mosques	39,300	-
Islamic Welfare Association	403,830	158,787
Islamic University of Gaza	141,030	-
Jordan Hashemite Charity Organization	31,677	-
International Corporation for Sheep and Qurbani	-	73,943
OH Kalliri I Miresise	25,194	50,202
Les Mains Musulmanes	22,880	-
Minhaj-ul-Quran Welfare Foundation	19,152	-
Muslim Aid	50,000	-
Rainbow Foundation	185,133	326,710
READ Foundation	74,999	-
Good Governance Foundation	8,875	5,212
Green Lane Mosque	255,500	-
	<u>2,521,612</u>	<u>1,168,940</u>

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	2017 £	2016 £
Human Appeal International Gaza	975,598	-
Human Appeal Niger	64,692	49,179
Human Appeal Senegal	68,893	-
Humanitarian Memorial Appeal	5,000	-
International Corporation for Sheep and Qurbani	50,249	-
Baroness Warsi Foundation	-	10,000
Nour El Marifa	-	354,592
Association	-	409,125
HDSO Services Ltd	-	1,980,575
Gruppo Di Volontariato Civile - G.V.C. ONG/ONLUS	-	50,000
Empire Des Enfants	-	98,843
African Relief	-	36,112
Al Imdaad (Somalia)	-	79,211
Muslim Foundation for Culture and Development	31,146	55,295
Muslim Hands	141,899	-
Myittar Resource Foundation	21,270	-
National Zakat Foundation	51,000	-
Natuf for Environment and Community Development	143,660	-
Al Imdaad (Sri Lanka)	-	24,500
Islamic Welfare Association	-	232,030
Islamic Yatima Foundation	-	47,797
Tunisia Charity Aytam	-	74,977
Various mosques	-	224,525
Muslim Charity Forum	-	50,000
Mosaic	-	50,000
Approachable Parenting	-	5,104
Barnabus	-	280
British Refugee Council	-	3,000
Global One	-	8,245
Heart of England	-	10,000
Myriad Foundation	-	814
Noor Books First Education Limited	-	22,045
One Roof Leicester	-	20,170
Ramadan Tent Project	-	5,000
Scottish Outdoor Education Centres	-	4,800
Young Planners	-	6,000
Sawaed for Relief and Development	35,000	-
Smile Education and Development Foundation	71,717	-
The London Community Foundation	43,613	-
Tunisia Charity	36,765	-
United Muslim Relief - Jordan	53,646	-
United Muslim Relief - USA	30,325	-
Welfare Association (Taawon)	52,007	-
Multiple organisations small grants	219,793	205,522
<b>Total</b>	<b>4,617,885</b>	<b>5,286,681</b>

**HUMAN APPEAL**  
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**9. Analysis of expenditure on charitable activities**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Education	258,206	513,464	771,670	1,242,547
Humanitarian response	925,807	10,395,861	11,321,668	4,085,246
Food security	1,295,601	14,173,178	15,468,779	16,221,862
Sustainable livelihoods	20,148	159,228	179,376	268,104
Healthcare	83,936	753,727	837,663	1,523,217
Orphans and child welfare	109,526	808,292	917,818	3,033,699
Water, sanitation and hygiene	60,446	981,448	1,041,894	473,114
General country restricted income	558,257	450,950	1,009,207	-
	<u>3,311,927</u>	<u>28,236,148</u>	<u>31,548,075</u>	<u>26,847,789</u>
<b>Total 2016</b>	<u>2,271,718</u>	<u>24,576,072</u>	<u>26,847,789</u>	

**10. Other expenditure - capacity building**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Ireland	-	-	-	415,919
France	25,142	340,024	365,166	134,197
Spain	23,567	318,733	342,300	204,050
	<u>48,709</u>	<u>658,757</u>	<u>707,466</u>	<u>754,166</u>
<b>Total 2016</b>	<u>155,870</u>	<u>598,296</u>	<u>754,166</u>	

**11. Analysis of support costs**

	2017 £	2016 £
Costs of raising funds	582,745	563,472
Charitable activities	2,014,848	1,797,434
Other expenditure - capacity building	48,709	41,366
	<u>2,646,302</u>	<u>2,402,272</u>



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**Support costs by type**

	2017 £	2016 £
Staff costs	1,506,111	1,500,716
Depreciation	107,367	89,769
Other	1,032,824	811,787
	<u>2,646,302</u>	<u>2,402,272</u>

**Governance costs**

Included within support costs are governance costs as follows:

	2017 £	2016 £
Governance function	-	6,425
Auditors' remuneration	33,600	22,755
Non statutory audit fees	25,043	17,751
Legal and professional fees	225,822	100,752
	<u>284,465</u>	<u>147,683</u>

**12. Net income/(expenditure)**

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets: - owned by the charity	148,428	75,652
Amortisation of intangible fixed assets	18,036	4,222
Operating lease rentals	131,211	530,848
	<u>317,675</u>	<u>1,106,722</u>

During the year, no Trustees received any remuneration (2016 - £NIL).

