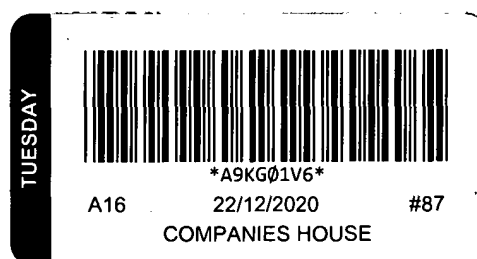


**Registered Charity Number: 1126281**  
**Company Number: 06195282**  
**Scottish Charity Number: SC 038671**

**Human Relief Foundation**  
**(Company Limited by Guarantee)**

**Annual Report and Financial Statements**  
**for the year ended 31 December 2019**



# Human Relief Foundation

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## **Human Relief Foundation**

### **Charity Information**

#### **Trustees**

Dr Haytham Al-Khaffaf (Chairman)  
Dr Haitham Al-Rawi (Resigned 14 March 2019)  
Mr Bara Abdul-Salam  
Mr Mohanned Rahman  
Mr Suhail Sharief

#### **Company Secretary**

Mr Kassim Tokan

#### **Registered charity number**

1126281

#### **Company number**

06195282

#### **Scottish charity number**

SC 038671

#### **Principal and registered office**

2-4 Claremont  
Bradford  
BD7 1BQ

#### **Auditor**

Garbutt & Elliott Audit Limited  
Triune Court  
Monks Cross Drive  
York  
YO32 9GZ

#### **Bankers**

National Westminster Bank  
699 Wilmslow Road  
Manchester  
M20 6NW

HSBC  
47 Market Street  
Bradford  
BD1 1LW

Al Rayan Bank  
44 Hans Crescent  
Knightsbridge  
London  
SW1X 0LZ

#### **Solicitors**

Fieldings Porter Solicitors  
Silverwell House  
Bolton  
BL1 1PT

# Human Relief Foundation

## Report of the Trustees for the year ended 31 December 2019

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 December 2019, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association and 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).

### Mission and strategic objectives

Human Relief Foundation (HRF) is an International Non-Governmental Charitable Organisation. HRF seeks to promote sustainable economic and social development by working with local communities through relief and developmental programmes, supporting them to build a better life and find their own solutions to global problems. For over two decades HRF has been instrumental in helping to save lives and relieve human suffering in some of the poorest regions of the world.

We provide emergency relief and assistance to people caught up in extraordinary, life-threatening situations. With permanent offices strategically located around the world (Bradford, Amman, Baghdad, Mosul, Aden, Accra, Islamabad, Erbil, London, Glasgow, Birmingham, Manchester, Lyon and Paris), we actively provide global assistance whenever and wherever it is needed.

Our mission is to achieve lasting improvement in the quality of life of people, regardless of their gender, race, religion, class or political affiliation, by mobilising resources, building partnerships and developing local capacities to:

- Enable individuals, groups and communities to mitigate the effects of disaster and crisis, prepare for their occurrence and provide humanitarian relief and recovery;
- Assist the disadvantaged in becoming self-reliant by developing their own solutions to development challenges and creating sustainable livelihoods;
- Promote sustainable development and address the root causes of conflict through programmes that target education, shelter, water and sanitation, health and nutrition and humanitarian dialogue;
- Support the vulnerable, disadvantaged and marginalised and enable them to voice their needs; and
- Build local capacities.

The charity relies heavily on the generous donations it receives from fellow charities, individuals and other organisations.

This annual report details what we have achieved during the year to 31 December 2019.

### Fundraising

The Charity has always applied the policy of fundraising through our own staff and volunteers and does not have any arrangements with commercial participators, professional fundraisers and third party organisations.

Fundraisers and volunteers are recruited primarily where the organisation has an office such as Bradford, Manchester, London and Birmingham with the intention of raising funds for our charitable objectives.

Human Relief Foundation is a member of the Fundraising Regulator and in 2019 we received no complaints during the year under review.

Human Relief Foundation staff are trained in fundraising methods to ensure that the approach we apply when communicating with members of the public does not cause unnecessary intrusion on a person's privacy or place undue pressure on a person's money or property.

# Human Relief Foundation

## Report of the Trustees for the year ended 31 December 2019 (continued)

### Achievements and performance

HRF measures success by the financial performance throughout the year where by an increase in the funds raised enables the organisation to assist more beneficiaries throughout the world. HRF also determines success by securing more funding from institutional donors and partnerships in order to fulfil the organisations objectives. In 2019, HRF secured funding from various UN agencies as well as increased funding from individual donors.

During 2019, HRF implemented programmes and projects which directly contributed to our organisations aims and objects. We partnered with UNDP to implement livelihood projects where beneficiaries received business grants and business training to provide a source of long-term income to alleviate poverty. Our School Feeding project with WFP provided daily school meals to thousands of students as an incentive for students to attend schools and advance their education. Our ongoing projects such as Orphan sponsorship ensures vulnerable families receive financial support to reduce any negative coping mechanisms. HRF ensures all the programmes and activities undertaken are all to further the organisations aims and Objectives and for the public benefit.

HRFs main activities are all carried out for the Public Benefit. Fundraising campaigns, income from our charity shops and programme and project implementation are all undertaken for the sole purpose to further our organisation's objects which are: 'To make donations to such charitable institutions and individuals at such time and in such manner as the trustees may in their absolute discretion think fit, for the worldwide relief of poverty, sickness, protection, preservation of good health and the advancement of education'.

The Trustees have regard to the Charity Commission's Public Benefit guidance when exercising any powers and duties.

#### Jordan

Nine years into the Syria crisis, Jordan has provided refuge to more than 1.3 million Syrians, including 671,148 registered refugees, who face increasing vulnerability as their savings, assets and resources are long exhausted. 83% of Syrian refugees in Jordan live in urban areas and in poverty - 85% live below the poverty line. Nationwide, 5.7% of Jordanian households are considered vulnerable to food insecurity, with over 14% of the population living below the poverty line.

Around 126,000 of refugees live in camps.

The Syrian refugee population in Jordan is young, with 48% of the population aged below 15.

HRF worked throughout 2019 to benefit some of the most vulnerable segments of Jordan's population, reaching:

- 2416 orphans with a mixture of orphan guarantees, cash assistance to their families, winter clothing, and by hosting sports and cultural events.
- 15,613 poor families through a mixture of food parcels, cash assistance, school fees, winter blankets, and support to educational facilities.
- 210 mothers, by providing Maternal, Newborn and Child Health (MNCH) kits.
- 18 health clinic patients with payments for minor and medium sized operations.
- 6 disabled people with wheelchair distributions.

#### Iraq

The situation in Iraq remains unstable with widespread humanitarian concerns. Nearly half of all people in need – more than 1.77 million people – have acute humanitarian needs. Years of conflict uprooted millions of people, eroded social cohesion, disrupted access to basic services, destroyed livelihoods and led to increased protection risks.

Almost 65% of all people in need are concentrated in Anbar, Ninewa, and Salah al-Din governorates.

# Human Relief Foundation

## Report of the Trustees for the year ended 31 December 2019 (continued)

HRF implemented a number of humanitarian and development projects in Iraq over the course of 2019.

