



Humanity & Inclusion UK

(a charitable company limited by guarantee)

Report and Financial Statements Year ended 31st December 2018

Company number: 4010383
UK Registered Charity number: 1082565



Contents

Legal and administrative information	3
Introduction from Chair and CEO	4
The Humanity & Inclusion network	6
STRATEGIC REPORT	8
Summary of HI UK's focus areas	9
Objectives and Key Achievements in 2018	11
Overseas programmes	11
UK projects	18
How supporters can get involved	19
How we spend your money	19
Future prospects	20
Principal risks and uncertainties	20
TRUSTEES' REPORT	21
Constitution of the charity	22
Charitable objects and Public Benefit	22
How we manage our affairs	22
Raising voluntary income	23
Financial review	24
Reserves policy	24
Trustees' responsibilities	25
Going concern	25
INDEPENDENT AUDITORS' REPORT	26
FINANCIAL STATEMENTS	29
Statement of financial activities	30
Balance sheet	31
Statement of cash flows	32
Notes to the financial statements	33
Acknowledgements	42





Legal and Administrative Information

Legal Name	Handicap International UK
Operating Name	Humanity & Inclusion UK (HI UK)
Board of Trustees	Peter Burdin (Chair) Chloe Marshall (Vice-Chair) David Rouane (Treasurer) Benjamin Cohen Richard Elliott Berangere Hassenforder (resigned 20/11/2018) Joyce McNeill Nicolas Ponset
Chief Executive	Aleema Shivji
Registered Office	9 Rushworth Street London SE1 0RB +44 (0)870 774 3737
Auditors	Crowe U.K. LLP St. Bride's House 10 Salisbury Square London EC4Y 8EH
Legal Advisors	Morgan, Lewis & Bockius LLP 5-10 St. Paul's Churchyard London EC4M 8AL
Bankers	Unity Trust Bank plc Four Brindley Place Birmingham B1 2JB
Company number	4010383
UK registered charity number	1082565
Website	humanity-inclusion.org.uk

Welcome to Humanity & Inclusion UK's 2018 annual report

2018 has been a special year for us with some very exciting achievements, starting with our rebranding.

After thirty-five years as Handicap International we became Humanity & Inclusion on the 24th January 2018. The name Handicap International is one that we are proud of and our history as a ground breaking, Nobel peace prize-winning organisation will never be forgotten. Humanity & Inclusion, our new name, embodies our values, encompasses the full breadth of our work in sixty-three countries around the world, and takes us into the future.

We want to thank all our supporters and partners for joining us through this new chapter in HI's story and enabling us to deliver our life-changing work for people who would otherwise be forgotten.

To celebrate our new name, we hosted an event in a prestigious and historic setting, The State Rooms of The Speaker's House in the House of Commons. We had the pleasure to welcome a special guest as our keynote speaker, the Rt Hon Penny Mordaunt MP, Secretary of State for International Development.

During her speech Mordaunt said "Only when all are able to reach their full potential, will nations and humanity be able to reach theirs" emphasising the importance to leave no one behind and we could not agree more.

During our rebrand event, the Secretary of State also announced the date of the world's first-ever Global Disability Summit on the 24th of July 2018, co-hosted in London by the UK with Kenya and the International Disability Alliance.

We were proud supporters of this event, a turning point for people with disabilities world-wide, as governments, companies and other stakeholders made ambitious commitments to promote tangible change for people with disabilities.

We are confident that with your support we will continue to make a positive impact to the lives of people living with disabilities and other vulnerable groups to ensure that no one is left behind.

On behalf of the trustees, our staff and our beneficiaries across the globe, we would like to express our deepest gratitude to all of our supporters, donors, partners and volunteers.



Peter Burdin
Chair, Humanity & Inclusion UK



Aleema Shivji
CEO, Humanity & Inclusion UK



The Humanity & Inclusion network

Our vision

Outraged at the injustice faced by people with disabilities and vulnerable populations, we aspire to a world of solidarity and inclusion, enriched by our differences, where everyone can live in dignity.

Our mission

HI is an independent and impartial aid organisation working in situations of poverty and exclusion, conflict and disaster. We work alongside people with disabilities and vulnerable populations, taking action and bearing witness in order to respond to their essential needs, improve their living conditions and promote respect for their dignity and fundamental rights.

Our values

Humanity

Our work is underpinned by the value of humanity. We include everyone, without exception and champion each individual's right to dignity. Our work is guided by respect, benevolence and humility.

Inclusion

We advocate inclusion and participation for everyone, upholding diversity, fairness and individual choices. We value difference.

Commitment

We are resolute, enthusiastic and bold in our commitment to developing tailored, pragmatic and innovative solutions. We take action and rally those around us to fight injustice.

Integrity

We work in an independent, professional, selfless and transparent manner.

Our international network becomes Humanity & Inclusion

On its 35th anniversary, the international Handicap International network changed its name to Humanity & Inclusion. This new name is based on the affirmation of a value that is central to our organisation, that of humanity. It also reflects an ambition that has driven our action for the last 35 years: the inclusion of people with disabilities and vulnerable people, so often left behind. For the first time in our history, our logo contains a very powerful symbol — a hand. This hand is a universal symbol representing dialogue, support, protection and care. It also says "Stop!", expressing our advocacy mission loud and clear.

The HI organisation

The HI organisation is comprised of a Federation, created in 2009, and eight national associations, founded between 1982 and 2006: Belgium, Canada, France, Germany, Luxembourg, Switzerland, the United Kingdom and the United States.

The Federation implements the network's social missions in around 60 countries, either under the name "Humanity & Inclusion" or "Handicap International", depending on the country.

The national associations are called "Handicap International" in Belgium, France, Germany, Luxembourg and Switzerland, and "Humanity & Inclusion" in Canada, the United States and the United Kingdom.



International recognition

HI was made co-laureate of the 1997 Nobel Peace Prize for its role in the International Campaign to Ban Landmines. In 1999, we obtained special consultative status with the United Nations. In 1996, the United Nations High Commissioner for Refugees awarded HI the Nansen prize “for its outstanding work with refugees”. In 2008, the Nansen prize was awarded to the United Nations Mine Action Coordination Centre for South Lebanon in recognition of the work carried out by its deminers, including three HI teams. In 2011, HI received the Conrad N. Hilton Humanitarian prize for its actions in support of people with disabilities.

In the NGO Adviser’s 2018 ranking of the world’s top non-governmental organisations, HI rated 12th. The criteria used to evaluate NGOs were transparency and accountability, governance, impact and innovation.



Our ambassadors

We are lucky to have the kind support of our UK ambassadors for HI’s programmes and advocacy efforts.

Eddie Ndopu is an internationally acclaimed, award-winning activist and humanitarian from South Africa. His support for HI focuses on the rights of children with disabilities living in developing countries.



© Shumon Ahmed/Hi

STRATEGIC REPORT



Summary of Humanity & Inclusion UK's focus areas

HI UK is part of the global Humanity & Inclusion network (HI), composed of a Federation, an Institute and eight national associations including HI UK. Our core values are humanity, inclusion, commitment and integrity.

The people we support:

- Populations at risk of diseases, violence or accidents liable to cause disability;
- Disabled people and people living with chronic disabling diseases;
- Refugees, people living in disaster areas or people displaced by crises, conflicts and catastrophes, especially those among them who are particularly vulnerable, injured or disabled;
- People threatened by weapons, munitions and explosive devices during or in the aftermath of conflicts.

Targeting in particular disabled and vulnerable populations, HI aims to:

- Rapidly and sustainably improve the living conditions of people, communities and populations, with the aim of attaining the highest possible level of well-being;
- In the context of a crisis, protect the life, health and dignity of affected people by providing appropriate relief and offering adapted solutions.

HI's overseas programmes carried out for the public benefit can be grouped in the following areas:

Overseas Activities: Emergencies

Disabled and vulnerable people often struggle to access vital aid and services during crises such as conflicts and natural disasters. Our emergency teams work to make sure that no-one is forgotten. We provide healthcare, rehabilitation and psychosocial services, ensure that water, sanitation and shelters are accessible, and distribute emergency aid. We also raise awareness of other organisations about the needs of disabled people and other vulnerable groups in an emergency, and work with them to make their programmes inclusive.

Overseas Activities: Long-term development

People with disabilities are often the poorest of the poor, subjected to exclusion and denied their fundamental human rights. We work with disabled people of all ages to make sure that they are included in every aspect of society. Our projects give disabled children the chance to get an education, help create better job opportunities for disabled adults, promote inclusive sports and improve accessibility in communities. We work alongside local disabled people's organisations to help them advocate for their rights and get their voices heard.