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2016 - 4 Trustees, £1,223).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Auditors' remuneration**

	2017 £	2016 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	62,000	22,755
Fees payable to the company's auditor and its associates in respect of: All assurance services not included above	<u>17,809</u>	<u>17,751</u>

**14. Staff costs**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	5,012,804	2,472,494
Social security costs	169,325	169,294
Other pension costs	46,227	48,928
	<u>5,228,356</u>	<u>2,690,716</u>

1 termination payment of £29,000 was made during the year.

The average number of persons employed by the company during the year was as follows:

	2017 No.	2016 No.
	401	104

The number of higher paid employees was:

	2017 No.	2016 No.
In the band £60,001 - £70,000	0	1
In the band £70,001 - £80,000	1	0

The key management personnel of the charity, comprising of the leadership team and the executive directors team. The total employee benefits of the key management personnel was £492,939 (2016: £367,434).

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**15. Intangible fixed assets**

	Software £
<b>Cost</b>	
At 1 January 2017	332,593
Additions	88,483
At 31 December 2017	<u>421,076</u>
<b>Amortisation</b>	
At 1 January 2017	4,222
Charge for the year	18,036
At 31 December 2017	<u>22,258</u>
<b>Carrying amount</b>	
At 31 December 2017	<u>398,818</u>
At 31 December 2016	<u>328,371</u>

**16. Tangible fixed assets**

	Freehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2017	2,060,392	217,583	2,800	2,280,775
Additions	246,177	137,575	68,311	452,063
At 31 December 2017	<u>2,306,569</u>	<u>355,158</u>	<u>71,111</u>	<u>2,732,838</u>
<b>Depreciation</b>				
At 1 January 2017	124,602	64,360	1,225	190,187
Charge for the year	41,235	94,063	13,130	148,428
At 31 December 2017	<u>165,837</u>	<u>158,423</u>	<u>14,355</u>	<u>338,615</u>
<b>Net book value</b>				
At 31 December 2017	<u>2,140,732</u>	<u>196,735</u>	<u>56,756</u>	<u>2,394,223</u>
At 31 December 2016	<u>1,935,790</u>	<u>153,223</u>	<u>1,575</u>	<u>2,090,588</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Fixed asset investments**

	Other investments £
<b>Market value</b>	
At 1 January 2017	275,000
Disposals	(75,000)
At 31 December 2017	<u>200,000</u>

**Investments at market value comprise:**

	2017 £	2016 £
Investment properties	<u>200,000</u>	<u>275,000</u>

All the fixed asset investments are held in the UK

**18. Stocks**

	2017 £	2016 £
Stock in shops	<u>10,960</u>	<u>1,431</u>

**19. Debtors**

	2017 £	2016 £
Other debtors	1,893,669	4,260,620
Prepayments and accrued income	36,943	152,426
	<u>1,930,612</u>	<u>4,413,046</u>

**20. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Trade creditors	1,241,972	3,088,722
Other taxation and social security	74,589	115,896
Other creditors	151,418	103,925
Accruals and deferred income	525,842	1,145,094
	<u>1,993,821</u>	<u>4,453,637</u>

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**21. Financial instruments**

	2017 £	2016 £
Financial assets measured at amortised cost	<u>8,680,077</u>	<u>3,766,707</u>
Financial liabilities measured at amortised cost	<u>1,919,723</u>	<u>3,394,286</u>

Financial assets measured at amortised cost comprise cash at bank, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, accruals and other creditors.

**22. Statement of funds**

**Statement of funds - current year**

	Balance at 1 January 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2017 £
<b>Unrestricted funds</b>					
General Funds	<u>2,057,216</u>	<u>4,086,364</u>	<u>(4,416,732)</u>	<u>(339,050)</u>	<u>1,387,798</u>
<b>Restricted funds</b>					
Education	-	722,986	(791,003)	241,027	173,010
Humanitarian Response	2,521,426	13,757,299	(12,753,551)	(297,787)	3,227,387
Food Security	-	16,085,004	(16,320,555)	693,279	457,728
Healthcare	94,674	1,399,680	(1,058,155)	(68,347)	367,852
Orphans and Child Welfare	432,959	4,325,500	(2,642,216)	(30,788)	2,085,455
Water Sanitation and Hygiene	1,315,231	2,210,664	(1,950,300)	(166,107)	1,409,488
Other	-	1,613,245	(786,958)	(32,227)	794,060
	<u>4,364,290</u>	<u>40,114,378</u>	<u>(36,302,738)</u>	<u>339,050</u>	<u>8,514,980</u>
<b>Total of funds</b>	<u>6,421,506</u>	<u>44,200,742</u>	<u>(40,719,470)</u>	<u>-</u>	<u>9,902,778</u>

Transfers between restricted funds represent where funds are transferred between thematic areas where projects have overlaps. Note that in war zones, funds may be transferred between thematic areas based on need.