Funding from UN OCHA allowed for the provision of shelter assistance. This project began in mid-October 2019 and was scheduled to run until July 2020. HRF provided comprehensive shelter support in all 4 priority districts within Kirkuk governorate, as defined by the national shelter cluster, targeting a total of 1,393 households. Beneficiary households were identified using a SEVAT tool, an assessment approved by Iraq's shelter cluster for the purposes of assessing household vulnerability. Most of the selected households were provided with sealing off kits (SOKs), used to secure damaged but generally liveable shelters; whilst approximately 10% of these households were defined as living in critical shelter conditions, i.e. unfinished or abandoned buildings, which received more bespoke assistance.

For particularly vulnerable households in need of shelter assistance but unable to use the materials themselves, HRF employed casual cash for work labourers to carry out construction work. Protection and gender sensitivity were key considerations throughout: all HRF and REACH staff were provided with safeguarding and PSEA training prior to distribution, and gender specific measures, such as separate queues for men and women, were used where appropriate. Although the majority of direct assistance to beneficiaries was carried out in 2020, the first few months of the project that took place in 2019 included important preparatory work such as the recruitment of staff, the establishment of offices, visits to identified locations, training of REACH staff, household vulnerability assessments, and the preparation of tender documents for the SOKs.

Two UNDP-funded projects were implemented. Firstly, a Cash for Work intervention in Erbil and Sulaymaniyah was designed to improve the financial capacity of displaced peoples in the targeted locations and guide them towards alternative livelihood opportunities: following consultations with local authorities and needs assessments, beneficiaries undertook waste disposal management and shelter rehabilitation work in their local communities, improving their local areas whilst also enhancing their own livelihoods capacities. Beneficiaries also received technical vocational training in conjunction with Toyota Iraq.

Secondly, an innovative livelihoods project was put into practice, providing support to IDPs, refugees, and returned households in the form of small business grants and savings groups in Salah al-Din. The intended objective of the project was to ensure that long term livelihood opportunities for IDPs, returnees and host communities are strengthened through small business grants and community-based savings to enable self-financing to grow small businesses. Output 1 aimed for 120 vulnerable people among the target population to benefit from small business grants. Output 2 aimed for 40 people to benefit from an assessment and pilot project on saving groups for local economy revitalisation.

In total, 160 beneficiaries were directly impacted as part of this project. 153 of these were returnees; 4 were from the host community; and 3 were IDPs. The project also worked towards a gender-balanced targeting of beneficiaries: 58 (36.25%) were female, and 102 (63.75%) were male. The project has been largely successful. All 120 beneficiaries report more income stability as a direct result of the project. Beneficiaries either used the grant to invest in an existing business, or to start up a new economic enterprise. For other participants, the primary benefit of the project has been to help reduce debt, purchase basic needs, and to free up capital to purchase household assets. All beneficiaries reported that the project has improved their employability or their livelihoods opportunities moving forward. Positive impacts were also recorded regarding the ability of beneficiaries in the assessed communities to purchase goods, which meant that there was an increased demand for the analysed core goods in all four districts of Salah al-Din, as well as increased economic resilience of the returnee communities. Recipients reported an increased sense of dignity, an increased ability to afford basic necessities and lower levels of debt.

Also, in Salah al-Din, HRF undertook a WASH project on behalf of UN HABITAT, supplying water and conducting health and hygiene awareness raising, from October to December 2019. The aim of this project was to strengthen the resilience of war-affected communities in the Al Bohishma residential area of Yathreb, Salah al Din, through the provision of a potable water network and a complementary open air health and hygiene promotion course for the residents. Together, the two outputs reached 400 beneficiaries. All labour and materials were sourced locally, and HRF also worked closely with Mines Advisory Group (MAG) to provide mine safety training to staff and labourers working on the project. Overall, this project has ensured that 400 vulnerable households have access to sustainable

# Human Relief Foundation

## Report of the Trustees for the year ended 31 December 2019 (continued)

and safe drinking water for years to come, and the promotion of good hygiene and sanitation practices has been of particular benefit to women and children in the community.

Finally, HRF also became the implementing partner for the World Food Programme's School Feeding Programme in Qadissiya and Salah al-Din Governorates. These large-scale projects involved the hiring of warehouses and processing staff, organisation of delivery logistics, and delivery of food baskets to schools across both locations, as well as supplementary hygiene promotion activities. Food baskets were made up of various types of produce to meet the appropriate breadth of children's nutritional needs, including bread, water, cheese, juice, dates, bananas and apples. Distributions were planned for 202 schools, totalling approximately 60,000 food baskets per school day. The majority of distributions took place in early 2020. However, various crucial preparatory activities were undertaken in late 2019, including the hiring of all project staff, the training of staff and stakeholders (ToT training, onboarding training, finance and logistics training, and PSEA training), procurement and supplier contracting, and the identification and rental of warehouses.

### Pakistan

The humanitarian situation in Pakistan is marked by ongoing conflict and natural hazards. A prolonged drought in 2018-2019 affected 5.5 million people. In July 2019, more than 3 million people faced severe food insecurity (IPC Phase 3 and 4). At the end of 2019, more than 1.4 million registered Afghan refugees remained in Pakistan.

Over the course of 2019, HRF implemented a variety of programs supporting beneficiaries in Pakistan. The provision of clean drinking water was a key focus in Sindh provinces, with the installation of 81 hand pumps reaching a total of 6,920 beneficiaries, facilitating improved health outcomes, kitchen gardening, domestic chores, animal husbandry, and the safety of women and girls.

HRF is also committed to the education of disadvantaged children in rural areas, who face traditionally poor enrolment rates and educational outcomes. In 2019, HRF supported 4 schools in the Tharparkar district of Sindh, providing primary education to a total of 407 students.

HRF also provides essential healthcare to the vulnerable poor in Pakistan. In 2019, 1480 beneficiaries were reached a total of 1,480 beneficiaries through Maternal, Newborn and Child Health (MNCH) services, free eye surgeries, and wheelchair distributions, as well as providing funding to local healthcare clinics to reach 5,000 patients with general healthcare services.

In Pakistan, HRF pioneers its own livelihoods intervention, the Enterprise Development Program. This is designed to enable the most vulnerable sections of the population - for example, transgender, widows and disabled people - so that they can earn their livelihood in a sustainable manner and enable a life of independence and dignity. This entailed providing training for those who wished to learn a skill-based enterprise, alongside the 'Support for Life' (S4L) program, providing small business grants at household level. In 2019 HRF has provided grants for various trades to 30 families and benefited 240 beneficiaries overall, in the most vulnerable areas of Mardan District.

Across the periods of Ramadan and Qurbani, HRF distributed 38.82 tonnes of food to 22,047 beneficiaries in the areas of Punjab, Sindh, Khyber Pakhtunkhwa, Azad Jammu, and Kashmir.

HRF also undertakes disaster response work in Pakistan. In 2019, HRF responded to the earthquakes in Kashmir with medicine, food packs, school tents and mosquito nets, reaching a total of 13,490 affected people.

### Bangladesh

Bangladesh is affected by natural hazards and is host to a large Rohingya refugee population, both of which have an impact on humanitarian needs in the country. Some 855,000 Rohingya refugees reside in 34 extremely congested camps formally designated by the Government of Bangladesh in Ukhiya and Teknaf Upazilas of Cox's Bazar District. Camp conditions are marked by insecurity, congestion and lack of privacy, and inadequate sanitation facilities and water infrastructure. The majority of Rohingya households engage in high-risk coping strategies, such as selling or rationing aid or taking on new debts, in order to meet basic needs. This is particularly true for female-headed households,

# Human Relief Foundation

## Report of the Trustees for the year ended 31 December 2019 (continued)

households without income-generating activities, and those with elderly or physically disabled members.

