# Action Against Hunger UK

England & Wales · Charity number 1047501

## Details

| | |
|---|---|
| **Other names** | A.I.C.F -- GB LIMITED, ACTION AGAINST HUNGER, AAH UK, AAH-UK |
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 03069468 |
| **Registered** | 1995-06-27 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | Exchange Tower<br>1 Harbour Exchange Square<br>London<br>E14 9GE |
| **Phone** | 0208853 7571 |
| **Email** | support@actionagainsthunger.org.uk |
| **Website** | www.actionagainsthunger.org.uk |

## Activities

**Objects:** THE CHARITY'S OBJECTS ("OBJECTS") ARE: (1) TO RELIEVE POVERTY, DEPRIVATION AND DISTRESS THROUGHOUT THE WORLD; AND (2) TO RELIEVE HUNGER, WHETHER CHRONIC OR TEMPORARY, BY WAY OF EMERGENCY INTERVENTION AND/OR ESTABLISHING REHABILITATION PROGRAMMES. NOTHING IN THE OBJECTS SHALL AUTHORISE AN APPLICATION OF THE PROPERTY OF THE CHARITY FOR PURPOSES THAT ARE NOT CHARITABLE IN ACCORDANCE WITH SECTION 7 OF THE CHARITIES AND TRUSTEE INVESTMENT (SCOTLAND) ACT 2005.

**Activities:** To provide increased resources to support projects that address acute malnutrition and respond to humanitarian crises.To increase the impact and quality of responses to acute malnutrition and food crises by improving accountability, coverage and sustainabilityTo influence donors' and practitioners' policies and programmes on the responses to , and prevention of, food crises and malnutrition

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## Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief
- **Who:** Children/young People, The General Public/mankind

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## Geography

- Afghanistan
- Bangladesh
- Burkina Faso
- Burma
- Cameroon
- Colombia
- Congo (Democratic Republic)
- Ethiopia
- Iraq
- Ivory Coast
- Kenya
- Liberia
- Madagascar
- Mali
- Mauritania
- Niger
- Nigeria
- Pakistan
- Philippines
- Senegal
- Sierra Leone
- Somalia
- South Sudan
- Spain
- Syria
- Uganda
- United States
- Yemen
- Zimbabwe
- Throughout England

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## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2024-12-31 | £22,383,730 | £23,483,104 | £1,522,244 | 168 |
| 2023-12-31 | £31,909,010 | £32,411,525 | £4,272,460 | 167 |
| 2022-12-31 | £41,124,432 | £39,143,855 | £4,774,975 | 148 |
| 2021-12-31 | £2,001,323 | £1,170,991 | £2,794,398 | 62 |
| 2020-12-31 | £50,790,601 | £51,268,726 | £1,964,066 | 68 |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| Annabel Ferrie Venner | | 2024-07-01 |
| Hewete Haileselassie | | 2024-02-01 |
| Laure Nicole Stephanie Beaufils | | 2025-09-01 |
| Milton Anthony Fernandes | | 2024-06-24 |
| PAUL WILSON | | 1999-02-01 |
| Sanjay Jean-Noel Dhiri | | 2020-09-21 |
| Sylvia Amy Ninkovic | | 2024-07-01 |
| Tanya Ninu Khara | | 2026-04-13 |

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**Action Against Hunger UK**

England & Wales - Charity number 1047501

# Accounts

ACTION AGAINST HUNGER



# Annual report & financial statements

Action Against Hunger UK

2024

# About Action Against Hunger

Action Against Hunger is building a world where no one dies from hunger. Life-threatening hunger is predictable, preventable and treatable, so a world without it is possible. We tackle it where it hits and lead research to stop it, working relentlessly to save lives.

## Our vision

Our vision is of a world free from hunger.

## Our mission

No one needs to die from hunger. We predict and prevent it. Where it exists, we treat it. We stop life-threatening hunger in its tracks. By training parents and healthcare workers to spot the signs, we get life-saving care to people who need it.

Our research drives forward understanding of how to predict, prevent and treat life-threatening hunger. With unbeatable knowledge and unstoppable determination, we're taking action against hunger.

## Our values

Three values encapsulate all that we do:

- We work in partnership
- We are trusted experts
- We are unstoppable changemakers

## Our global network

Action Against Hunger UK is part of a global network that operates under the name of Action Against Hunger, with head offices in Canada, France, Germany, India, Italy, Spain, the UK and the USA. Each Action Against Hunger member is legally independent but all members share a common mandate, values, operating principles, quality standards, and strategy.

The narrative sections of this report refer to those activities for which Action Against Hunger UK has management responsibility, unless otherwise stated.

© Cover: Christophe Da Silva / Action Against Hunger

# Welcome from the Chair and Executive Director

Welcome to our 2024 review, which highlights just some of the work Action Against Hunger UK has supported across 57 countries, this year.

Action Against Hunger continues to work in some of the most acute humanitarian crisis zones, including Sudan and Gaza. Despite escalating hostilities, we maintained a near constant presence in the Gaza Strip.

Fundraising for humanitarian activities in Gaza, Lebanon and the West Bank was a key focus in 2024, and by December we had raised a total of £1 million, including £530,000 from private sources. In addition, the Disasters Emergency Committee's (DEC) Middle East Humanitarian Appeal raised £32.5million. As one of the 15 DEC members, Action Against Hunger UK received a proportionate share.