We also transform people's lives by fitting artificial limbs, providing rehabilitation and psychosocial services and mobility aids. By changing attitudes towards disability, setting up rehabilitation centres and training local professionals, we make a long-lasting difference to communities. Our teams also raise awareness about HIV & AIDS, and non-communicable and neglected tropical diseases. By supporting health and social care systems, and working alongside local partners, we make sure that disabled people can access the services they need in a sustainable way.

Overseas Activities: Explosive weapons and armed violence

Explosive weapons including landmines and cluster munitions continue to injure and kill civilians in countries all around the world. We help survivors rebuild their lives through counselling, artificial limb fitting, physiotherapy, inclusive education, income-generating and community activities. Our experts train local teams of deminers to clear land of unexploded explosive weapons. We also reduce the number of accidents by educating local communities about the risks. At the international level, we campaign for a ban on these deadly weapons and work alongside survivors to ensure their voices are heard.

As part of the HI Network, HI UK fully adheres to HI's aims and contributes to supporting HI's actions overseas.

Domestic Activities

In the UK, our programmes carried out for the public benefit include:

- Raising awareness of the general public about the impact of explosive weapons (such as landmines and cluster munitions) and armed violence, through our Stop Bombing Civilians campaign
- Influencing and advising on policies and practice, particularly on disability inclusion, with government and non-governmental partners
- Managing an online resource centre which provides key resources on disability and development issues
- Carrying out research to collect and use disability data in humanitarian crises
- Training UK rehabilitation professionals to prepare them for overseas deployment with the UK Emergency Medical Team (UK-EMT)
- Partnering with other institutions and organisations to further our charitable objectives.

Key facts and figures

- Over 15% of the world's population, or one billion people, live with a disability.^[1]
- 93 million children worldwide live with a moderate or severe disability. A disability can more than double the likelihood of a child not being in school.^[2]
- Only 5-15% of people needing a wheelchair have access to one; 200 million people needing visual devices do not have access to them.^[3]
- Every year, tens of thousands of civilians are killed and injured by the use of explosive weapons in towns and cities.^[4] HI estimates that more than 50% of injuries sustained by Syrians are caused by the use of explosive weapons.^[5]

1. World Report on Disability. World Health Organization (WHO) and World Bank, 2011.
2. Equal right, equal opportunity report. Global Campaign for Education and Handicap International, 2014.
3. Why should Rehabilitation be integrated into health systems?, Handicap International, 2015.
4. Action on Armed Violence, based on media monitoring.
5. Syria, A Mutilated Future, Handicap International, June 2016. (This report is based on an analysis, conducted between June 2013 and December 2015, of the situation of 25,000 HI beneficiaries).



Objectives and Key Achievements in 2018

2018 was the third year of our 2016-25 strategy, For More Solidarity and Inclusion in the World, and here are some of our key achievements against our objectives:

- Launched our new brand at the start of the year, leading with a high-profile event in Parliament and online engagement with our supporters
- Completed the field-work for our exciting project to enhance collection and use of data on disability in humanitarian crisis situations, and started disseminating knowledge and training others
- Supported the UK and Kenyan governments and the International Disability Alliance to deliver the world's first Global Disability Summit
- Launched a new partnership to support the government and its partners to improve inclusion of people with disabilities affected by the Syrian crisis
- Welcomed Eddie Ndopu as our first HI UK Ambassador; Eddie has ambitious plans to be the first disabled person in space and has recently taken on a role as Special Advisor to the UN. We are excited that he will be using both of these platforms to raise the profile of HI UK and specifically our work in Inclusive Education.
- Continued our engagement with the Start Network, a consortium of 42 leading international aid organisations, leading for change in humanitarian aid
- Achieved 12,000 more signatures for our Stop Bombing Civilians campaign
- Carried out essential work to ensure we were compliant with new Data Protection regulations when they launched in May 2018.

In 2018 we also revisited our UK strategic objectives, grouping all our work under three themes, against which we will report in subsequent years to 2025, the end of our current strategy:

By 2025, HI UK will:

1. Bring tangible improvement to the living conditions of people with disabilities and vulnerable populations through key opportunities linked to our organisational mission
2. Be an innovative fundraising organisation, responding to the funding opportunities available to meet the needs of our programmes
3. Have a diverse, happy and connected workforce, in an innovative, compliant and tech-savvy environment, which results in the effective delivery of our UK plans and HI's 10 year strategy.

The Humanity & Inclusion 2016-25 Strategy "For More Solidarity and Inclusion in the World" is available on our website at: humanity-inclusion.org.uk/en/the-hi-network.

The following sections highlight some of our key achievements in further detail.

Overseas programmes

During the 2018 financial year, HI UK has supported a number of HI's overseas programmes. The HI Network mobilises resources and manages projects around the world. Our programmes are implemented with a wide range of local, national and international partners.

Below is a snapshot zooming in on some of the major programmes HI UK has supported.

Mental health, rehabilitation and inclusion: supporting Syrian refugees

Massive bombardments in populated areas have had terrible humanitarian consequences in Syria: families torn apart, serious and disabling injuries, heavy psychological trauma, forced displacements, impoverishment of the populations and destruction of essential infrastructure (e.g. hospitals, ports, bridges).

After 8 years of war, 11.7 million Syrians - 70% of the population - are in need of emergency humanitarian assistance. Access to basic services (health services, food, clean water, shelter, etc.) remains an absolute priority, while the country's contamination with explosive remnants - unprecedented in the history of mine clearance - prevents the return of the population and will considerably complicate the country's reconstruction.

Syria is one of the most disabling crises in history. More than 60% of Syrian refugee households have a disabled person and one fifth of refugees in Lebanon and Jordan have a disability. For the past 7 years, HI has been assisting Syrian refugees through psychosocial support and rehabilitation projects. Thanks to our action, more than 340,000 people in Jordan and Lebanon have been helped.

340,000

people benefitted from emergency rehabilitation and psychosocial support sessions.

In 2018, HI conducted a major study to improve the inclusion of Syrian refugees with disabilities. This study intends to give humanitarian actors precise information on persons with disabilities among Syrian refugees in Jordan and Lebanon, and to encourage those actors to adapt the ways they conduct their humanitarian programs, by including the needs of people with disabilities.



Kamal's story

15-year-old Kamal was asleep at home in Dera'a, Syria, at 1am, when his house was devastated by a blast. Kamal's legs and right arm were injured in the bombing.

"I woke up with shards of glass all over my body, and the bedroom door had collapsed on me. The air was dusty. My brother was trying to take me to my mother's room, but I could not stand on my legs," says Kamal.

"I never used weapons, and yet it was me that was bombed. I felt only sadness. When you do not feel safe in your own country, where can you be?" he adds.

In summer 2012, Kamal and his family decided to flee Syria and find refuge in Jordan. Humanity & Inclusion's team in Jordan has been supporting Kamal with rehabilitation sessions.

"My only wish is that the war never happened, that we could continue living there, that my house was not destroyed. It's not a war, it's pure destruction," says Kamal.

"Today, I'm in Jordan, I think every day that I have to forget what happened there, to have a new beginning in life. I continue my studies, and I want to have a good job - if I can, I want to become a doctor to help people who are like me, and to help myself too".

Our work on the Syrian crisis is generously supported by the UK government's Department for International Development, the Ajamah Foundation and numerous other supporters.

Bangladesh

Inclusive livelihoods

The Household Income and Expenditure Survey (HIES) carried out by the Bangladesh Bureau of Statistics in 2016 shows that in Bangladesh around 23% of people are living in poverty and 13% are living in extreme poverty.

According to the World Bank, the cost of excluding persons with disabilities (and their caregivers) from education and employment in Bangladesh is US\$1.2 billion annually, or 1.7% of gross domestic product.

A joint study by HI and Nossal Institute (University of Melbourne) in 2017 in two districts of Bangladesh (Kurigram and Narsingdi) shows 72% of people with any disability reported a need for assistive devices which they don't currently have.

Thanks to support from the UK government's Department for International Development and together with local Disabled Persons Organisations and other partners, we are running two projects primarily aimed at improving livelihoods and economic circumstances of people with disabilities, in particular, the ultra-poor.

The projects are supporting people with disabilities and their families graduate out of extreme poverty and out of poverty, have better access to services, and make them less vulnerable to shocks and natural disasters.

72%

of people with disabilities surveyed reported a need for assistive devices that they didn't have.

In 2011, under a DFID grant, we first piloted the disability-inclusive graduation model, building on the globally-recognised graduation model for bringing people out of extreme poverty. 100% of participants showed positive growth toward sustainably graduating out of poverty, and approximately 80% graduated by the end of that phase. These projects are scaling up earlier successes, reaching more people.

Activities include access to assistive devices and specific medical services, skills training, individualised plans and business start-up support.



© Shumon Ahmed/Hi

Maternal and child health

DRC is among the poorest countries in Africa, where 89% of people live on less than \$2 per day. HI has been working in the country since 1994, providing rehabilitation to children and adults with disabilities and those who are victims of violence. We also promote the inclusion of children with disabilities in schools and we work to prevent disabilities in babies, and provide health and safety measures for expectant mothers.