HRF worked extensively to support the Rohingya refugees in 2019. From January to the end of May, 1,100 meals per day were provided to refugees to alleviate hunger and malnutrition. HRF also supported 75 students to attend school, six days per week, until the end of May. Additionally, HRF supported a medical clinic for 5 days per week from January until the end of March, benefitting 75-80 patients per day with examinations and medication provided free of charge.

### Ghana

Despite recent reductions in extreme poverty, development gains are unevenly distributed with improvements at the national level masking huge inequalities between the north and south of the country, and between rural and urban areas. The latest round of the Ghana Living Standards Survey shows that almost a quarter of the population remain trapped in poverty. Hunger and malnutrition persist primarily in northern Ghana, as well as many rural and periurban communities across the country.

HRF supported these communities in 2019 through the construction of WASH infrastructure and provision of food. During the year, HRF constructed 82 basic water wells in Eastern, Central, Oti, Accra, Brong Ahafo, Ashanti, and North East regions, benefiting a total of 1,640 families. These basic wells are 8-10 metres deep, lined with walls and a ceramic floor, and include a bucket and cover.

In addition, HRF constructed 17 boreholes in Tamale, benefiting a further 1,700 families. These boreholes are robust, long-term solutions to water scarcity, being 60-80 metres deep, lined with walls and a ceramic floor, fitted with a hydraulic pump and 8 faucets each, and connected to 2,000 litre water tanks. Throughout the year, HRF also distributed food baskets and meals to a total of 4,020 individuals during religious holidays.

### Yemen

The humanitarian crisis in Yemen remains the worst in the world. Nearly four years of conflict and severe economic decline are driving the country to the brink of famine and exacerbating needs in all sectors. An estimated 80% of the population – 24 million people – require some form of humanitarian or protection assistance, including 14.3 million who are in acute need. This means they need aid to sustain their lives. Currently, more than 20 million people are food insecure while a staggering 7.4 million people do not know where their next meal is coming from and are at risk of famine.

Public services have broken down, only 51% of health centres remain fully functional and medicine and equipment are limited.

Access to safe water has become a major challenge and the lack of proper sanitation has increased the risk of communicable diseases. More than half of the population in Yemen (17.8 million people) require assistance to access safe drinking water and sanitation, including 12.6 million people who are in acute need.

In 2019, HRF has been supporting the population of Yemen with distributions of food and medication. In total, 2,313 households (16,191 individuals) were reached with food distributions, 75 households (525 individuals) received essential medication, and approximately 500 households (3500 individuals) received food assistance as part of Qurbani distributions.

### Qurbani

In 2019, HRF continued its long tradition of providing Qurbani services, HRF reached 3,430 households with Qurbani across Bangladesh, Ghana, Somalia, Lebanon, Sri Lanka, India, Jordan, Palestine, Yemen and Iraq. The total number of beneficiaries for this project was approximately 20,580.



# **Human Relief Foundation**

## **Report of the Trustees for the year ended 31 December 2019 (continued)**

### **Our volunteers**

The charity gratefully accepts the help of its 25 volunteers who help the charity to raise funds by working in its shops. Without the commitment of these individuals the contribution made by the sale of donated goods could not be achieved.

Volunteers undertake a variety of roles within retail fundraising including collecting donated goods, sorting and merchandising as well as staffing our 6 retail outlets. The time donated by volunteers amounts to the equivalent of 20 (2018: 20) full time equivalent staff.

### **Financial review**

The Trustees are pleased with the financial performance of the Charitable Group for the year ended 31 December 2019.

The results on the Consolidated Statement of Financial Activities show an overall surplus of £187,634, compared to a surplus of £546,878 in the previous financial year.

Voluntary income increased compared to the previous financial year, with the Charitable Group benefiting from receiving an increased number of donations from smaller donors. Consequently, the Trustees are pleased with the performance of fundraising activities. Grant income levels however have decreased following the cessation of certain grant funded projects.

The trading subsidiary company, Delta One Investments Limited, continues to sell donated goods and the Trustees are pleased with its contribution to the funding of the Charity.

The Trustees are satisfied that the Group's assets are available and adequate to fulfil its obligations for the foreseeable future.

### **Reserves policy**

In assessing the appropriate level of reserves to be maintained by the Group, the Trustees take historic and forecast levels of income and expenditure and their volatility into account. This has resulted in a current policy of maintaining the level of free reserves in the range of 3 to 6 months forward expenditure. The Board reviews the policy on reserves annually.

The current level of funds held by the charity at the year-end amounted to £4,141,962 (2018 - £3,954,328) and included restricted funds of £2,461,158 (2018 - £1,785,388). After deducting restricted funds and fixed assets, the Group had free reserves of £1,011,934 (2018 - £1,448,255). This represents 1.6 months (2018 - 3.3 months) forward expenditure which is a decrease of 1.7 months compared to last year end.

### **Plans for future periods**

The Trustees hope to increase HRF's activities in the following sectors, WASH, Livelihoods, Shelter and Health. The Trustees also intend to expand their humanitarian activities in Bangladesh and Yemen.

### **Reference and administrative Details**

For reference and administrative details please see Charity Information on page 1.

### **Structure, Governance and Management**

The Directors of the Charitable Company are its Trustees for the purposes of charity law. The Trustees and Officers serving during the year and since the year end were as follows:

# Human Relief Foundation

## Report of the Trustees for the year ended 31 December 2019 (continued)

Dr Haytham Al-Khaffaf (Chairman)  
Mr Bara Abdul-Salam  
Mr Mohammed Rahman  
Mr Suhail Sharief  
Dr Haitham Al-Rawi (Resigned 14 March 2019)

Company Secretary - Mr Kassim Tokan

The Senior Management Team takes day to day responsibility for operational management of the Charity. During the year the Senior Management Team comprised the following key individuals:

Dr Nabeel Ramadhani – Chief Executive Officer/President  
Mr Kassim Tokan - Deputy Chief Executive Officer  
Mr Mohammed Rahman – Finance and Compliance Manager

### Constitution

Human Relief Foundation is a company limited by guarantee, governed by its articles of association which have not been amended since incorporation on 30 March 2007. The Charity registered with the Charity Commission on 14 October 2008 after receiving a gift in kind upon the dissolution of its

predecessor charity also named Human Relief Foundation. The liability of members is limited to £1 per member.

The Charity has a trading subsidiary, Delta One Investments Limited, a company limited by shares, registered company number 07461733.

### Appointment of Trustees

The Board of Trustees consists of local people that collectively have the skills, expertise and experience to ensure that the Charity is managed effectively.

Where a vacancy arises a new trustee is appointed only by the passing of a resolution of the Board of Trustees.

### Trustee induction and training

Trustees are inducted by the Board approving their applications, having regard to their potential contribution towards the Charity's objectives and the need for a broad range of experience amongst Trustees. Once appointed, new Trustees are briefed and given a training handbook. In some cases it may be mutually agreed that a formal course will be beneficial; the Charity will arrange formal tuition with NCVO or other provider as appropriate.

### Organisation

The Board of Trustees administers the Group. The Board normally meets 4 times per year, covering matters pertaining to finance, investment, governance, human resources, fundraising, public relations and retail.