This year we also received funding from the UK Government's Foreign, Commonwealth & Development Office, including £1.5 million to reduce hunger-related death and illnesses in Alindao District in Central African Republic and £2.7 million for an integrated emergency response for vulnerable populations affected by the El Niño weather pattern, in South Central Somalia.

In the UK, against the backdrop of ongoing economic uncertainty and increased food insecurity, we also grew our domestic programme, including supporting the launch of a Food and Wellbeing Hub in South London.

In August 2024 we were thrilled to launch a multi-year partnership with IHG Hotels & Resorts (IHG). IHG is helping support and fund our nutrition programmes, with a specific focus on community outreach and initiatives that screen children for malnutrition. We also continued to foster relationships with several long-term strategic partners, including People's Postcode Lottery, Al Thani, and The Innocent Foundation.

This year we also renewed our DEC membership, and as part of this renewal, completed the Core Humanitarian Standards Independent Verification Process. We were also delighted to welcome Milton Fernandes, Sylvia Lowe and Annabel Venner to the Board in June and July 2024.

Looking ahead, the escalating need for humanitarian assistance coupled with unprecedented cuts to government funding for international aid, places the humanitarian sector in immensely challenging times. We will find creative ways to adapt, as ever counting on our donors to help us reach vulnerable communities. One of our core values is being unstoppable changemakers: as we look to the future, we will find strength in this, now more than ever.



Paul Wilson
Chair



Jean-Michel Grand
Executive Director

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# Why we do what we do

Life-threatening hunger is caused by interconnected issues, with the leading causes of hunger being conflict, climate change, natural disasters, poverty and inequality – particularly gender inequality.

As a result, too many people still do not have enough food to eat in a world of plenty. We need to address all these causes in order to prevent people from suffering life-threatening hunger and malnutrition.

These facts and stats explain why we do what we do:

In 2024
**673 million**
**people worldwide**



**experienced hunger**



**The number of people experiencing catastrophic hunger has more than doubled, largely due to the ongoing conflicts in Gaza and Sudan**