Transfers between restricted and unrestricted funds represents income where there is a restriction by country but not theme, that was previously recorded in unrestricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 January 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2016 £
<b>General funds</b>					
General Funds	<u>3,304,420</u>	<u>4,445,762</u>	<u>(4,106,727)</u>	<u>(1,586,239)</u>	<u>2,057,216</u>
<b>Restricted funds</b>					
Education	-	527,242	(1,463,415)	936,173	-
Humanitarian Response	1,513,848	5,868,600	(4,861,022)	-	2,521,426
Food Security	-	18,455,011	(19,105,077)	650,066	-
Healthcare	-	1,888,621	(1,793,947)	-	94,674
Orphans and Child Welfare	468,538	3,487,617	(3,523,196)	-	432,959
Water Sanitation and Hygiene	367,964	1,820,226	(872,959)	-	1,315,231
	<u>2,350,350</u>	<u>32,047,317</u>	<u>(31,619,616)</u>	<u>1,586,239</u>	<u>4,364,290</u>
<b>Total of funds</b>	<u>5,654,770</u>	<u>36,493,079</u>	<u>(35,726,343)</u>	<u>-</u>	<u>6,421,506</u>

**Summary of funds - current year**

	Balance at 1 January 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2017 £
General funds	<u>2,057,216</u>	<u>4,086,364</u>	<u>(4,416,732)</u>	<u>(339,050)</u>	<u>1,387,798</u>
Restricted funds	<u>4,364,290</u>	<u>40,114,378</u>	<u>(36,302,738)</u>	<u>339,050</u>	<u>8,514,980</u>
	<u>6,421,506</u>	<u>44,200,742</u>	<u>(40,719,470)</u>	<u>-</u>	<u>9,902,778</u>

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(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**22. Statement of funds (continued)**

**Summary of funds - prior year**

	<i>Balance at 1 January 2016</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 December 2016</i>
	£	£	£	£	£
General funds	3,304,420	4,445,762	(4,106,727)	(1,586,239)	2,057,216
Restricted funds	2,350,350	32,047,317	(31,619,616)	1,586,239	4,364,290
	<u>5,654,770</u>	<u>36,493,079</u>	<u>(35,726,343)</u>	<u>-</u>	<u>6,421,506</u>

**23. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2017</b>	<b>Restricted funds 2017</b>	<b>Total funds 2017</b>
	£	£	£
Intangible fixed assets	398,818	-	398,818
Tangible fixed assets	2,394,223	-	2,394,223
Fixed asset investments	200,000	-	200,000
Current assets	(1,377,589)	10,281,147	8,903,558
Creditors due within one year	(227,654)	(1,766,167)	(1,993,821)
	<u>1,387,798</u>	<u>8,514,980</u>	<u>9,902,778</u>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2016</i>	<i>Restricted funds 2016</i>	<i>Total funds 2016</i>
	£	£	£
Intangible fixed assets	328,371	-	328,371
Tangible fixed assets	2,090,588	-	2,090,588
Fixed asset investments	275,000	-	275,000
Current assets	3,020,494	5,160,690	8,181,184
Creditors due within one year	(3,657,237)	(796,400)	(4,453,637)
	<u>2,057,216</u>	<u>4,364,290</u>	<u>6,421,506</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**24. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2017</b>	<b>2016</b>
	£	£
Net income for the year (as per Statement of Financial Activities)	3,481,272	766,737
<b>Adjustment for:</b>		
Depreciation charges	166,464	79,873
Dividends, interest and rents from investments	(43,191)	(17,430)
Loss on the sale of fixed assets	-	45,676
(Increase)/decrease in stocks	(9,529)	1,771
Decrease/(increase) in debtors	2,481,943	(1,324,550)
(Decrease)/increase in creditors	(2,459,325)	2,003,179
Profit on the sale of investment properties	(23,903)	-
<b>Net cash provided by operating activities</b>	<u>3,593,731</u>	<u>1,555,256</u>

**25. Analysis of cash and cash equivalents**

	<b>2017</b>	<b>2016</b>
	£	£
Cash in hand	6,961,986	3,766,707
<b>Total</b>	<u>6,961,986</u>	<u>3,766,707</u>

**26. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £46,227 (2016 - £48,928). Contributions totalling £9,567 (2016 - £17,528) were payable to the fund at the balance sheet date and are included in creditors.

**27. Operating lease commitments**

At 31 December 2017 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	<b>2017</b>	<b>2016</b>
	£	£
<b>Amounts payable:</b>		
Within 1 year	121,000	131,211
Between 1 and 5 years	312,500	339,637
After more than 5 years	40,000	60,000
<b>Total</b>	<u>473,500</u>	<u>530,848</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**28. Related party transactions**

A project was setup between Human Appeal and Approachable Parenting Community Interest to assist three trainers who could coach parenting skills to new parents.

Payments amounting to £2,552 (2016:£7,656) have been paid to Approachable Parenting Community Interest. Approachable Coaching Limited is a company of which trustee, Dr Hussein Nagi, is a director. Approachable Parenting Community Interest Company is a company of which Dr Hussein Nagi's spouse is a director. No amounts were outstanding at the year end.

Donations from Trustees totalling £760 were received during the reporting period.



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