After decades of conflict contributing to devastating poverty in DRC, pregnant women struggle to access health workers with the midwifery skills and the resources needed for the sanitary and safe delivery of their babies. As a result of this:

- 1 in 137 Congolese women die during childbirth due to unsanitary conditions and a lack of awareness of healthcare measures
- 1 in 10 Congolese children die before their fifth birthday
- 1 in 5 Congolese babies die in the very first days of their life.

Hospitals in DRC are struggling from lack of money - they have great difficulty paying their staff and most equipment has not been replaced or updated in decades.

1 in 10

Congolese children die before their 5th birthday.

In DRC HI has the following activities:

- We provide local hospitals with equipment for maternity wards including incubators, delivery tables, scales, blood pressure monitors, instruments for caesareans, and mats for beds.
- We train midwives and health workers on how to handle haemorrhages (the most common reason for women dying during childbirth in the DRC) and what to do when a baby stops breathing.
- We teach staff and mothers the 'Kangaroo technique' – a measure used to stabilise the temperature of underweight babies through

skin contact and to stimulate the child's development. In the only hospital in Bumbu, a suburb of Kinshasa (the capital of DRC), we've built a special unit specifically to support with this highly effective method.

- We train health workers who raise awareness of the importance of maternal healthcare. They work in local communities offering advice to pregnant women who cannot attend pre- or post-natal consultations due to the unaffordable cost or a lack of education on their importance.
- We provide rehabilitation care for babies and children born with disabilities. Our expert physiotherapists fit children with prosthetic limbs and teach them how to walk.
- We equip hospitals with rehabilitation equipment such as parallel bars and exercise balls, so that children with cerebral palsy can strengthen their muscles and learn to walk.



The impact so far

Our teams on the ground in DRC are committed to transforming the maternal healthcare system so that as many Congolese women as possible are able to have safe uncomplicated pregnancies and go onto have healthy babies.

119,531

children under the age of 5 have received support from HI

- We have supported and cared for 132,114 women of child-bearing age
- We have supported and cared for 119,531 children under the age of five
- We have opened up a Centre for Mother and Child in the hospital in Bumbu, a suburb of Kinshasa with a population of 337,000. Since setting up the centre, the number of women that attend consultations before and after giving birth has risen from 22% to 38%. We have also trained one gynaecologist and 23 midwives in the hospital.

"Thanks to Humanity & Inclusion's training we can identify problems much sooner, allowing us to take prompt action or refer when necessary. Since they have been working with us we've not had a single fatality in our hospital," said Lily Nsongo, head midwife in the Centre for Mother and Child, Bumbu hospital.

We are supporting this project through the generous support of our corporate partner Euromonitor International.



Patrick's story

When HI first met Patrick, he was crawling around the rough black volcanic rock of Mugunga 3, a camp for people displaced by the rebel conflict in North Kivu, Democratic Republic of Congo. His clothes were covered in black volcanic dust. Due to a congenital malformation, Patrick was born without hands or legs and so he crawled or scooted around as best he could.

Patrick lives in a tent with his mother and sister. His father abandoned the family when he was born.

"Meeting Patrick was a very powerful experience for the whole team," says Aurélie Viard, who manages the project that identified him. "He's a wonderful boy, so full of life. Every

time we meet him, he reaches out his arm for a heart-felt high five."

HI's team fitted Patrick with artificial legs and gave him regular sessions at a centre for physiotherapy. When an amputee or someone born without legs is first fitted with an orthopaedic device, they usually need to use crutches for a while. Because he can't use crutches, Patrick finds the process more difficult.

"Patrick's got his own way of doing things, and he'd really rather play with a ball than practice with his prostheses between parallel bars at the centre," says Aurélie. "But, we always find a way of encouraging him to go the extra mile. It's a big challenge, but we think he's capable of it, and he can count on the support of our teams."

Inclusive education

An inaccessible education system can lead to children with disabilities being in an increasingly vulnerable situation, which can result in further marginalisation and a perpetual cycle of poverty.

Our Inclusive Education projects aim to ensure that all children are afforded equal rights and opportunities in education. It is an approach which values diversity as an essential part of the teaching and learning process, combatting the isolation of individuals, celebrating difference and promoting learning for all.

From the UK, our Inclusive Education specialist supports more than 15 countries to implement inclusive education projects. Some of our Inclusive Education activities include:

- Publishing and distributing training manuals for teachers and delivering training sessions on Inclusive Education
- Making schools and teaching materials physically accessible. This includes building ramps, widening classroom doors, adapting toilet facilities and providing disabled children with inclusive learning tools, such as braille books, sensory equipment and symbol software.
- Providing training sessions for parents to enable them to better understand the educational potentials of their disabled child, as well as breaking down the stigma around disability.
- Supporting parents in the school enrolment process, introducing them to teachers and being on hand to deal with any questions or concerns.



Our impact

The impact of our approach is evident if you look at the two very different pathways with and without our Inclusive Education programmes.

Fanta, 7, lives with her mother and younger brother in a remote village in Sierra Leone. Born into severe poverty, Fanta has cerebral palsy due to a difficult birth.

The future is bleak

Fanta cannot walk, and because she has no wheelchair, she is stuck at home all day. She is desperately upset to be left behind every morning when the other children leave for school and she can't join them. However her local school is not inclusive and does not cater for Fanta's needs. Her hopes for an education are dashed, and her life prospects and chance for independence are seriously reduced.

The future is bright

Fanta's disability hasn't held her back one bit! With help from HI's Sierra Leone team, her local school have made learning inclusive so that all children with disabilities are accepted and accommodated. Fanta's school are also involved in awareness raising events for the community and for pupils, so that disability can be better understood. In addition, HI has provided Fanta with a wheelchair so that she can get to and from school easily.

Fanta absolutely loves going to school - her favourite thing is writing and she looks forward to her future and the chance to work hard and one day contribute to the family income.

Our education project in Sierra Leone is in partnership with Plan International UK, and funded by the UK government's Department for International Development.

Restoring livelihoods and building resilience

On 8th November 2013, Typhoon Haiyan struck the Philippines, affecting more than 15 million people. Together with Plan International UK and thanks to funding from the Big Lottery Fund, we are promoting a comprehensive approach to effectively advance the Haiyan recovery process and build the resilience of the most vulnerable groups.

Activities encompassing supporting livelihoods, Disaster Response Management and health and wellbeing also contribute to strengthening the communities and capacity at all levels to better prepare for and mitigate the impact of future disaster risks.

We are implementing activities supporting the restoration of local income generation. These activities are based on thorough market-assessments and participatory consultations/ planning with local groups which ensure gender and inclusion-sensitive training and skills development. These are conducted in partnership with

accredited training institutions to ensure greater sustainability/outreach. Micro-grants support start-ups and entrepreneurship opportunities for disadvantaged groups.

Training and start-up kits targeting Haiyan affected livelihood groups such as fishers and farmers ensure the transfer and application of climate adaptation and disaster resilience skills. The disaster management needs of at risk groups are addressed through disaster risk management capacity building, including in community groups and identifying at risk groups.

The project further supports the provision of early warning and preparedness kits, and conducts drills and awareness raising to ensure local plans and resources are fit for purpose. Recovery efforts to restore the longer terms health and wellbeing of Haiyan affected populations include the training of health workers and community health education through home visits.



© Till Mayer/HI

UK projects

Global Disability Summit

Humanity & Inclusion UK was proud to support the UK government, the Kenyan government and the International Disability Alliance to deliver the world's first Global Disability Summit, in London in July. The aim of this Summit was to generate sustainable commitments from developing country governments, donors, civil society, foundations and the private sector. And among the notable immediate outcomes from the summit were the 170 sets of ambitious Commitments, over 300 organisations and governments signing the Summit's Charter for Change and a new call to action on disability inclusion to "move from rhetoric to action".

During the Summit we had the opportunity to showcase some of the innovative ways we are supporting people with disabilities, from 3D printing of prosthetics to the use of symbol software in the classroom to enable children with learning

difficulties. Speaking at a session on the Syrian crisis, we called for all humanitarian actors to ensure people with disabilities are not left behind during crises. Finally, we were excited to launch a new strategic partnership with BRAC, a world-leading NGO. In the UK, we continue to work with the UK government and partners to turn the commitments from the Summit into tangible changes for people with disabilities around the world.

Stop Bombing Civilians Campaign

We continued to raise awareness about the forgotten victims of conflict, working in partnership with local schools, clubs, community groups and individual supporters. In total, 30 awareness raising events took place around the UK (often using HI UK awareness resources), with over 5,000 people taking part. Events included school workshops and talks to community groups.