**85%**
**of people facing hunger crises live in conflict-affected countries**

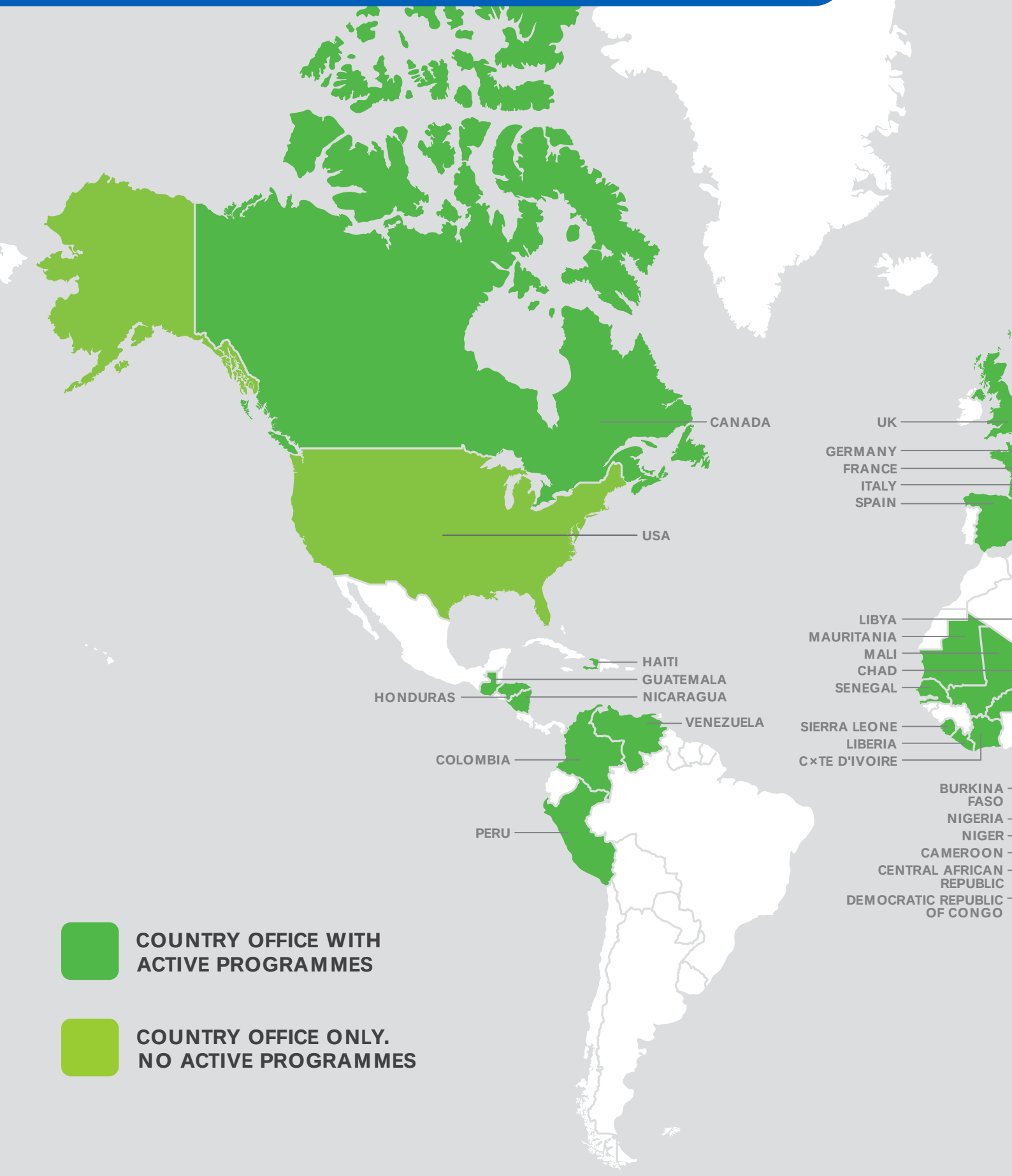


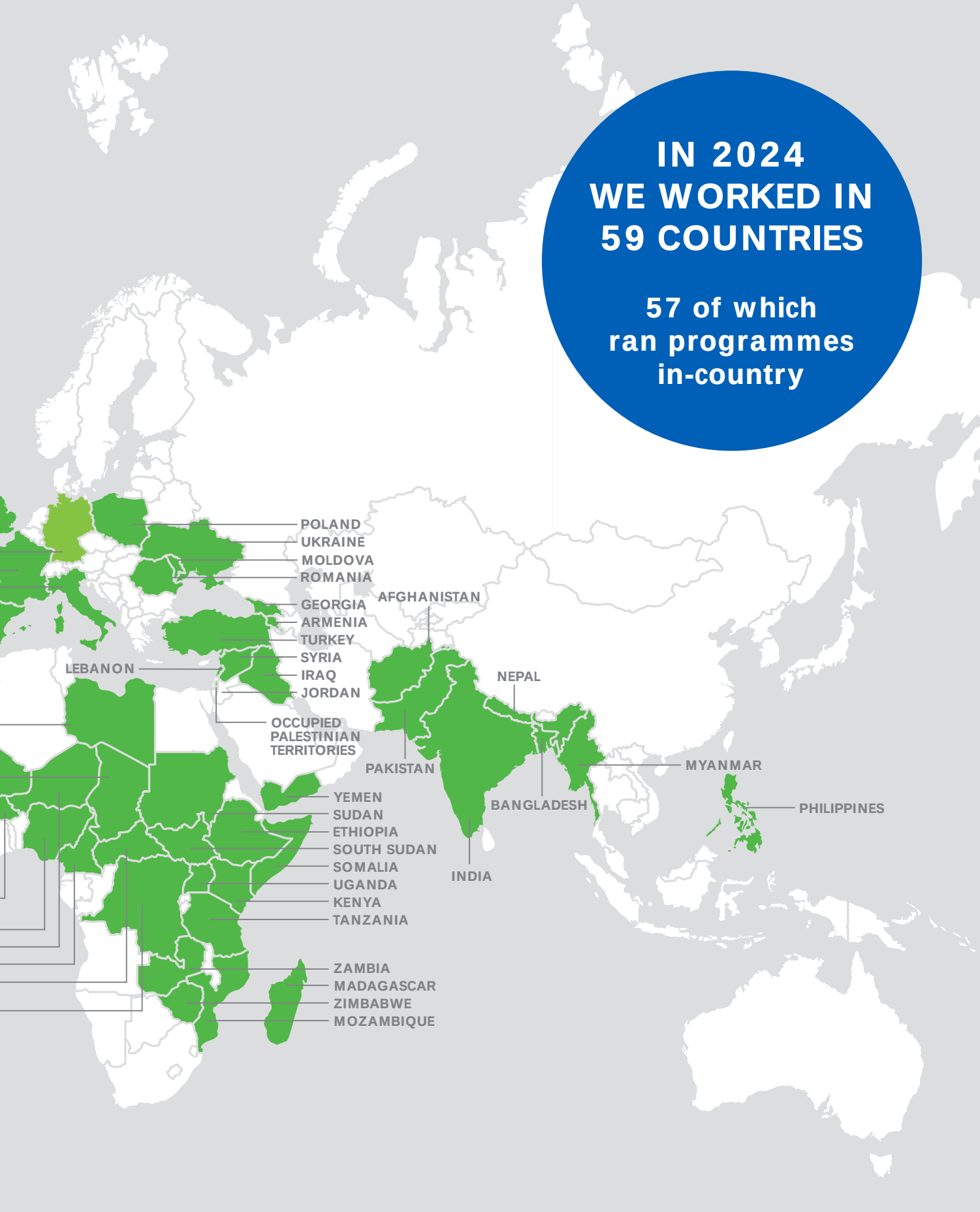
**13% of households in the UK experienced moderate or severe food insecurity, up from 8.8% in January 2022**



Nearly
**50% of deaths among under-fives are related to hunger**

# Where we worked in 2024




IN 2024
WE WORKED IN
59 COUNTRIES
57 of which
ran programmes
in-country
POLAND
UKRAINE
MOLDOVA
ROMANIA
GEORGIA
ARMENIA
TURKEY
SYRIA
IRAQ
JORDAN
LEBANON
OCCUPIED
PALESTINIAN
TERRITORIES
AFGHANISTAN
PAKISTAN
NEPAL
INDIA
BANGLADESH
MYANMAR
PHILIPPINES
YEMEN
SUDAN
ETHIOPIA
SOUTH SUDAN
SOMALIA
UGANDA
KENYA
TANZANIA
ZAMBIA
MADAGASCAR
ZIMBABWE
MOZAMBIQUE