The Board of Trustees includes a range of individuals with the appropriate knowledge and experience, external advisors may be engaged, be they paid or voluntary, where the Board deem it necessary to support them in their role.

A President and Senior Management Team are appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operations the President and the Senior Management Team under the direction of the President have delegated authority for operational matters.

# Human Relief Foundation

## Report of the Trustees for the year ended 31 December 2019 (continued)

### Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work with the Group. Any connection between a Trustee or member of the Senior Management Team, a supplier, funder, supporter, organisation working collaboratively with or beneficiary of the Group must be disclosed to the Board of Trustees in the same way as any other contractual relationship with a related party.

The work of the Charity is internationally recognised and in April 2003 Special Consultative Status with the Economic and Social Council of the United Nations was granted. HRF is a signatory of the Code of Conduct for the International Red Cross and Red Crescent Societies and has a partnership agreement with the European Commission Humanitarian Aid (ECHO). It is also a member of the British Overseas National Development Forum (BOND).

The Charity's wholly-owned subsidiary company, Delta One Investments Limited, trades on the Charity's behalf to generate income from the sale of donated goods in its charity shops.

### Pay policy for senior staff

The pay of the President and Senior Management Team is reviewed annually and is normally increased in line with inflation and comparable roles within the sector.

### Principal risks and uncertainties

The Trustees have identified resources and established review systems to manage organisational risk.

The Trustees maintain a risk register of the risks faced by the Charity and its subsidiary that is reviewed at least annually. The risk register records the risks that may arise in each area of the Charity's operations, along with the policies, systems and procedures in place to mitigate them. Risks

are identified, assessed, and scored according to their likelihood and impact. Appropriate steps are then taken to mitigate them in day to day operations.

The principal risks and uncertainties faced by the Group at the time of writing are as follows:

- Increase in competition where a growing number of charities are seeking funds from the same donors.
- Compliance requirements with relevant laws and regulations.
- Foreign exchange risk.
- Safeguarding assets against unauthorised use.
- The continued ability to transfer funds to certain jurisdictions.
- The unprecedented effect of COVID-19 on donations received and the ability to implement projects internationally.

### Statement as to disclosure to our auditor

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the Trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

# Human Relief Foundation

## Report of the Trustees for the year ended 31 December 2019 (continued)

### Auditor

The auditor, Garbutt & Elliott Audit Limited, is deemed to be re-appointed annually under section 487(2) of the Companies Act 2006.

The Trustees' Report was approved by the Board of Trustees and signed on its behalf by:



Mr Mohammed Rahman  
**Trustee**

17/12/2020  
.....

# Human Relief Foundation

## Trustees' responsibilities in relation to the financial statements

The Group's Trustees are responsible for preparing a Trustees' Annual Report and Financial Statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the Group Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 judgements 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;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Human Relief Foundation

## Independent Auditor's Report to the Members of Human Relief Foundation

### Opinion

We have audited the financial statements of Human Relief Foundation and its subsidiary for the year ended 31 December 2019 which comprise of the Consolidated and Charity Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related Notes to the Financial Statements. 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 group's and parent charitable company's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### 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 Charity 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 Charity'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.

# Human Relief Foundation

## Independent Auditor's Report to the Members of Human Relief Foundation

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) require 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

### Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 group's and parent charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

### Our 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.

# Human Relief Foundation

## Independent Auditor's Report to the Members of Human Relief Foundation

### Use of our report

This report is made solely to the Charity's members, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2016 and Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. Our audit work has been undertaken so that we might state to the Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Garbutt & Elliott Audit Limited*

**Laura Masheder FCA DChA  
Senior Statutory Auditor**

18/12/2020  
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**For and on behalf of Garbutt & Elliott Audit Limited  
Statutory Auditor**

Triune Court  
Monks Cross Drive  
York  
YO32 9GZ



# Human Relief Foundation

## Charity only Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
<b>Income from:</b>					
<b>Donations</b>					
Donations and non-performance grants	3	1,131,695	6,269,120	7,400,815	4,702,383
<b>Income from charitable activities</b>					
Grants receivable	3	-	450,397	450,397	1,072,218
Other income		8,088	-	8,088	7,608
<b>Income from investments</b>	3	614	-	614	321
<b>Total income</b>		1,140,397	6,719,517	7,859,914	5,782,530
<b>Expenditure on:</b>					
Raising funds	4	968,480	-	968,480	918,091
Charitable activities	4	662,147	6,043,747	6,705,894	4,317,561
<b>Total expenditure</b>		1,630,627	6,043,747	7,674,374	5,235,652
<b>Net income and net movement in funds</b>	5	(490,230)	675,770	185,540	546,878
Total funds brought forward		2,168,858	1,785,388	3,954,246	3,407,368
<b>Total funds carried forward</b>	12, 13	1,678,628	2,461,158	4,139,786	3,954,246

The Statement of Financial Activities includes all gains and losses recognised in the year.

The results for the year all relate to continuing operations.

A fully detailed charity only Statement of Financial Activities for the year ended 31 December 2018 is shown at note 18.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# Human Relief Foundation

## Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total £	2018 Total £
<b>Income from:</b>					
<b>Donations</b>					
Donations and non-performance grants	3	1,006,616	6,269,120	7,275,736	4,619,323
<b>Other trading activities</b>					
Retail - sale of donated goods		429,654	-	429,654	408,272
<b>Income from charitable activities</b>					
Grants receivable	3	-	450,397	450,397	1,072,218
Other income		8,088	-	8,088	7,608
<b>Income from investments</b>	3	614	-	614	321
<b>Total income</b>		1,444,972	6,719,517	8,164,489	6,107,742
<b>Expenditure on:</b>					
Raising funds	4	1,270,961	-	1,270,961	1,242,959
Charitable activities	4	662,147	6,043,747	6,705,894	4,317,561
<b>Total expenditure</b>		1,933,108	6,043,747	7,976,855	5,560,520
<b>Net income before taxation</b>	5	(488,136)	675,770	187,634	547,222
Taxation (charge)	7	-	-	-	(344)
<b>Net movement in funds</b>		(488,136)	675,770	187,634	546,878
Total funds brought forward		2,168,940	1,785,388	3,954,328	3,407,450
<b>Total funds carried forward</b>	12, 13	1,680,804	2,461,158	4,141,962	3,954,328

The Statement of Financial Activities includes all gains and losses recognised in the year.

The results for the year all relate to continuing operations.

A fully detailed Consolidated Statement of Financial Activities for the year ended 31 December 2018 is shown in note 19.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# Human Relief Foundation

## Balance Sheets as at 31 December 2019

		Group		Charity	
	Notes	2019	2018	2019	2018
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8	543,870	557,695	539,574	554,940
Investment properties	9	125,000	125,000	125,000	125,000
Investments	9	-	-	1	1
		668,870	682,695	664,575	679,941
<b>Current assets</b>					
Debtors	10	988,162	681,878	1,195,891	801,684
Cash at bank and in hand		3,161,605	3,128,366	2,952,139	3,004,382
		4,149,767	3,810,244	4,148,030	3,806,066
<b>Creditors:</b> Amounts falling due within one year	11	(676,675)	(538,611)	(672,819)	(531,761)
<b>Net current assets</b>		3,473,092	3,271,633	3,475,211	3,274,305
<b>Total assets less current liabilities</b>		<b>4,141,962</b>	<b>3,954,328</b>	<b>4,139,786</b>	<b>3,954,246</b>
<b>Funds of the charity</b>					
Unrestricted funds		1,680,804	2,168,940	1,678,628	2,168,858
Restricted funds	12	2,461,158	1,785,388	2,461,158	1,785,388
<b>Total funds</b>	13	<b>4,141,962</b>	<b>3,954,328</b>	<b>4,139,786</b>	<b>3,954,246</b>

The notes on pages 19 to 39 form part of these financial statements.