In parallel, we continued to gather support for our Stop Bombing Civilians campaign, successfully gathering a further 12,000 signatures for our petition this year. 2018 saw a significant step-change in our parliamentary engagement in support of the campaign. Supporters (individuals, community groups and school pupils) were a key part of this writing letters and sending emails to MPs. The Ministry of Defence replied to two parliamentary questions on the protection of civilians as a result of HI UK campaign activity, and we are building support across multiple political parties.

UK EMT

2018 has been another busy year for the UK Emergency Medical Team (UK EMT) project, implemented in partnership with the Department for International Development, UK Med and the Fire and Rescue Services. Over the year we have continued to run clinical training for staff drawn from the National Health Service in the UK, including dedicated training for rehabilitation specialist teams. Combining medical, nursing and rehabilitation expertise, teams practice in a simulated disaster environment to learn how to establish the specialist cell, how to embed into a national facility, and are then put through their paces in a continuous 24 hour exercise. Thanks to support from the AO Foundation we launched an exciting new initiative to bring together leading humanitarian organizations and clinical specialists to develop a comprehensive evidence-based training package to improve knowledge dissemination and support clinical decision-making and practice in emergencies. This work will continue in 2019.

Finally, the team visited HI projects in Bangladesh and Myanmar to support local efforts to improve disaster planning, and to develop links between local efforts and the UK EMT.



How supporters can get involved

- Individuals can make a donation, sign our petition, support us at work through payroll giving, or organise a fundraising event in their community or office.
- Teachers can use our free resources to support their pupils to fundraise and raise awareness at school.
- Community groups can fundraise, raise awareness in their community and get involved with our campaigns.
- Major Donors, Companies & Trusts can call us to arrange a meeting to explore how they can make the biggest difference through a bespoke partnership.
- Anyone can leave a legacy and help save lives. Please consider remembering HI UK in your will, so you can continue to repair lives all over the world for generations to come. Even the smallest gift can help.

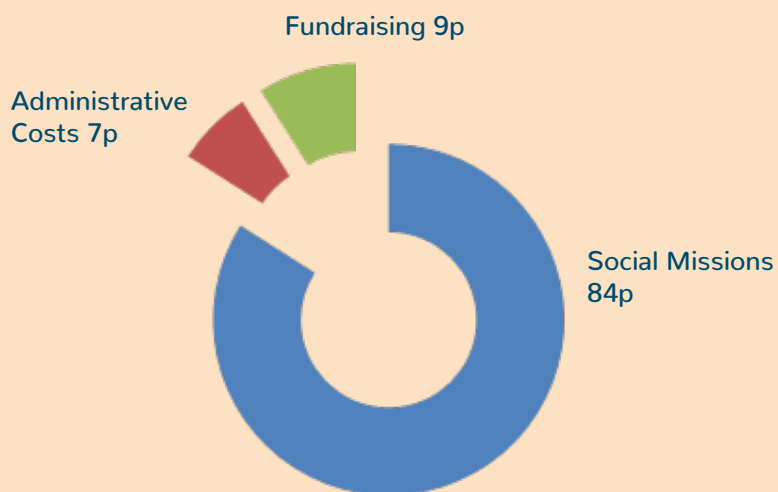
Please visit humanity-inclusion.org.uk or call us on 0870 774 3737 to find out more.



How we spend your money

For every pound spent by the HI Organisation (including HIUK) in 2017⁽⁶⁾:

- 84p** was spent on our social missions
- 9p** was spent on fundraising costs
- 7p** was spent on administrative costs.



6. The HI Organisation includes the HI Federation and the eight National Associations (Belgium, Canada, France, Germany, Luxembourg, Switzerland, the United Kingdom and the United States of America). The 2018 Federal accounts will only be available in June 2019 and therefore these figures relate to the 2017 financial year.

Future Prospects

Here are some highlights for the coming year:

1. Bring tangible improvement to the living conditions of people with disabilities and vulnerable populations through key opportunities linked to our organisational mission.
 - Work with the World Health Organisation to have the Spinal Injury Cell we developed in 2017 as part of the UK Emergency Medical Team verified to global standards.
 - Strengthen engagement with Parliamentarians and the general public on our Stop Bombing Civilians campaign.
 - Continue supporting HI's overseas programmes to deliver emergency response and sustainable long-term development programmes.
 - Work with partners to amplify our impact.
2. Be an innovative fundraising organisation, responding to the funding opportunities available to meet the needs of our programmes.
 - Implementing an exciting new partnership with the People's Postcode Lottery to support Syrian refugees and host communities, and our Stop Bombing Civilians campaign.
 - Strengthening engagement with UK government offices overseas, increasing our focus on trusts and foundations, and bidding for commercial contracts for activities within our core charitable purpose.
3. Have a diverse, happy and connected workforce, in an innovative, compliant and tech-savvy environment, which results in the effective delivery of our UK plans and HI's 10-year strategy.
 - Launching a new partnership with the Global Disability Innovation Hub to test 3D printing of splints in East Africa.
 - As part of our focus on being a Disability Confident Employer, continuously improve our recruitment practices.

Principal Risks and Uncertainties

The risk management process has identified the following principal risks to HI UK that could have a large impact on the organisation if they occurred:

- That a staff member, volunteer or beneficiary of HI UK is the victim of some form of harm, including, but not limited to, abuse. In the last year together with the wider HI organisation, we have taken a number of actions to reduce this risk including introducing a Code of Conduct, a review of our safeguarding policies, hiring a safeguarding officer, and carrying out refresher training with our staff.
- That as a result of changing government priorities and mechanisms for accessing funding, as well as increasing competition, HI UK may be unable to secure the right level of funding to maintain delivery of all of the programmes it currently funds at existing levels. To mitigate this risk, we are working in collaboration with other stakeholders to bid jointly for funding, we are prioritising multi-year opportunities, and we are skilling up our team and HI organisation colleagues in managing new forms of funding, principally commercial contracts.

Over the course of 2018, HI UK took necessary measures to ensure compliance with new data protection regulations introduced in May 2018 (GDPR) including updating our policies and IT infrastructure, staff training and introducing new mechanisms to capture data breaches.

TRUSTEES' REPORT



The Trustees present our report and accounts for the year ended 31st December 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with the charity's Articles of Association. The accounts follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statement of Recommended Practices for Charities.

Constitution of the Charity

Handicap International UK (HI UK) was founded in 1999, registered as a company limited by guarantee on 8th June 2000 and as a charity on 22nd September 2000. As of the 24th of January 2018, the charity has adopted a new operating name, Humanity & Inclusion UK, which is the name referred to throughout this document, alongside HI UK.

The organisation is governed by its Articles of Association, a copy of which is available at the registered office. HI UK is part of the global Humanity & Inclusion Network (HI), composed of a Federation, an Institute and eight national associations including HI UK.

Charitable objects and Public Benefit

Co-winner of the Nobel Peace Prize, HI is an international aid organisation working in situations of poverty, exclusion, conflict and disaster. Outraged by the injustice faced by people with disabilities and vulnerable populations, we aspire to a world of solidarity and inclusion, enriched by our differences, where everyone can live in dignity.

The charitable objects of HI UK are to relieve and assist people in charitable need, particularly (but not exclusively) in situations of deprivation or disability, and to improve the living conditions of those in need irrespective of the nature or cause and irrespective of the religious, ethnic or political origin of beneficiaries, both nationally and globally. We also work to preserve life and promote the health and well-being of those in need, in particular of those who are victims of conflict, natural or other disaster.

We carry out those charitable objects for the public benefit by working alongside people with disabilities and other vulnerable populations, by taking action and raising awareness in order to respond to their essential needs, improve their living conditions and promote respect for their dignity and fundamental rights.

HI UK has taken into consideration the Charity Commission's guidance on public benefit when outlining the objectives and activities for the year being reported on, as well as for subsequent years within our strategy.

How we manage our affairs

Governance and internal control

HI UK is governed by its Board of Trustees which is responsible for ensuring a strong strategic focus in line with the charitable aims of the organisational and with the Humanity & Inclusion global strategy.

In line with governance best practice, the Board aspires to follow the principles of the voluntary Charity Governance Code as proportionate to the charity's circumstances.

Board meetings are held a minimum of four times per year and additionally if required. The Finance and Audit sub-committee and the Human Resources sub-committee of the Board meet as necessary between board meetings, at least four times a year, and make recommendations to the full Board. The Risk sub-committee meets as necessary between board meetings, at least two times a year, to review and monitor key risks faced by HI UK, and to provide oversight to the Executive Director and senior management who implement prevention and mitigation measures, as well as monitor risks on a regular basis. Recommendations made and actions agreed by all Board sub-committees are ratified at Board meetings. Day-to-day management of the organisation is devolved to the Chief Executive, who reports to the Board and has frequent contact with the Chair and Trustees.