# Our global impact

Total income
€657.6M



26.5M*
people assisted

## Admissions for malnutrition (children)



Total
1.057M
561K
496K

## Presence

8
head offices



8,527
staff



Staff in head offices
15.5%
84.5%
Staff in country offices

* current total numbers refer to individuals receiving outputs in each sector - not the actual number of people reached

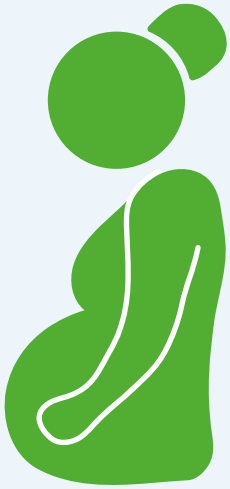
Action Against Hunger UK is part of a global network.
Together our main achievements and impact were as follows.




**programme countries**

**161,983**

**number of women aged 15-49 seen by a healthcare provider at least four times during pregnancy**



## Expenditure breakdown

**Programmes 91%**



**6%** **Fundraising and communications**

**3%** **Management, governance and support**

**82**



**advocacy initiatives led / implemented by Action Against Hunger**

**34**



**policy changes as a result of Action Against Hunger activities**

**258**



**advocacy products produced**

Data from Canada, France, Germany, Spain, UK and US

# A snapshot of our work

## Hunger in Gaza continues to climb

The crisis in Gaza dominated public consciousness in 2024 with a dramatic escalation of hostilities, unleashing an unprecedented humanitarian crisis.

Action Against Hunger has worked in the Gaza Strip since 2002, and in 2024 we managed to maintain a continuous presence across almost the whole territory under extreme circumstances. Seventy staff members supported an estimated 1.2 million people, providing lifesaving food, water, shelter, and nutrition services.

### HUNGER IN GAZA:

- In October 2024, the risk of famine persisted across the whole Gaza Strip
- From September to October 2024, almost 1.9 million people experienced high levels of acute food insecurity classified in IPC Phase 3 or above (crisis or worse)
- This included nearly 133,000 people facing catastrophic food insecurity (IPC Phase 5)
- Acute Malnutrition levels are ten times higher than before October 2023
- 60,000 cases are expected to occur between September 2024 and August 2025, with almost 17,000 cases of pregnant and breastfeeding women in need of treatment.

Over 2 million people witnessed immense loss of life and near complete destruction of essential infrastructure, including homes, hospitals and water supplies. This, combined with mass displacement of over 1.9 million people and aid obstruction, left millions of people in dire conditions, struggling to access even the most basic of essential services and support.

We were able to distribute hot meals, fresh and non-perishable food to thousands of people, over 37 million litres of clean drinking water, as well as over 200,000 hygiene kits. We built also mobile latrines, implemented solid waste removal activities, distributed mattresses and other shelter provisions to over 4,000 people.

We rehabilitated greenhouses and irrigation systems, identifying dozens of farmers who still have access to small portions of their land. Our staff scoured the markets for seeds, seedlings, and fertilisers to distribute key agricultural inputs and enable local production and trained the farmers on safe agricultural practices during conflict.

In response to the growing levels of malnutrition in Gaza, Action Against Hunger launched its first nutrition programme in the occupied Palestinian territories. Our nutrition teams detected and prevented cases of wasting in children younger than five years, working with women who are pregnant and breastfeeding to best care for Gaza's most vulnerable.

A boy drinks water distributed to the displaced population by Action Against Hunger in Northern Gaza, in October 2024.



© Action Against Hunger

# Trustees' report

Action Contre La Faim (Action Against Hunger in France) and the other members of the Action Against Hunger network have led the fight against hunger around the world since 1979. Action Against Hunger UK was established in 1995 and for almost three decades we have been saving the lives of malnourished children, ensuring that people in need can access clean water, food, healthcare and treatment, and working to help people improve their lives and livelihoods. The Trustees of Action Against Hunger UK present their annual report and audited accounts for the year ended 31 December 2024.

## Public benefit

Action Against Hunger UK's Trustees have a duty to ensure that the Charity provides public benefit and achieves its objectives as set out in its governing document. The Trustees' Annual Report provides a detailed account of the significant activities undertaken by the Charity in line with these objectives, which are: to relieve poverty, deprivation and distress throughout the world and to relieve hunger, whether chronic or temporary, by way of emergency intervention and/or establishing rehabilitation programmes.

The Trustees regularly review the Charity's strategy and plans to ensure these are consistent with its objectives and to consider how its activities contribute to the public benefit. The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims, objectives and activities, and are confident that they have complied with their duty to have due regard to the guidance when exercising their powers and duties.

## Strategic report

Action Against Hunger UK is part of a humanitarian and development network that has been at the forefront of the fight against hunger for 46 years. We are a needs-driven and rights-based organisation with a primary focus on assisting the most at-risk groups in society, wherever they live.