The financial statements were approved by the board on 17/12/2020 and signed on its behalf by:



Mr Mohanned Rahman  
Trustee

Company registration number: 06195282

# Human Relief Foundation

## Consolidated Statement of Cash Flows for the year ended 31 December 2019

	Notes	2019 £	2018 £
<b>Net cash provided by operating activities</b>	<b>16</b>	45,035	649,843
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(12,410)	(12,333)
Bank interest received		614	321
<b>Net cash used in investing activities</b>		(11,796)	(12,012)
Increase in cash and cash equivalents in the year		33,239	637,831
Cash and cash equivalents at the beginning of the year		3,128,366	2,490,535
<b>Total cash and cash equivalents at the end of the year</b>		3,161,605	3,128,366

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019

### 1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### Company information

The Charity is limited by guarantee, with the liability of members limited to £1 per member. The charity is registered in England and Wales with the Charity Commission and in Scotland with the Scottish Charity Regulator. The registered office is 2-4 Claremont, Bradford, BD7 1BQ.

If upon winding up or dissolution of the charity there remain any assets, after satisfying all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having objectives similar to the Charity.

#### 1.1 Accounting convention

The financial statements have been prepared on a going concern basis 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 2019) ("Charities SORP (FRS 102)"), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Human Relief Foundation meets the definition of a public benefit entity under FRS 102.

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS 102 as follows:

- Exemption from presenting a charitable company statement of cash flows as a primary statement to the financial statements.

#### 1.2 Going concern

Whilst the global economy has been significantly impacted by the COVID-19 virus, the charity has an adequate amount of reserves and cash at bank, sufficient to meet the ongoing requirements. In addition, the charity has benefited from several government initiatives offered including the Job Retention Scheme and the Small Business Grant Fund which has helped fund the immediate requirements of the charity. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. Thus the financial statements have been prepared on a going concern basis.

#### 1.3 Basis of consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Delta One Investments Limited, on a line by line basis.

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attaching to the item(s) have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. Where grant income has been received, but the charity has not matched the conditions to become entitled to the income, an income deferral is made.

### Donated goods and services

Donated professional services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from use of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the value of volunteer time is not recognised in the financial statements.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is recognised in expenditure in the period of receipt.

Income from goods donated for sale in the charity's shops is recognised at the point of sale. As a result of the high volume of low value donated goods received by the charity, the cost of recognising these items at fair value on receipt would outweigh the benefit of recognising them in the accounts.

### Investment income

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

Rents from investment properties are included when they are receivable by the charity.

### 1.5 Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity 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 Charity for a particular purpose. Where no on-going restriction remains and all original conditions and restrictions have been met in relation to the original grant or donation, funds are transferred to general funds. The purpose and use of the restricted funds is set out in note 12.

### 1.6 Expenditure

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

The cost of raising funds includes fundraising event costs, direct campaigns, general information and public relation costs and their associated support costs.

Expenditure on charitable activities relates to grants awarded and associated support costs.

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

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administration, finance, human resources, information systems and governance costs which support the services provided to beneficiaries.

These costs have been allocated between the costs of raising funds and expenditure on charitable activities on the basis set out in note 4.

### 1.7 Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

### 1.8 Staff costs

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Employee severance pay is recognised within the accounts, on an accruals basis, in the year in which the employee left the organisation.

### 1.9 Investments

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

Investments in subsidiaries are stated at cost and the Trustees review the carrying value annually for indications of impairment.

### 1.10 Tangible fixed assets

Fixed assets are included on a historical cost basis. It is a policy of the trustees that individual items with a cost below £500 are not capitalised.

Depreciation is provided at the following rates and bases to write off the cost of tangible fixed assets over their estimated useful lives by annual instalments, with a full year's charge in the acquisition year and no charge in the year of disposal:

Freehold buildings	2% straight line
Leasehold buildings	20% straight line
Fixtures and fittings	20% straight line
Motor vehicles	20% reducing balance
Computer equipment	25% straight line

Freehold land is not depreciated.

### 1.11 Stock

It is impractical to estimate the fair value of goods donated for sale in the charity's shops due to the high volume of these items and to include it on the balance sheet. The value of these goods to the charity is instead recognised when they are sold in the shops.

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

#### Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Bank overdrafts are shown within borrowing in current liabilities.

#### Debtors

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

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset. Impairment losses are recognised in the income and expenditure account.

#### Creditors, loans and provisions

Creditors, loans and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial liabilities are only derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

### 1.13 Taxation

Human Relief Foundation is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the Charity is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

The trading subsidiary is liable to corporation tax on its chargeable profits. Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date. Minimal corporation tax arises on the subsidiary as profits are gift aided to the charity.

### 1.14 Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to statement of financial activities.

### 1.15 Pensions

The charity operates a defined contribution scheme for the employees of both the Charity and its trading subsidiary. Contributions are charged as an expense to the Statement of Financial Activities in the period in which they fall due.

### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the statement of financial activities on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.



# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 2. Critical accounting estimates and judgements

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

#### ***Accrued income***

Accrued income has been included within these financial statements when its receipt is considered to be probable. Management assess the probability of its receipts by considering contracts and agreements in place, current relationships with funders and, where applicable, work performed. At the year end, accrued income totalled £609,989 (2018 - £491,925).

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 3. Income

For the year ended 31 December 2019	Unrestricted income £	Restricted income £	2019 Total £
<u>Donations and non-performance grants:</u>			
Donations from individuals and charitable organisations (including Gift Aid)	1,005,047	6,039,598	7,044,645
Gift Aid donation from subsidiary	125,079	-	125,079
Google advertising – gift in kind	1,569	-	1,569
UK Care for Children – Medical care	-	151,790	151,790
UK Care for Children – Winter care	-	77,732	77,732
<b>Charity only total</b>	<b>1,131,695</b>	<b>6,269,120</b>	<b>7,400,815</b>
Gift Aid donation from subsidiary	(125,079)	-	(125,079)
<b>Group total</b>	<b>1,006,616</b>	<b>6,269,120</b>	<b>7,275,736</b>
 <b><i>Income from charitable activities</i></b>			
<u>Performance related grants receivable:</u>			
FAO Project - Improving rural livelihoods, nutrition and food security	-	22,740	22,740
OCHA Project - Shelter assistance for vulnerable households living in critical shelter conditions	-	6,981	6,981
UNDP051 Project - The provision and implementation of cash for work in Erbil and Sulaymaniyah governorates, Iraq	-	28,469	28,469
UNDP101 Project - Implementation of Small Business Grants and Piloting of Savings Groups to Revitalise Local Economies Returned, and Resident Community Members, Salah al Din Governorate, Iraq	-	84,460	84,460
WFP - School Feeding Programme for Hamzah, Qadisiyah and Balad, Salah Al-Din Iraq	-	55,071	55,071
UNHCR Project – Warehouse management and CRI distributions for internally displaced persons in Kirkuk Governorate	-	252,676	252,676
<b>Charity and group total</b>	<b>-</b>	<b>450,397</b>	<b>450,397</b>
 <b><i>Income from investments</i></b>			
Bank deposit interest	614	-	614

Including within donations from individuals and charitable organisations is Gift Aid amounting to £404,712 (2018 - £366,010).