None of the Board members have any beneficial interest in the charity. All of the Trustees are members of the charity and guarantee to contribute £1 in the event of a winding up of HI UK.

Appointment of trustees

HI UK aims to select trustees in a manner consistent with its equal opportunities policy.

Trustee vacancies are advertised where relevant, all applicants are interviewed by a panel of the Board, and appointments are made on merit against objective criteria and considering the benefit of diversity. Trustees are appointed for a three year term and are subject to a re-election procedure.

On formal acceptance of the invitation to join the Board, new trustees are given an induction which includes information about HI and HI UK's work policies and procedures, governance (including trustees' roles and responsibilities) and an explanation of the relationships with the Federation and other national association members, as well as the Federal and national strategic plans. Trustees also have induction training in our global HQ in Lyon, France.

The current trustees are shown on page 2.

Organisational structure

During 2018, HI UK employed a team of 26 full-time and part-time staff to achieve its charitable objectives. HI UK was also supported by 19 volunteers and 3 secondments from the civil service with varied roles across the organisation.

HI UK strives to be a median employer against a comparable market. Salary increases are based on a combination of cost of living and performance-related measures, and are reviewed annually. At the end of 2017 the HR committee of the Board commissioned a reward review, which was carried out in early 2018. Working with an external agency, the salary scale and benefits were benchmarked against a comparable market. A revised salary scale was agreed by the Trustees. The Trustees also approved the introduction of childcare vouchers and a policy offering two paid days per year to undertake volunteering.

During 2018 we continued to qualify as a Disability Confident Employer.

HI Network

As a member of the HI Network, HI UK supports and contributes to the work of the wider network. An international governance structure and operational framework has been agreed within the network in order to rationalise and share resources and the Federation has agreed to meet any shortfall of funds as agreed in our joint strategy. In 2018, the HI UK Board was represented on the Federal General Assembly with three seats. This General Assembly has ultimate governance oversight of the HI Organisation.

Since 2010, the Federation has been allocating reserves to each national association, and in the case of HIUK, has been contributing to private fundraising investment, UK charitable activities and support costs.

For the amounts outstanding between HI UK and the other national associations at year end, see note 18.

Raising voluntary income

HI UK is a member of both the Institute of Fundraising and the Fundraising Regulator, as we believe in maintaining the highest standards in our fundraising. We also comply with best practice in fundraising through the Code of Fundraising Practice. HI UK is also adhering to a plan for GDPR compliance. Our donor promise has been updated and can be found on the website at: humanity-inclusion.org.uk/en/our-promise-to-you. We have a vulnerable persons policy in line with GDPR requirements. We ensure that any third party organisations we work with adhere to all the above.

To enable HI UK to continue to work towards delivering the HI 2016-25 Strategy to meet the growing and evolving needs of our beneficiaries, we are continually reviewing and honing our plans for raising voluntary income from individual donors including grassroots supporters, major donors, trusts and foundations, and corporate partners. Our priority continues to be diversifying and increasing long-term, sustainable sources of income, whilst demonstrating the impact of our work and being transparent with our supporters.

We have started investing in testing new forms of fundraising accessing new technology, namely digital fundraising; and have begun to develop a legacy program, increasing our legacy prospects by over 75%. We continue to improve our engagement with our mail donors, creating better mailings and a regular newsletter. With our new name we have been able to test digital acquisition using social media and telephone to increase the number of regular givers that HI UK has. This is a program that will continue into 2019. We are also developing our major giving programme and in 2018 we hosted a name change launch event at the Speaker's State Rooms in the Houses of Parliament, for prospective and existing major givers, MPs and some celebrities. This was hosted by the Secretary of State for International Development. The investment in Trust & Foundation and Corporate partnerships is really starting to bear fruit. An exciting partnership has been secured for 2019 with People's Postcode Lottery, and Euromonitor International is renewing their support into 2019.

In 2018 we had more media presence than in other years with coverage on many mainstream media. In March, our demining team in Laos where featured in an episode of Earth Natural Wonders on BBC1 and BBC2. During the Global Disability Summit in July 2018, HI's actions around the world were covered by different media including the Guardian and the BBC and in September our new ambassador Eddie Ndopu was interviewed in the Guardian and advocated for the 32 million children with disabilities in the world who are not able to access education.

In 2018 HIUK generated 7 complaints (4x around the name change, 2x donor care, and 1x communication sent to a deceased supporter). All complaints were responded to and resolved.

Financial review

HI UK income in 2018 was £7.08 million, which represents a 3% increase from 2017 where we had an income of £6.86 million.

This was lower than target, primarily to slower than planned growth of institutional funding, which remained steady at just over £5 million. A number of decisions expected earlier in the year came later than anticipated, impacting income in the short-term. However, with a long-term view, HI UK now has some grants secured through to 2023. In 2018 HI UK consolidated work to bid for commercial

contracts to achieve charitable objectives, which saw HI UK enter into its first commercial contract in 2018, with agreements made as sub-contractor on a further two contracts.

Donations and contributions in-kind from individuals, groups, trusts and corporates increased by 47% from 2017 to £666,831. This was due to a positive response to our rebrand, improvements in the way we communicate with supporters, and a doubling of contributions in-kind across marketing, specialist expertise, training, and software.

Income raised allowed us to support 23 countries, 3 regional and 8 global programmes. Charitable activities represented 89% of the expenditure incurred from total income. For further information on the programmes HI UK supported this year, please see pages 11 to 18.

HI Federation continued its strategy to maintain investment in HI UK, providing in total £1,053k (2017: £941k) to support HI UK's strategy to grow, invest in UK projects, diversify our income sources and support our running costs.

For further details, please see the accounts on pages 29 to 41.

We are proud to be part of the global HI Network which takes value for money seriously. In 2017, 84p from every pound raised across the network was spent on HI's programmes. See page 41 for details of these related party transactions.

Reserves policy

HI UK has a reserves policy which states that HI UK retains the equivalent of three months of UK activity, based on budget projections. The amount is reviewed as budget projections are revised. HI UK's reserves are intended to act as a sensible contingency against unexpected expenditures or shortfalls in fundraising, and to facilitate cash flow.

At the end of the year, HI UK's total reserves stood at £281,540. Based on budget projections for 2018, the minimum reserve levels should equal £107,000. This minimum reserve level is a guide, and taking into consideration the size of our organisation and the investments we are making in new activities, the Trustees feel these higher reserves are appropriate at this time. These reserves have been established at HI UK by the HI Federation and are held with Unity Trust Bank plc.

Going concern

HI UK has adequate resources to continue its operational existence for the foreseeable future, with a number of institutional grants having been secured for 2019 and beyond. In addition, HI Federation has confirmed it will provide sufficient funds to continue to support the charitable activities of the company. The Trustees believe that it is, therefore, appropriate to continue to adopt the going concern basis in preparing the annual trustees report and financial statements.

Trustee's responsibilities

The Trustees (who are also directors of HI UK for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial

statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

Insofar as each of the trustees of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Registered office:
9 Rushworth Street
London, UK
SE1 0RB

Signed on behalf of Trustees



Treasurer: David Rouane

Date: 2nd May 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HANDICAP INTERNATIONAL UK
FOR THE YEAR ENDED 31ST DECEMBER 2018



Opinion

We have audited the financial statements of Handicap International UK (operating as Humanity & Inclusion UK) for the year ended 31 December 2018 which comprise the Statement of Financial Activities, Balance sheet, Cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 25, 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. 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tim Redwood
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
St Bride's House
10 Salisbury Square
London EC4Y 8EH, UK

Date: 2nd May 2019

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure account)
 For the year ended 31st December 2018

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	TOTAL 2017 £
INCOME FROM:					
Donations & Legacies (including Contribution from HI Federation)	2	1,373,724	137,222	1,510,946	1,194,951
Charitable activities	3	197,921	5,370,869	5,568,790	5,670,484
TOTAL INCOME		1,571,645	5,508,091	7,079,736	6,865,435
EXPENDITURE ON:					
Raising funds	4	1,016,691	-	1,016,691	742,762
<u>Charitable activities</u>					
Overseas Programmes					
Humanitarian emergencies		21,823	1,588,753	1,610,576	2,762,820
Long-term development		119,017	3,221,848	3,340,865	2,503,763
Multi-sector programmes		279,952	137,222	417,174	369,920
UK Projects		134,162	560,268	694,430	486,170
Total Charitable activities	5	554,954	5,508,091	6,063,045	6,122,673
TOTAL EXPENDITURE		1,571,645	5,508,091	7,079,736	6,865,435
NET INCOME / (EXPENDITURE)	8	-	-	-	-
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		-	-	-	-
RECONCILIATION OF FUNDS:					
Total funds at 1 st January 2018		281,540	-	281,540	281,540
TOTAL FUNDS at 31st December 2018		281,540	-	281,540	281,540