We are focused on reducing and eliminating hunger and malnutrition. Our technical expertise, based on research, mass data analysis and collaboration with scientists and government ministries is internationally recognised and respected.

We create innovative responses to treat life-threatening malnutrition. We protect livelihoods and improve long-term food security. We do this by constantly investing in research and innovative nutrition products and field-testing treatment protocols. These have become international best practices in treating and preventing undernutrition among adolescents, pregnant and breastfeeding women, and newborn and young children.

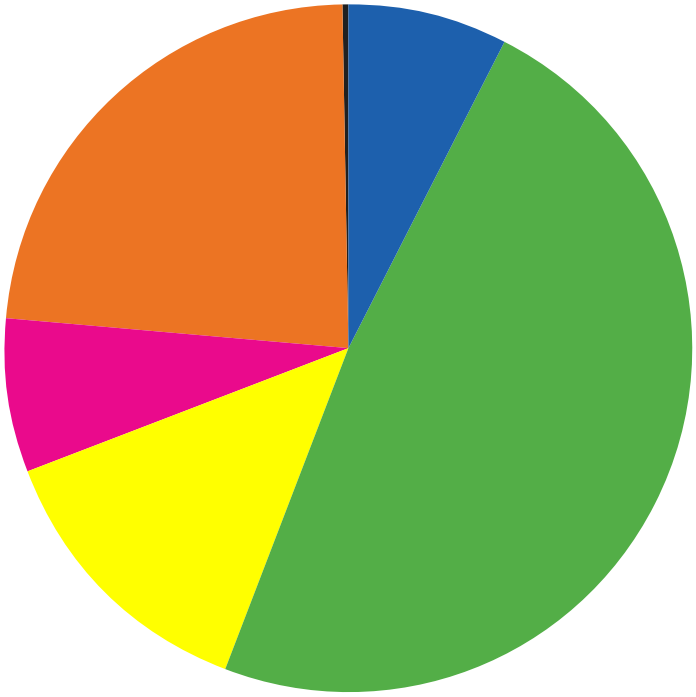
## Our priorities

Our core strength is responding to hunger and malnutrition crises; this is where our expertise is grounded. Our strategy is to build from this core strength, continually broadening our technical capabilities on issues central to our mission.

We offer our reliable and expert technical services and often partner with other national and international civil society organisations, scientists, funders and decision-makers to ensure the best outcomes. Our increasing evidence-based knowledge and expertise gives us a powerful voice to engage the public and influence governments to deliver greater action on hunger.

# How we raised our money

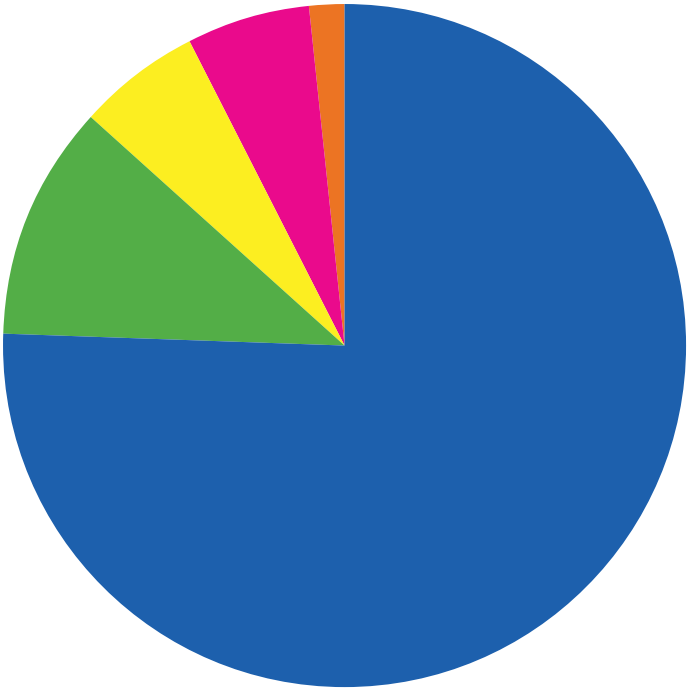
Action Against Hunger received grants and donations from UK individuals, institutional donors, trusts and foundations, and corporate partners.



| | |
|---|---|
| Institutional | £10,795,215 |
| Action Against Hunger network | £5,209,704 |
| Trusts and foundations | £2,986,444 |
| Individuals | £1,706,492 |
| Corporate | £1,641,187 |
| Other | £44,688 |
| **Total** | **£22,383,730** |

# How we spent our money

The vast majority of our income is spent on emergency relief, disaster risk-reduction work and long-term development projects.



| | |
|---|---|
| Overseas projects | £17,765,209 |
| Fundraising | £2,625,501 |
| Consultancy services | £1,375,504 |
| Support costs | £1,358,950 |
| Advocacy | £357,940 |
| **Total** | **£23,483,104** |

# Our objectives in 2024

## Diversify our income and mobilise significant resources

1



© Fabeha Monir / Action Against Hunger

## Become a global leader in technical assistance

2



© Sara Muerza / Action Against Hunger

## Increase brand awareness and become a trusted activist on hunger and malnutrition

3


© Abel Gichuru / Action Against Hunger

## Empower our people and maximise our effectiveness and value

4



© Joe Golden / Action Against Hunger

# 1 Diversify and grow our income and mobilise significant resources

**£22.3m**
**raised overall**

In 2024, we raised £22.3 million, helped by many substantial donations from institutional donors, the Disasters Emergency Committee (DEC), trusts and foundations, corporate partners and generous individuals.