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 3. Income (continued)

For the year ended 31 December 2018	Unrestricted income £	Restricted income £	2018 Total £
Donations and non-performance grants:			
Donations from individuals and charitable organisations (including Gift Aid)	1,379,520	3,231,224	4,610,744
Gift Aid donation from subsidiary	83,060	-	83,060
Google advertising – gift in kind	8,579	-	8,579
<b>Charity only total</b>	<b>1,471,159</b>	<b>3,231,224</b>	<b>4,702,383</b>
Gift Aid donation from subsidiary	(83,060)	-	(83,060)
<b>Group total</b>	<b>1,388,099</b>	<b>3,231,224</b>	<b>4,619,323</b>
<b>Income from charitable activities</b>			
Performance related grants receivable:			
Qatar Charity – <i>Mosul project</i>	-	470,000	470,000
UN Habitat – Capacity building for economic management	-	2,084	2,084
Unicef – Emergency water supply in Mosul	-	281,662	281,662
UK Care for Children	-	318,472	318,472
<b>Charity and group total</b>	<b>-</b>	<b>1,072,218</b>	<b>1,072,218</b>
<b>Income from investments</b>			
Bank deposit interest	321	-	321

Including within donations from individuals and charitable organisations is Gift Aid amounting to £404,732 (2018 - £366,010).

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 4. Analysis of expenditure

For the year ended 31 December 2019	Direct costs £	Allocated costs £	Total 2019 £
<b><i>Expenditure on raising funds:</i></b>			
Donations campaign	-	221,911	221,911
Donations - fundraising activities	228,776	517,793	746,569
<b>Charity only total</b>	<b>228,776</b>	<b>739,704</b>	<b>968,480</b>
Retail – sale of donated goods	302,481	-	302,481
<b>Group total</b>	<b>531,257</b>	<b>739,704</b>	<b>1,270,961</b>
<b><i>Expenditure on charitable activities:</i></b>			
Health, education and skills development	599,175	271,503	870,678
Widows and orphans support	370,949	265,510	636,459
Qurbani	472,940	185,547	658,487
Emergency and natural disasters	2,918,679	612,737	3,531,416
Grant funded programmes	697,369	311,485	1,008,854
	<b>5,059,112</b>	<b>1,646,782</b>	<b>6,705,894</b>
<b>Total expenditure (charity only)</b>	<b>5,287,888</b>	<b>2,386,486</b>	<b>7,674,374</b>
<b>Total expenditure (group)</b>	<b>5,590,369</b>	<b>2,386,486</b>	<b>7,976,855</b>

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 4. Analysis of expenditure (continued)

For the year ended 31 December 2018	Direct costs £	Allocated costs £	Total 2018 £
<b>Expenditure on raising funds:</b>			
Donations campaign	-	194,588	194,588
Donations - fundraising activities	158,305	454,038	612,343
<b>Charity only total</b>	<b>158,305</b>	<b>648,626</b>	<b>806,931</b>
Retail – sale of donated goods	324,868	-	324,868
<b>Group total</b>	<b>483,173</b>	<b>648,626</b>	<b>1,131,799</b>
<b>Expenditure on charitable activities:</b>			
Health, education and skills development	717,749	193,642	911,391
Widows and orphans support	294,532	203,842	498,374
Qurbani	256,743	149,178	405,921
Emergency and natural disasters	1,386,607	483,203	1,869,810
Grant funded programmes	522,251	220,974	743,225
	<b>3,177,882</b>	<b>1,250,839</b>	<b>4,428,721</b>
<b>Total expenditure (charity only)</b>	<b>3,336,187</b>	<b>1,899,465</b>	<b>5,235,652</b>
<b>Total expenditure (group)</b>	<b>3,661,055</b>	<b>1,899,465</b>	<b>5,560,520</b>

Within 'Retail – sale of donated goods' direct costs include staff costs totalling £161,885 (2018 - £151,031).

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 4. Analysis of expenditure (continued)

#### Support costs

Support costs have been allocated based on an estimate, by management, of time spent by employees contributing to each activity. Support costs have been allocated as follows:

For the year ended 31 December 2019	Employment costs £	Premises costs £	Administration costs £	Overseas office overhead costs £	Total 2019 £
Donations campaign	136,972	18,453	66,486	-	221,911
Donations - fundraising activities	319,602	43,057	155,134	-	517,793
Health, education and skills development	91,315	12,302	44,324	123,562	271,503
Widows and orphans support	114,144	15,377	55,405	80,584	265,510
Qurbani	91,315	12,302	44,324	37,606	185,547
Emergency and natural disasters	285,359	38,443	138,513	150,422	612,737
Grant funded programmes	102,729	13,840	49,865	145,051	311,485
	1,141,436	153,774	554,051	537,225	2,386,486

For the year ended 31 December 2018	Employment costs £	Premises costs £	Administration costs £	Overseas office overhead costs £	Total 2018 £
Donations campaign	115,265	20,714	58,609	-	194,588
Donations - fundraising activities	268,951	48,332	136,755	-	454,038
Health, education and skills development	76,843	13,809	39,073	63,917	193,642
Widows and orphans support	96,054	17,262	48,841	41,685	203,842
Qurbani	76,843	13,809	39,073	19,453	149,178
Emergency and natural disasters	240,135	43,154	122,102	77,812	483,203
Grant funded programmes	86,448	15,535	43,957	75,034	220,974
	960,539	172,615	488,410	277,901	1,899,465

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 5. Net income for the year

Net income for the year is stated after charging:

	2019 £	2018 £
Depreciation of owned assets	26,235	25,873
Foreign exchange loss	26,008	1,273
Auditors' remuneration:		
For the audit of the Financial Statements (company - £6,300, 2018 - £6,000)	8,000	7,600
For the provision of other services	4,600	4,350

### 6. Information regarding trustees and employees

	2019 £	2018 £
<b>Staff costs comprise</b>		
Wages and salaries	1,190,914	1,021,225
Social security costs	89,330	76,239
Pension	23,077	14,106
	1,303,321	1,111,570

During the year, the Charity employed an average of 65 staff (2018 – 57).

The Trustees received no remuneration or benefits during either year. Trustees (2018 – 5) received a total of £nil (2018 - £197) in respect of out of pocket expenses incurred during the year.

No employee earned over £60,000 in the year (2018 – no employees).

During the year the brother of Mr M Rahman, a Trustee, was employed by the Charity on a full time basis as the Finance and Compliance Manager. The employee, Mr M Rahman, received gross remuneration of £38,078 (2018 - £32,331) during the year.

The key management personnel of the charity (and group) comprise the trustees and the senior management team. The total employee benefits of the key management personnel employed by the charity (and group), which encompasses 3 individuals, were £135,288 (2018 - £123,574).

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 7. Taxation

In respect of Delta One Investments Limited only:

	2019 £	2018 £
UK Corporation tax	-	344
Adjustment for prior years	-	-
Total current tax	-	344

The charitable activities of Human Relief Foundation are exempt from taxation under Chapter 3 of part 11 of the Corporation Tax Act 2010.