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

BALANCE SHEET
At 31st December 2018

	Note	TOTAL 2018 £	TOTAL 2017 £
Fixed Assets			
Tangible assets	12	20,799	35,967
		Total Fixed Assets	35,967
Current Assets			
Debtors	13	2,438,941	1,803,001
Cash at bank and in hand		760,005	380,156
Creditors: Amounts falling due within one year	14	(2,938,205)	(1,937,584)
		Net Current Assets	245,573
		TOTAL NET ASSETS	281,540
THE FUNDS OF THE CHARITY:			
Unrestricted funds: General fund		281,540	281,540
		TOTAL FUNDS	281,540
	16	281,540	281,540
		0	

These financial statements are prepared in accordance with part 15 of the Companies Acts 2006

These financial statements were approved and authorised for issue by the Board of trustees on 2nd May 2019 and signed on its behalf by :



Trustee: David Rouane
 Date: 2nd May 2019

The notes on pages 33 to 41 form part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31st December 2018

	Note	TOTAL 2018 £	TOTAL 2017 £
NET INCOME / (EXPENDITURE) FOR REPORTING PERIOD			
(as per the STATEMENT OF FINANCIAL ACTIVITIES)			
Adjustments for:			
Depreciation charges	12	26,202	25,723
Net unrealised exchange loss (gain)	8	(4,289)	175
(Increase) / decrease in debtors		(635,940)	(147,097)
Increase / (decrease) in creditors		1,000,621	(566,318)
NET CASH (USED IN) / PROVIDED BY OPERATING ACTIVITIES		386,594	(687,517)
NET CASH FLOWS FROM INVESTING ACTIVITIES			
Transfer of investments held in cash funds to cash at bank		-	93,023
Purchase of fixed assets		(11,034)	(11,568)
NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES		(11,034)	81,455
CHANGE IN CASH AND CASH EQUIVALENTS IN REPORTING PERIOD		375,560	(606,062)
Cash and cash equivalents at the beginning of the reporting period		380,156	986,393
Change in cash and cash equivalents due to exchange rate movements		4,289	(175)
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		760,005	380,156

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2018

1. ACCOUNTING POLICIES

Handicap International UK (HI UK) was founded in 1999, incorporated in England and Wales as a company limited by guarantee on 8th June 2000, and as a charity on 22nd September 2000. As of the 24th of January 2018, the organisation has adopted a new operating name, Humanity & Inclusion UK. HI UK is a public benefit entity. The Registered Office is 9 Rushworth Street, London SE1 0RB.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice for charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (Charities SORP (FRS 102), which applicable from 1 January 2015, and the Companies Act 2006. All figures are rounded to the nearest whole pound and presented in the charities functional currency which is (GBP).

HI UK has adequate resources to continue its operational existence for the foreseeable future, with a number of institutional grants having been secured for 2019 and beyond. In addition, HI Federation has confirmed it will provide sufficient funds to continue to support the charitable activities of the company. The Trustees believe that it is, therefore, appropriate to continue to adopt the going concern basis in preparing the annual trustees report and financial statements.

b) Fund accounting

The charity maintains various types of funds as follows:

Restricted funds: Restricted funds represent

- Grants and donations received which are allocated by the donor for specific purposes as defined by the donor; and
- Some contributions from HI Federation, which are allocated by HI Federation for use for specific purposes.

Expenditure that meets these criteria is charged to the fund, together with a fair allocation of support costs.

Unrestricted funds: Unrestricted funds represent income which is expendable at the discretion of the trustees in the furtherance of the objects of the charity.

c) Income

Donations and similar income are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Grants receivable are credited to the Statement of Financial Activities (SOFA) in the year for which they are entitled to be receivable.

Income from commercial contracts is recognised in line with the performance of the contractual obligations.

Deferred income represents amounts received but which the charity is not yet entitled to in line with the above recognition policies.

Investment income is included in the SOFA in the year in which it is receivable.

d) Expenditure and basis of allocation of costs

Expenditure are recognised on an accrual basis when the charity has a legal or constructive obligation.

Resources expended are allocated direct to the particular activity where the cost relates to that activity.

Support costs have been allocated between charitable activities and raising funds. Costs that are not wholly attributable to an expenditure category have been apportioned to each activity on an estimate of staff time.

Governance costs include those costs associating with meeting the constitutional and statutory requirements of the charity such as the cost of board meetings, statutory compliance and costs linked to the strategic management of the charity.

Governance costs have been allocated on basis of relative income (excluding Contribution from HI Federation) between Donations and legacies and Charitable activities.

e) Expenditure on raising funds

Expenditure on raising funds include the cost of recruiting and retaining new donors, costs relating to private and/or institutional grant applications, and associated communication and PR costs. These include an apportionment of support costs and governance costs, as shown in Note 4.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2018

f) Expenditure on charitable activities

Expenditure on charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. Expenditure on charitable activities includes an apportionment of support costs and governance costs, as shown in Note 5.

g) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation, which is provided in annual instalments over the estimated useful lives of the assets. The rates of depreciation applied to the assets are:

Leasehold improvements	5 years or less over period of lease
Computer equipment	3 to 5 years on straight line basis
Office equipment	4 years on straight line basis
Fixtures & fittings	3 years on straight line basis

h) Pension costs

The charity contributes on behalf of employees to their stakeholder defined contribution pension scheme. The cost of the contribution is charged to the Statement of Financial Activities (SOFA) when the cost is incurred.

i) Donated services and gifts in kind

Donated services and gifts in kind include secondments of personnel, pro bono services and other services. These have been valued at the cost the charity would have otherwise have paid for these services ; or where a specific price is not available, this is at market rate.

Items gifted to the charity are included either as income in the SOFA or as an asset in the Balance Sheet. The valuation of such items is as deemed reasonable by the Trustees.

j) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. All exchange differences are recorded in the SOFA.

k) Liability of the guarantors

The charity does not have a share capital and is limited by guarantee. In the event of the charity being wound up the maximum amount which each member is liable to contribute is one pound. There were 7 (2017: 8) such members at 31st December 2018.

l) Operating lease

Total operating lease rentals are charged as an expense in the Statement of Financial Activities over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2018

2. DONATIONS AND LEGACIES (including
CONTRIBUTION from HI FEDERATION)

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Contribution from HI Federation	839,592	-	839,592	741,651
Donations	279,954	137,222	417,176	369,920
Donated services and gifts in kind	249,655	-	249,655	83,011
Other income	4,523	-	4,523	369
	1,373,724	137,222	1,510,946	1,194,951

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Support for overseas programmes				
<i>Institutional funding: Public bodies</i>	-	4,088,449	4,088,449	3,721,478
<i>Institutional funding: Private organisations</i>	62,545	722,152	784,697	1,461,720
Support for UK projects				
<i>Institutional funding: Public bodies</i>	-	391,182	391,182	274,293
<i>Institutional funding: Private organisations</i>	-	926	926	-
<i>Support from HI Federation for UK projects</i>	102,418	168,160	270,578	207,636
<i>Other Income</i>	32,958	-	32,958	5,357
UK & overseas programmes Note 9	197,921	5,370,869	5,568,790	5,670,484

4. EXPENDITURE ON RAISING FUNDS

	Direct Costs £	Staff Costs £	Support Costs £	2018 Total £	2017 Total £
Private fundraising investment	194,337	113,452	81,519	389,308	75,665
Institutional fundraising activities	75,977	97,305	69,056	242,338	185,915
Other fundraising activities	68,796	71,385	51,292	191,473	293,103
Communication & PR	57,785	74,404	61,383	193,572	188,079
Total expenditure on raising funds	396,895	356,546	263,250	1,016,691	742,762

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2018

5. TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
<u>COSTS OF CHARITABLE ACTIVITIES</u>				
<u>Overseas programmes</u>				
Emergencies	21,823	1,588,753	1,610,576	2,762,820
Long-term development	119,017	3,221,848	3,340,865	2,503,763
<u>Multi-sector overseas programmes funded by voluntary donations</u>				
Afghanistan	-	-	-	26,667
Bangladesh	3,273	60	3,333	26,667
Democratic Republic of Congo	65,816	854	66,670	5,000
East Africa	3,283	50	3,333	-
Haiti	2,912	422	3,334	1,482
Iraq	-	-	-	66,667
Jordan	-	-	-	13,333
Kenya, Somalia	-	-	-	13,334
Lebanon	-	-	-	30,000
Laos	3,296	36	3,332	-
Middle East	33,263	70	33,333	-
Nepal	-	-	-	6,388
Philippines	9,306	4,028	13,334	-
Rwanda	5,174	48,160	53,334	23,405
Sierra Leone, Liberia	-	-	-	15,051
South Sudan	6,250	915	7,165	18,395
Syrian crisis	97,197	66,940	164,137	123,531
Vietnam	48,637	1,787	50,424	-
Yemen	1,545	13,900	15,445	-
	-	-	-	-
Total multi-sector programmes	279,952	137,222	417,174	369,920