Substantial grants and donations included:

- Compleat Food Group, from Unearthed and Wall's Pastry
- IHG Hotels & Resorts
- Start Network
- People's Postcode Lottery
- Disasters Emergency Committee (DEC)
- UK Government's Foreign, Commonwealth & Development Office (FCDO)
- Innocent Foundation
- Al-Thani
- Alborada Trust

We have already mentioned how delighted we are to begin a long term, global partnership with IHG in 2024. We are also incredibly grateful to our longstanding corporate partners.

Compleat Food Group have supported Action Against Hunger since 2010. Through their Unearthed brand, they generously donate 1p from every pack sold, helping to fund our vital work around the world. We were also excited to welcome Wall's Pastry as a new donor in 2024. For the first time, they contributed 30p from each promotional pack of sausage rolls sold, supporting one of our UK social supermarkets.

Action Against Hunger UK substantially grew its regular giving programme in 2024. Our Gaza and Middle East appeals drove not only restricted income for the region, but also resulted in 1129 new regular givers who also wanted to provide unrestricted, sustainable support for our global work.

Emergency response is at the heart of our work: anticipating crises, preventing disasters from escalating and providing rapid, life-saving action. In 2024, we secured significant investment into our Emergency Action Fund, which exists precisely to support this work, with the support of generous Trusts and Foundations. The Fund gives Action Against Hunger the flexibility to intervene at the first sign of crisis, including emergencies that do not make the headlines, such as those in Sudan, Yemen and Afghanistan.



© Sayed Rahman / Action Against Hunger

# 2 Become a global leader in technical assistance

In 2024, Action Against Hunger UK expanded its technical support to governments and partners, championing innovative approaches for monitoring nutrition coverage. We conducted coverage surveys and capacity-building activities in multiple countries such as Yemen, Nepal, Venezuela and Mozambique. We also completed Link Nutrition Causal Analysis (Link NCA) studies in the Democratic Republic of the Congo and South Sudan. We also conducted training in Nutrition in Emergencies, with one training in Latin America specialising in gender.

Our teams undertook critical research into the cost-effectiveness of various approaches to the treatment of acute malnutrition, many with an emphasis on Community Health Worker-based delivery models, which help to ensure sustainability and longevity of projects. We also began the development of a Global Nutrition Costing Tool to standardize cost-effectiveness evaluations across different contexts.

Action Against Hunger UK played a key role in supporting national guideline revisions to align with the latest global recommendations on the treatment of acute malnutrition. We supported the governments of Laos and Fiji to draft updated national guidelines on prevention and treatment of acute malnutrition and remain committed to influencing global strategies for improved nutrition programming and evidence use.

We also co-designed and disseminated a set of Infant and Young Child Feeding in Emergencies (IYCF-E) assessment guidelines in partnership with FHI360, a US-based humanitarian non-profit organisation. These guidelines aim to streamline the IYCF-E assessment process by offering an easy-to-use, step-by-step approach that supports humanitarian responders to better understand the situation and needs of infants and young children and their caregivers.

**Our food security work in the UK**

Food poverty in the UK is rising, with 14 per cent of households experiencing food insecurity last year*. In response, Action Against Hunger UK progressed its domestic programme in 2024, directly supporting two community food pantries in London and the West Midlands that give food-insecure households access to a variety of healthy foods every week for a small fee.

We also supported a local partner to launch a Food and Wellbeing Centre in south London, through funding and strategic support and sub-granted £30,000 from our corporate partners to six community food pantries, which supported 380 households every week during the funding period.

*Source: https://foodfoundation.org.uk/news/latest-food-insecurity-tracker-shows-seven-million-adults-going-hungry




© Faniry Njava Randriamanana / Action Against Hunger

# 3 Increase brand awareness and become a trusted activist on hunger and malnutrition

The UK general election in 2024 gave us an opportunity to engage with and inform political discussions in relation to the prevention of hunger and malnutrition. We produced our 'Crisis, Famine Action' report, setting out how the UK can play a leading role in tackling the global hunger crisis. We worked with our chef supporters, including Asma Khan, Ixta Belfrage, Noor Murad and Thom Bateman, to produce "Recipes for a World Free from Hunger" and shared these with MPs at meetings and events. Thousands of our supporters also wrote to their MPs encouraging them to ringfence spending on nutrition. We participated in the autumn Party Conferences, hosting and speaking at events on nutrition and humanitarian crises.

Alongside this, breaking the cycle of conflict and hunger remained a major priority; we produced several country reports for decision makers and held events in London, Geneva and New York. We also formalised - and now lead - the global coalition on conflict and hunger, a group of nine NGOs that collect evidence on and advocate against the use of starvation as a weapon of war and protection of civilians.

**Growing our digital and social media presence**

We also invested in our digital presence, launching a petition calling for a ceasefire in Gaza to allow for the uninhibited flow of aid, that received more than 100,000 signatures. Many of these new supporters took further action, with nearly 5,000 contacting their MPs – several of whom have reached out to learn more about our work and the crisis, and to explore how they can support our advocacy.