The charge for the year can be reconciled to the profit per the profit and loss account in Delta One accounts as follows:

	2019 £	2018 £
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (2018 – 19%)	-	65
Depreciation in excess of capital allowances charged	-	279
Tax expense for the year	-	344



# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 8. Fixed assets

Group	Freehold land and buildings £	Leasehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>						
1 January 2019	534,519	20,000	80,783	8,993	59,576	703,871
Additions	-	-	3,123	-	9,287	12,410
31 December 2019	534,519	20,000	83,906	8,993	68,863	716,281
<b>Depreciation</b>						
1 January 2019	22,035	8,000	64,145	8,267	43,729	146,176
Charge for the year	7,345	4,000	6,789	145	7,956	26,235
31 December 2019	29,380	12,000	70,934	8,412	51,685	172,411
<b>Net book values</b>						
31 December 2019	505,139	8,000	12,972	581	17,178	543,870
31 December 2018	512,484	12,000	16,638	726	15,847	557,695

Charity	Freehold land and buildings £	Leasehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>						
1 January 2019	534,519	20,000	41,831	8,993	59,576	664,919
Additions	-	-	-	-	9,287	9,287
31 December 2019	534,519	20,000	41,831	8,993	68,863	674,206
<b>Depreciation</b>						
1 January 2019	22,035	8,000	27,948	8,267	43,729	109,979
Charge for the year	7,345	4,000	5,207	145	7,956	24,653
31 December 2019	29,380	12,000	33,155	8,412	51,685	134,632
<b>Net book values</b>						
31 December 2019	505,139	8,000	8,676	581	17,178	539,574
31 December 2018	512,484	12,000	13,883	726	15,847	554,940

All tangible assets were used for charitable purposes.

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 9. Investments

#### The Charity and the Group

	2019 £	2018 £
<b>UK investment property</b>		
Market value at 1 January 2019 and 31 December 2019	125,000	125,000

The investment property has an historic cost of £300,000 and was independently valued by A J Idle MRICS of Andrew Idle Commercial Property Limited on 10 June 2015 on the basis of open market value. The Trustees believe that the valuation still materially represents fair value at the balance sheet date.

#### Charity

	2019 £	2018 £
<b>Shares in subsidiary undertaking</b>		
Delta One Investments Limited	1	1

The Charity owns 100% of the ordinary share capital of Delta One Investments Limited, a company registered in England and Wales. Delta One Investments Limited's principal activity is the sale of donated goods. Under a deed of covenant, the subsidiary gifts its taxable profit to the parent charity as a Gift Aid donation.

The income and expenditure of Delta One Investments Limited, which have been included in these consolidated accounts, for the year ended 31 December 2019 is summarised below:

	2019 £	2018 £
Turnover – sale of donated goods	429,654	408,272
Administrative expenses	(302,481)	(324,868)
Profit on ordinary activities for the financial year	127,173	83,404
Gift aid payment to Human Relief Foundation	(125,079)	(83,060)
Profit on ordinary activities before taxation	2,094	344
Tax on profit on ordinary activities	-	(344)
Profit retained for the financial year	2,094	-

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 9. Investments (continued)

The aggregate assets, liabilities and funds were:

	2019 £	2018 £
Fixed assets	4,296	2,755
Current assets	217,576	132,514
Liabilities	(219,695)	(135,186)
	2,177	83
<b>Represented by:</b>		
Called up share capital	1	1
Profit and loss account	2,176	82
	2,177	83

### 10. Debtors

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	2,378	5,437	2,378	5,437
Amount owed by subsidiary	-	-	215,839	128,336
Prepayments	34,874	154,287	34,874	154,287
Accrued income	609,989	491,925	609,989	491,925
Other debtors	340,921	30,229	332,811	21,699
	988,162	681,878	1,195,891	801,684

Included within accrued income is an amount of £421,038 (2018 - £470,000) relating to Qatar Charity, as disclosed in note 12.

### 11. Creditors – Amounts falling due within one year

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Trade creditors	83,042	82,307	83,042	82,129
Taxes and social security costs	-	1,599	-	-
Corporation tax	-	344	-	-
Accruals and grant commitments	257,289	454,361	253,433	449,632
Deferred income	336,344	-	336,344	-
	676,675	538,611	672,819	531,761

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 11. Creditors – Amounts falling due within one year (continued)

Deferred income	2019 £	2018 £
Deferred income at 1 January 2019	-	-
Amounts released from previous years	-	-
Income deferred during the year	336,344	-
Deferred income at 31 December 2019	336,344	-

### 12. Movements in restricted funds

#### The Charity and the Group

For the year ended 31 December 2019	1 January 2019 £	Income £	Expenditure £	31 December 2019 £
Health, education and skills development	-	743,649	(743,649)	-
Widow and orphan support	-	476,809	(476,809)	-
Qurbani	-	611,511	(611,511)	-
Emergency appeals	1,555,425	4,437,150	(3,531,417)	2,461,158
Qatar Charity – <i>Mosul project</i>	229,963	-	(229,963)	-
FAO Project	-	22,741	(22,741)	-
OCHA Project	-	6,981	(6,981)	-
UNDP051 Project	-	28,469	(28,469)	-
UNDP101 Project	-	84,460	(84,460)	-
UNHCR Project	-	252,676	(252,676)	-
WFP Project	-	55,071	(55,071)	-
	1,785,388	6,719,517	(6,043,747)	2,461,158

For the year ended 31 December 2018	1 January 2018 £	Income £	Expenditure £	31 December 2018 £
Health, education and skills development	-	678,873	(678,873)	-
Widow and orphan support	-	434,336	(434,336)	-
Qurbani	-	111,048	(111,048)	-
Emergency appeals	1,409,932	2,325,439	(2,179,946)	1,555,425
Qatar Charity – <i>Mosul project</i>	-	470,000	(240,037)	229,963
UN Habitat – Capacity building for economic management	-	2,084	(2,084)	-
Unicef – Emergency water supply in Mosul	-	281,662	(281,662)	-
	1,409,932	4,303,442	(3,927,986)	1,785,388

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 12. Movements in restricted funds (continued)

Restricted funds consist of unspent restricted grants and donations. The nature and application of the restricted funds are as follows:

Fund	Nature and application
Health, education and skills development	This fund provides support to beneficiaries in health care such as immunisations. It also provides beneficiaries with sponsorship in educational and skills courses to help them become self-reliant.
Widow and orphan support	This fund provides orphans and vulnerable families with food, water, shelter, education and accommodation.
Qurbani	This fund facilitates the requirements of the donors where it is obligatory to perform Qurbani. The beneficiaries of this fund are in the poorer countries who will benefit the most.
Emergency appeals	This is intended to aid those beneficiaries who urgently require assistance such as victims of earthquakes, internally displaced people as a result of conflict etc.
UN Habitat – capacity building for economic management	Working in partnership with UN-Habitat to support the development of key sectors of the urban economy, in particular on economic infrastructure rehabilitation as well as working on developing the capacity of youth.
Qatar Charity – Mosul project	Securing livelihoods and supporting the return and stability of displaced people to the liberated areas of Mosul. This Programme will support vulnerable households with cash for work employment and the distribution of income generating goods such as sewing machines. Income of £470,000 had not been received at the 2018 year end, and is therefore included within accrued income, as disclosed in note 10.
Unicef – emergency water supply in Mosul	This emergency water supply project was three-fold: 1) the immediate response of providing water tankers to the most vulnerable residents in Mosul; 2) instalment of temporary static water distribution points; 3) the repair/installation of boreholes, water tankers and piping to get Mosul residents provided with safe, clean and accessible water.
FAO Project	Gardening courses and distribution of agricultural equipment to 500 HHs in Ninewa, Salah al Din, Kirkuk, Anbar governorates Iraq.
OCHA Project	Distribution of Sealing Off Kits (SOKs) to 1,253 households, 140 emergency shelter repairs in Kirkuk, Iraq.
UNDP051 Project	Employment of 600 beneficiaries for waste management and removal in Erbil and Sulaymaniyah governorates in Iraq.
UNDP101 Project	Delivering business training followed by the provision of small grants to start a business across four districts of Salah al Din for 120 beneficiaries.
UNHCR Project	Warehouse management and CRI distributions for internally displaced persons in Kirkuk Governorate
WFP	Delivering daily school meals to 46,000 students daily across 148 schools in Qadisyah and to 15,000 students across 57 schools in Salad AL-Din.