<u>UK projects</u>	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
UK Emergency Medical Team	2,346	158,048	160,394	111,017
Inclusive Education	12,081	59,049	71,130	89,945
Research, Policy and Awareness Raising	119,735	343,171	462,906	285,208
Total UK project costs	134,162	560,268	694,430	486,170

	Direct Costs £	Staff Costs £	Support Costs £	2018 Total £	2017 Total £
Overseas programmes	4,884,348	51,146	15,947	4,951,441	5,266,583
Multi-sector overseas programmes funded by voluntary donations	324,547	-	92,627	417,174	369,920
UK projects	359,970	256,324	78,136	694,430	486,170

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2018

6 GOVERNANCE COSTS	2018	2017
	£	£
Meeting costs & others	8,789	8,047
Professional fees	18,600	18,600
Staff costs	31,947	38,006
	59,336	64,653

7 SUPPORT COSTS	Charitable Activities	Generating Funds	2018 Total	2017 Total
	£	£	£	£
Staff costs	61,872	118,445	180,317	164,776
General costs	63,145	120,883	184,028	221,046
Depreciation	8,991	17,211	26,202	25,723
Governance costs	52,625	6,711	59,336	64,653
	186,633	263,250	449,883	476,198

8 NET INCOME FOR THE YEAR	2018	2017
This is stated after charging / (crediting):	£	£
Depreciation	26,202	25,723
Auditor's remuneration - statutory audit	18,600	18,600
Auditor's remuneration - tax services	4,530	3,240
Loss on disposal of fixed assets	-	-
Operating lease payments	77,760	78,428
Realised exchange loss	246	469
Realised exchange gain	(229)	(323)
Unrealised exchange loss	-	175
Unrealised exchange gain	(4,289)	-
	122,820	126,312

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2018

9. MOVEMENT IN RESTRICTED FUNDS	Income 2018 £	Expenditure 2018 £
HUMANITARIAN		
Department for International Development		
Jordan: Towards sustainable rehabilitation services	639,283	639,283
Myanmar: Improving living conditions of people with disabilities affected by conflicts	104,773	104,773
ACTED		
Middle East: Inclusive Humanitarian response	270,274	270,274
The International Organisation for Migration		
Middle East: Integrated Protection for vulnerable migrants and people affected by conflict	461,004	461,004
Start Fund		
Philippines: Response to people affected by Mount Mayo volcanic eruption	10,000	10,000
Morocco: Reduce migrants vulnerability in the camp in Casablanca	2,777	2,777
DR Congo: Assistance to vulnerable households affected by displacement from Angola	71,587	71,587
Start Network via Helpage		
ALERT: Increasing emergency preparedness	7,198	7,198
IDEO		
Innovation to promote inclusive employment	21,857	21,857
Total Humanitarian	1,588,753	1,588,753
LONG-TERM DEVELOPMENT		
Department for International Development:		
Bangladesh: Inclusive livelihoods programme	84,946	84,946
Somaliland: Promoting the rights of disabled people	(47)	(47)
DR Congo: strengthening rehabilitation for vulnerable communities	74,647	74,647
Bangladesh: Disability Inclusive Graduation out of poverty	378,264	378,264
Jordan: Towards sustainable rehabilitation services	1,075,228	1,075,228
South Sudan: Inclusive Mental Health and Humanitarian response	183,640	183,640
Mozambique: supporting disability	25,337	25,337
Norwegian Refugee Council		
Kenya: Support for Protection and Assistance of Refugees (SPARK)	98,168	98,168
Plan International UK		
Sierra Leone: Inclusive Girls Education	552,631	552,631
Big Lottery Fund via Plan International UK		
Philippines: post-typhoon livelihoods	637,788	637,788
Foreign Commonwealth Office		
China: Promoting rights of people with mental health problems through empowering Civil Society Orgs	31,372	31,372
Kenya: Strengthening participation of persons with disabilities in the electoral process	7,754	7,754
VSO		
Nepal: Empower Adolescent Girls with Education	7,543	7,543
Guernsey Overseas Aid Commission		
Togo: Access for detainees in Lome Prison	36,745	36,745
Elrha		
Evidence for impact of rehab in humanitarian settings	27,832	27,832
Total Long-Term Development	3,221,848	3,221,848
TOTAL	4,810,601	4,810,601

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2018

International Organisations (support for UK projects)

Department for International Development:

UK Emergency Medical Team	157,122	157,122
Enhancing the availability and use of quality disability data by humanitarian actors	226,768	226,768

AO Foundation

Early rehabilitation during disasters and conflicts	926	926
---	-----	-----

Sightsavers

Development of website to disseminate information on Inclusion & Disability	7,292	7,292
---	-------	-------

HI FEDERATION

Inclusive Education	59,049	59,049
Research, Policy and Awareness Raising	343,171	343,171

794,328	794,328
5,604,929	5,604,929

10. TRUSTEES AND STAFF INFORMATION

a) Trustees

No trustee received emoluments in the year (2017: nil)

To enable them to attend meetings three trustees were reimbursed a total of £1,194 for travel (2017: three trustees £1,211) and costs paid directly to third parties totalled £151 (2017: £115)

Trustees voluntarily donated a total amount of £98 (2017: £197)

b) Staff

	2018	2017
	£	£
Staff costs were as follows:		
Salaries and wages	737,463	640,548
Social security costs	73,148	62,813
Pension costs	29,869	19,680
Agency and Seconded staff	35,800	40,472
	876,280	763,513

1 employee received emoluments in range of £60,000 to £70,000 on an annualised basis during the year (2017: 1)

The Total compensation for key management personnel (including Employer social security costs) is £74,439 (2017: £70,753).

There is £8,901 (2017: £511) owing to the contributory pension scheme at year-end subsequently paid in 2019.

The average full-time equivalent of staff employed by the charity during the period, including seconded staff, calculated in full-time equivalents was:

	2018	2017
Generating funds	12.0	10.8
Charitable activities	9.1	7.3
Governance	0.7	0.6
	21.8	18.7

11. TAXATION

The charitable company is exempt from corporation tax on its charitable activities and trading activities carried out in the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2018

12. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Fixtures, Fittings, Equipment	Total Fixed Assets
Cost	£	£	£
At 1 January 2018	65,596	82,018	147,614
Additions	-	11,034	11,034
Disposals	-	(5,658)	(5,658)
at 31 December 2018	65,596	87,394	152,990
Depreciation			
At 1 January 2018	48,009	63,638	111,647
Charge for period	16,234	9,968	26,202
Depreciation on disposal	-	(5,658)	(5,658)
at 31 December 2018	64,243	67,948	132,191
Net book value			
At 31 December 2018	1,353	19,446	20,799
At 31 December 2017	17,587	18,380	35,967

13. DEBTORS

	Unrestricted Funds	Restricted Funds	2018	2017
	£	£	£	£
Trade Debtors	45,534	-	45,534	-
Receivable from HI Federation	314,387	-	314,387	10,448
Accrued income	56,274	2,000,277	2,056,551	1,743,063
Prepayments	16,962	1,149	18,111	40,580
Other receivables	4,358	-	4,358	8,910
	437,515	2,001,426	2,438,941	1,803,001

14. CREDITORS: Amounts falling due within one year

	Unrestricted Funds	Restricted Funds	2018	2017
	£	£	£	£
Money due to HI Federation for programs	-	2,073,982	2,073,982	1,807,547
Money due to Donors	-	53,542	53,542	4,416
Trade payables	26,277	25,079	51,356	41,515
Deferred income	11,200	634,200	645,400	11,524
Accruals & other creditors	80,042	11,519	91,561	52,856
Social security costs	16,509	5,855	22,364	19,726
	134,028	2,804,177	2,938,205	1,937,584

Deferred income comprises the aggregate of amounts received in advance for future periods for specific grant agreements.

All of the income deferred in 2017 has been recognised as income in 2018.