Our Gaza petition also drove a surge in email signups, expanding our overall supporter base from 7,000 to over 58,000. This gave us significantly more campaigning power on other issues, for example, 18,000 people signed our petition calling for a ceasefire in Lebanon between October and December.

We also substantially grew our social media presence. By the end of last year, Action Against Hunger UK had 185,000 followers across Instagram, LinkedIn, Facebook and TikTok, gaining more than 25,000 followers in the year. Some of our content went viral - like a video for World Refugee Day in June, which got over 400,000 views. On International Women's Day, our campaign highlighted frontline women's voices and reached nearly 50,000 views.

**Expanding our press work and celebrity engagement**

Over the course of 2024 we expanded our network of high-profile supporters in the food and hospitality industry. We welcomed Vivek Singh as our Ambassador, after more than two decades of partnership and working together on events such as Global Gastronomy, Diwali Banquets and Too Many Critics.

In June, Nigerian author, broadcaster and restaurant critic, Jimi Famurewa, visited some of our programmes in northwest Nigeria, including a stabilisation centre for children with severe acute malnutrition, which Jimi wrote about in The Evening Standard. Other big achievements in our press work in 2024 included Jean-Michel being interviewed on both BBC News and Sky News about the humanitarian situation in Gaza.




© Elie Saab / Action Against Hunger

# 4 Empower our people and maximise our effectiveness and value

Reaching our charitable objectives means ensuring our organisation's systems work effectively, empowering all who work for Action Against Hunger UK to deliver on their plans and targets. To this end, in 2024 we invested in key areas across finance and governance.

One of the ways Action Against Hunger UK maximises its value is through membership with the DEC, which brings together 15 leading UK aid charities to raise funds efficiently at times of humanitarian crisis. As part of our DEC membership renewal in December 2024, we undertook the Core Humanitarian Standards (CHS) audit, which verifies whether humanitarian and development actors meet nine commitments for measuring and improving the quality and effectiveness of their assistance. Our scores improved in many areas since our last audit, with significant progress made on Safeguarding, Local Partnership, Gender, Environment, and Learning.

We also invested in our internal communications to keep our colleagues better informed of the many fast-moving developments across our organisation and international network.

Part of our commitment to empowering colleagues is an annual staff survey. We had an excellent response rate of 85%, up from 77% in 2023. We rated particularly highly for staff understanding of organisational values, personal goals, managerial support, and for being recommended as a workplace.

We continued to strengthen our commitment to being an equitable and diverse workplace, convening our first Equity, Diversity and Inclusion Working Group, which set a policy, strategy and action plan for 2025 and beyond. We also ran two half-day online training sessions on "Neurodiversity Awareness in the Workplace", which aimed to reach all UK-based colleagues.

## Staff survey, 2024



**93%**
**of staff**
**know the values**
**of our organisation**



**92%**
**would recommend**
**Action Against Hunger UK**
**as a place to work**




© Eden Sparke / Action Against Hunger

# Structure, governance and management

Action Against Hunger UK is a company limited by guarantee (company number 3069468) and a registered charity in England and Wales (1047501) and in Scotland (SC048317). The Charity's objects and powers are set out in its governing document being its Articles of Association.

The Articles of Association provide that the Trustees are the only members of the Charity.

## Trustees (during 2024 and as at the date of approval of this report)

- **Paul Wilson** (Chair)
- **Frances Pasteur**
- **Nicolas Sarkis**
- **Sanjay Dhiri**
- **Hewete Haileselassie** (appointed February 2024)
- **Milton Fernandes** (appointed June 2024)
- **Sylvia Lowe** (appointed July 2024)
- **Annabel Venner** (appointed July 2024)
- **Jordan Winokur** (resigned December 2024)

## Board Committees

**Audit, Risk & Compliance Committee**
- **Milton Fernandes** (Chair from September 2024)
- **Paul Wilson** (Chair until September 2024)
- **Frances Pasteur** (safeguarding trustee)
- **Jordan Winokur** (resigned December 2024)

**Fundraising, Engagement & Ethics Committee**
- **Annabel Venner** (Chair from September 2024)
- **Nicolas Sarkis** (Chair until September 2024)
- **Hewete Haileselassie**
- **Sylvia Lowe**

**Remuneration, Compensation & Governance Committee**
- **Sanjay Dhiri** (Chair)
- **Paul Wilson**

## Executive Committee

The Executive Committee consists of the executive directors of the Charity, who are:

- **Jean-Michel Grand** (Chief Executive)
- **Maria Franklin** (Director of Human Resources)
- **Alison McNulty** (Director of Operations) - left on 11 July 2025
- **Jamal Uddin** (Director of Finance, Administration and IT)
- **Will Morgan-MacLeod** (Director of Fundraising and Communications) - from February 2024
- **Alexandra Rutishauser-Perera** (Director of Nutrition) - from 14 July 2025
- **Kate Munro** (Director of Advocacy) - from 14 July 2025

## Company Secretary

**Amanda Ogilvie** (left on 07 October 2025)
**Jean-Michel Grand** (from 07 October 2025)

## Auditors

Haysmac LLP
10 Queen Street Place
London EC4R 1AG

## Solicitors

Reed Smith Corporate Services Ltd Minerva House
5 Montague Close
London SE1 9BB

# Trustees

Action Against Hunger UK is governed by its Board of Trustees who are also the directors under company law. The Trustees have overall responsibility for overseeing the management of the Charity and delegate day-to-day management to the Chief Executive and the Executive Committee.