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 13. Analysis of assets and liabilities between funds

Group (as at 31 December 2019)	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	543,870	-	543,870
Investments	125,000	-	125,000
Current assets	1,688,609	2,461,158	4,149,767
Current liabilities	(676,675)	-	(676,675)
Total net assets	1,680,804	2,461,158	4,141,962

Group (as at 31 December 2018)	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	557,695	-	557,695
Investments	125,000	-	125,000
Current assets	2,024,856	1,785,388	3,810,244
Current liabilities	(538,611)	-	(538,611)
Total net assets	2,168,940	1,785,388	3,954,328

Charity (as at 31 December 2019)	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	539,574	-	539,574
Investments	125,001	-	125,001
Current assets	1,686,872	2,461,158	4,148,030
Current liabilities	(672,819)	-	(672,819)
Total net assets	1,678,628	2,461,158	4,139,786

Charity (as at 31 December 2018)	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	554,940	-	554,940
Investments	125,001	-	125,001
Current assets	2,020,678	1,785,388	3,806,066
Current liabilities	(531,761)	-	(531,761)
Total net assets	2,168,858	1,785,388	3,954,246

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2019 (continued)

### 14. Operating commitments

At 31 December 2019, the charity and the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:-

	<b>The Charity and the Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Due within 1 year	124,948	123,529
Due between 2 and 5 years	124,287	237,092
Due over 5 years	-	-
	<b>249,235</b>	<b>360,621</b>

### 15. Related party transactions

Property rent has been paid to a member of key management personnel during the year, totalling £12,000 (2018 - £12,000).

During the year, Human Relief Foundation conducted the following transactions with its subsidiary, Delta One Investments Limited:

The subsidiary, Delta One Investments Limited, made a gift aid donation under a deed of covenant to Human Relief Foundation of £125,079 in the year (2018 - £83,060).

At 31 December 2019, Human Relief Foundation was due £215,839 from Delta One Investments Limited (2018 - £128,336).

A number of Human Relief Foundation associated/affiliated charities and non-governmental operations (NGO's) are in operation throughout the world. These do not form part of the same group as Human Relief Foundation, however they do have some common management. Human Relief Foundation paid funds amounting to £2,435,896 (2018 - £2,068,363) during the year to these charities and NGO's to assist Human Relief Foundation to deliver/perform its charitable activities. At the year end, Human Relief Foundation had year end creditor balances totalling £445,301 (2018 - £276,093) owed to these charities.

### 16. Reconciliation of net movement in funds to net cash flow from operating activities

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net movement in funds	187,634	546,878
<b>Adjustments for:</b>		
Depreciation charges	26,235	25,873
Interest received	(614)	(321)
Income tax charged	-	344
(Increase) in debtors	(306,284)	(116,780)
Increase in creditors	138,064	193,849
<b>Net cash provided by operating activities</b>	<b>45,035</b>	<b>649,843</b>

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2018 (continued)

### 17. Post balance sheet events

Subsequent to the year end the UK has suffered restrictions on its activities as a result of Covid-19. In common with almost all organisation, Human Relief Foundation has been impacted by this event, and as a result the expected financial results may be affected by the restrictions. In response to this, the charity has obtained support from the UK government in various forms in order to maintain its cashflow position. Charitable activities in overseas countries where also typically paused for a period in 2020 whilst governments across the world got to grips with handling the pandemic.

The directors have not taken the impact of Covid-19 into account in assessing the carrying value of its assets, and the directors' considerations of Covid-19 on their assessment of going concern is disclosed in note 1.2.

### 18. Comparative charity only Statement of Financial Activities (Including Income and Expenditure Account) for the year ended 31 December 2018

	Unrestricted funds £	Restricted funds £	2018 Total £
<b>Income from:</b>			
<b><i>Donations</i></b>			
Donations and non-performance grants	1,471,159	3,231,224	4,702,383
<b><i>Income from charitable activities</i></b>			
Grants receivable	-	1,072,218	1,072,218
Other income	7,608	-	7,608
<b><i>Income from investments</i></b>	321	-	321
<b>Total income</b>	<b>1,479,088</b>	<b>4,303,442</b>	<b>5,782,530</b>
<b>Expenditure on:</b>			
Raising funds	806,931	-	806,931
Charitable activities	500,735	3,927,986	4,428,721
Exceptional item	-	-	-
<b>Total expenditure</b>	<b>1,307,666</b>	<b>3,927,986</b>	<b>5,235,652</b>
<b>Net income and net movement in funds</b>	<b>171,422</b>	<b>375,456</b>	<b>546,878</b>
Total funds brought forward	1,997,436	1,409,932	3,407,368
<b>Total funds carried forward</b>	<b>2,168,858</b>	<b>1,785,388</b>	<b>3,954,246</b>



# Human Relief Foundation

## 19. Comparative Consolidated Statement of Financial Activities (Including Income and Expenditure Account) for the year ended 31 December 2018

	Unrestricted funds £	Restricted funds £	2018 Total £
<b>Income from:</b>			
<b><i>Donations</i></b>			
Donations and non-performance grants	1,388,099	3,231,224	4,619,323
<b><i>Other trading activities</i></b>			
Retail - sale of donated goods	408,272	-	408,272
<b><i>Income from charitable activities</i></b>			
Grants receivable	-	1,072,218	1,072,218
Other income	7,608	-	7,608
<b><i>Income from investments</i></b>	321	-	321
<b>Total income</b>	<b>1,804,300</b>	<b>4,303,442</b>	<b>6,107,742</b>
<b>Expenditure on:</b>			
Raising funds	1,131,799	-	1,131,799
Charitable activities	500,735	3,927,986	4,428,721
Exceptional item	-	-	-
<b>Total expenditure</b>	<b>1,632,534</b>	<b>3,927,986</b>	<b>5,560,520</b>
<b>Net income before taxation</b>	<b>171,766</b>	<b>375,456</b>	<b>547,222</b>
Taxation (charge)	(344)	-	(344)
<b>Net movement in funds</b>	<b>171,422</b>	<b>375,456</b>	<b>546,878</b>
Total funds brought forward	1,997,518	1,409,932	3,407,450
<b>Total funds carried forward</b>	<b>2,168,940</b>	<b>1,785,388</b>	<b>3,954,328</b>