15. COMMITMENTS UNDER OPERATING LEASE

At 31 December 2018, the charity had annual commitments under operating leases as set out below:	2018	2017
	£	£
Not later than one year	6,391	77,760
Later than one year and not later than five years	-	6,480
	6,391	84,240

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2018

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds 2018
2018	£	£	£
Total fixed assets	20,799	-	20,799
Current assets	394,769	2,804,177	3,198,946
Creditors: amount falling due within 1 year	(134,028)	(2,804,177)	(2,938,205)
Net assets at 31 December 2018	281,540	-	281,540
2017	£	£	£
Total fixed assets	35,967	-	35,967
Current assets	330,113	1,853,044	2,183,157
Creditors: amount falling due within 1 year	(84,540)	(1,853,044)	(1,937,584)
Net assets at 31 December 2017	281,540	-	281,540

17. MOVEMENT IN FUNDS

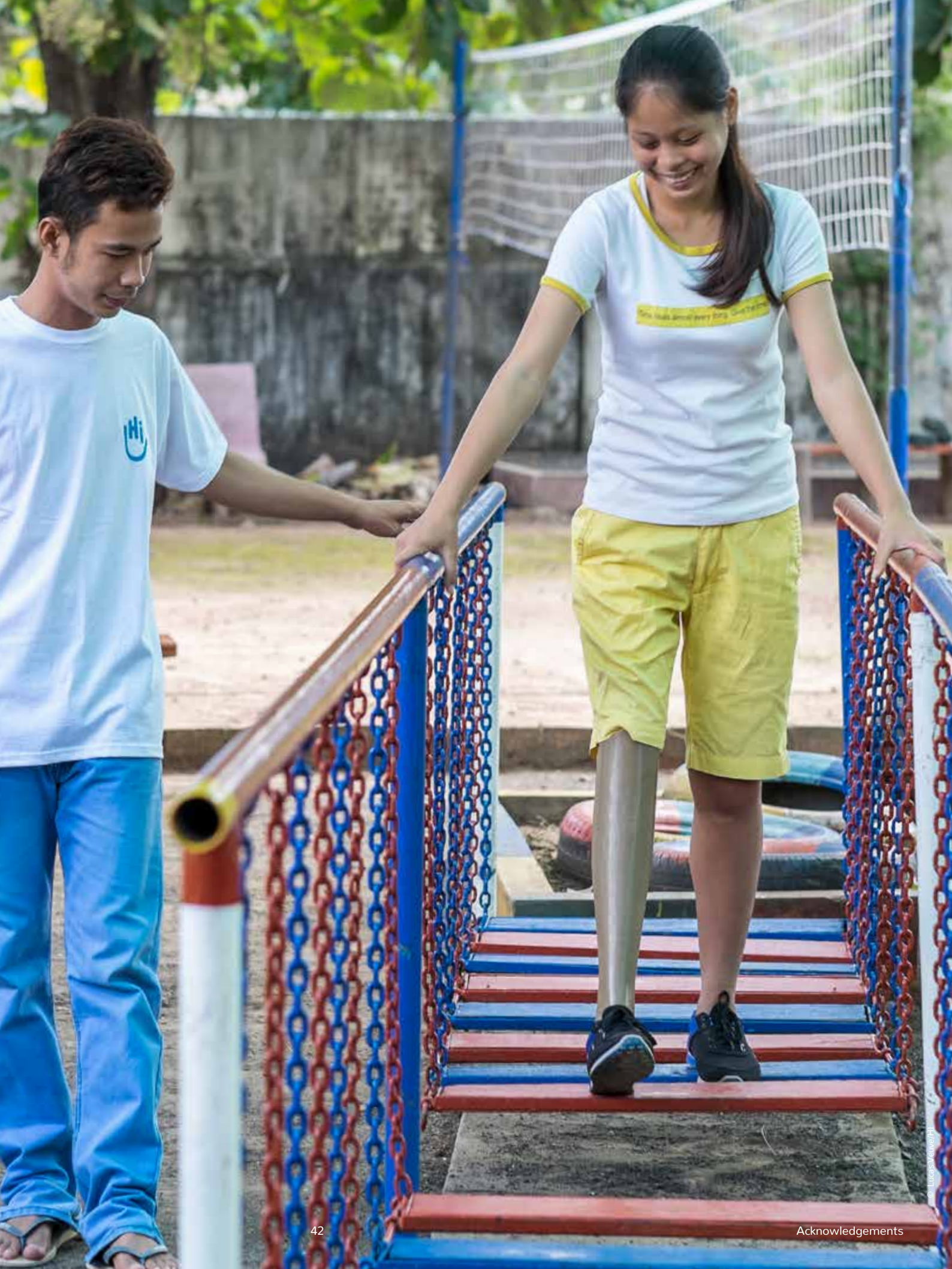
	Brought forward	Incoming resources	Outgoing resources	Transfers	Carried forward
2018	£	£	£	£	£
Restricted funds	-	5,508,091	(5,508,091)	-	-
Unrestricted funds					
General fund	281,540	1,571,645	(1,571,645)	-	281,540
TOTAL FUNDS	281,540	7,079,736	(7,079,736)	-	281,540
2017	£	£	£	£	£
Restricted funds	-	5,660,534	(5,660,534)	-	-
Unrestricted funds					
General fund	188,517	1,204,901	(1,204,901)	93,023	281,540
Endowment funds	93,023	-	-	(93,023)	-
TOTAL FUNDS	281,540	6,865,435	(6,865,435)	-	281,540

18. RELATED PARTY TRANSACTIONS

Handicap International UK is an independent National Association of the international charity Handicap International Federation (HI). A "Federal Handbook" manual has been agreed within the federal network in order to rationalise and share resources, and formalise working arrangements. The Federation has identified the UK as a source of significant future growth in Private Fundraising and so has invested funds in Handicap International UK in order to achieve this. It has also agreed to meet any shortfall of funds whilst the charity becomes established in the UK. During the period, HI Federation contributed £1,053,485 (2017: £941,084).

Overseas programme expenditure is undertaken by HI Federation on behalf of HI UK. HI Federation is registered in France (Registration number 51965599700038) formally known as 'Association Federation Handicap International'

2018	Overseas programme expenditure	Invoiced to HI UK	Invoiced by HI UK to:	Owed to HI UK	Owed by HI UK
	£	£	£	£	£
HI Federation	4,469,717	11,432	20,851	314,387	(2,073,982)
HI United States	0	805	170	0	0
2017					
HI Federation	4,904,441	13,375	15,954	10,448	(1,807,547)



Acknowledgements

Humanity & Inclusion UK's donors, partners and memberships for 2018

Ambassadors

- Eddie Ndopu

Donors and Partners

- ACTED
- Ajahma Charitable Trust
- Amanda Davies
- AO Foundation
- Association of Physiotherapists in International Health and Development (ADAPT)
- Association of Chartered Physiotherapists in Neurology (ACPIN)
- Belgrave Street Ltd.
- Big Lottery Fund
- British Association of Chartered Physiotherapists in Amputee Rehabilitation (BACPAR)
- British Association of Hand Therapists (BAHT)
- The Broyst Foundation
- Cumberland Trust
- Department for International Development (DFID)
- Disarmco Holdings Ltd
- Elrha
- Euromonitor International
- F H Sayers Foundation
- Foreign Commonwealth Office (FCO)
- G E Silberman Charitable Trust
- Google AdWords
- Guernsey Overseas Aid & Development Commission
- HelpAge International
- Hugh Symons Charitable Trust
- IDEO.org
- International Disability Alliance (IDA)
- International Organisation for Migration

- International Planned Parenthood Federation (IPPF)
- Interactifs UK
- Interburns
- International Spinal Cord Injury Society (ISCoS)
- JC Decaux
- Kyril Charitable Trust
- Morgan, Lewis and Bockius LLP
- Norwegian Refugee Council (NRC)
- Palladium
- People's Postcode Lottery
- Philip King Charitable Trust
- Physionet
- Plan International UK
- Population Council
- Rhododendron Trust
- Sightsavers
- Sophia White – Brand Design Agency
- Soroptimist International UK Programme Action Committee
- St Georges University of London
- Start Fund
- Stephen Coldrick
- Tony and Audrey Watson Charitable Trust
- The Tula Trust
- UK Fire and Rescue Service
- UK-Med
- Voluntary Service Overseas (VSO)
- Ward Family Charitable Trust
- The Washington Group on Disability Statistics
- The Whitehall and Industry Group (Civil Service Fast Stream Programme)
- Widgit
- World Confederation for Physical Therapy
- World Federation of Occupational Therapists (WFOT)
- World Health Organisation

Organisational Memberships and Networks in the UK

- Association of Chief Executives of Voluntary Organisations (ACEVO)
- Bond
- Cluster Munition Coalition
- Enabling Education Network (EENET)
- French Chamber of Great Britain
- Fundraising Regulator
- Global Campaign for Education UK (Send my Friend to School)
- International Broadcasting Trust
- Institute of Fundraising
- International Network on Explosive Weapons
- International Campaign to Ban Landmines
- National Council for Voluntary Organisations (NCVO)
- Remember a Charity
- Start Network
- Think Global

Humanity & Inclusion UK is positive about employing disabled people and is proud to be accredited as a Disability Confident Employer.



Humanity & Inclusion UK
(a charitable company limited by guarantee)

Report and Financial Statements
Year ended 31st December 2018

Humanity & Inclusion UK
9 Rushworth Street
London
SE1 0RB

Tel: +44 (0)870 774 3737
Email: info.uk@hi.org
Website: humanity-inclusion.org.uk

Company number: 4010383
UK Registered Charity number: 1082565