Trustees are appointed in accordance with the Articles of Association. Trustees are elected by the Board for a three-year term after which they must retire from office and may be reappointed (no more than twice) for a further period of three years by a decision of the Board. In 2024, one Trustee resigned and four new Trustees were appointed, taking the total number of Trustees to eight at the end of the year.

Three members of the Board have served as Trustees for longer than three terms of three years. The Articles of Association provide that the limitation on the period of appointment does not apply to the current Chair, although he is required to stand for re-election every three years. The Board has determined that the directors who have served for longer than three terms of three years brought particular skills and experience that were necessary to the Board for the development of the Charity. Two of these directors are currently serving their final term.

The Trustees are required to declare any conflicts of interest and reaffirm their commitment to Action Against Hunger's Global Code of Conduct upon appointment and every year thereafter. Board members receive no remuneration for their work as Trustees. All Trustees are required to undertake a comprehensive induction programme covering the running of the Charity and their role as a Trustee.

Governance reviews are carried out on a regular basis and Trustee self-assessments are completed every year (including questions on the performance of the Chair). In 2024, the Charity instructed an external governance review that led to the development of a comprehensive Governance Action Plan to continue to strengthen the Charity's governance.

Action Against Hunger UK's Board of Trustees meets on a quarterly basis and may hold other ad hoc meetings to discuss specific issues as appropriate. The Executive Director and members of the Executive Committee attend board meetings to respond to questions and ensure informed decisions are made. Decisions are taken by a majority vote in accordance with the Articles of Association. The decisions and business of Board meetings are recorded in minutes of the meetings that are approved by the Trustees.

The Board delegates certain powers related to the administration and day-to-day management of the Charity's affairs (up to certain financial thresholds) to the Executive Director and Executive Committee under a Scheme of Delegation. Any decisions above these financial thresholds or relating to key matters such as major initiatives, appointment of the Executive Director and/or approval of long-term objectives and strategy must be approved by the Board.

The Executive Director leads the Executive Committee, which is responsible for defining and proposing the following to the Board for approval:

- Action Against Hunger UK's five-year strategy and annual plans
- Policies reserved for approval by the Board
- Investment plans
- Budgets

The Executive Director is responsible for implementing the Charity's strategy, annual plans and policies; identifying and managing risk; and reporting to the Board on a regular basis to ensure full accountability and transparency of the Charity's accounts and reports.

## Board Committees

The Board has delegated specific responsibilities to three Committees as set out

in the Committees' Terms of Reference which have been approved by the Trustees. The Terms of Reference for each of the Committees were reviewed and updated versions approved by the Trustees in December 2024. Members of the Committees are appointed by the Board. The Committees meet on at least a quarterly basis and report back to the full Board at each quarterly Board meeting.

- The Audit, Risk and Compliance Committee ensures the organisation's key risks are adequately managed through financial and non-financial internal controls. This committee also provides oversight of the development of Action Against Hunger UK's safeguarding culture and reviews all significant serious incidents that are reported to Action Against Hunger UK.
- The Fundraising, Engagement and Ethics Committee oversees and advises on Action Against Hunger's UK fundraising and marketing activities and considers whether relationships meet specific ethical criteria.
- The Remuneration, Compensation and Governance Committee ensures good governance practices for the organisation and reviews financial and non-financial remuneration, including pension arrangements and annual cost-of-living awards for employees. It also reviews and promotes the implementation of continuous development of the Board as set out in the Code of Good Governance.




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## Arrangements for setting the pay and remuneration of the Charity's key management personnel

Action Against Hunger UK operates an incremental pay structure for all roles, including senior management roles. Grades are established by assessing the job description against a job evaluation tool. Where appropriate, salaries are also periodically benchmarked. Incremental increases are service related and awarded annually up to the top of the designated grade. All staff receive a discretionary annual cost-of-living increase.

The Remuneration, Compensation and Governance Committee meets in December to review financial and non-financial remuneration, including pension arrangements and annual cost-of-living awards, which are applied to uplift the salary scales. The Remuneration, Compensation and Governance Committee recommendations are ratified by the full Board of Trustees.

## Internal control and risk management

Action Against Hunger works to ensure that the identification, assessment and mitigation of key risks is an integral part of the Charity's decision-making and management processes. We aim to embed a risk-management culture across the organisation as a critical measure in today's ever-evolving risk landscape.

Action Against Hunger operates an annual planning and budgeting process with reference to its five-year Strategic Plan, and with start of-year and mid-year revised budgets approved by the Board of Trustees. Significant changes during the year are subject to specific approval. The financial reporting systems provide monthly comparison of actual results against budget. Forecasts of expected results for the year are undertaken on a regular basis.

The Charity's risk management framework ensures that all significant risks are identified, assessed and reported to the Audit, Risk and Compliance Committee. The Charity maintains a comprehensive Risk Register that sets out the major strategic and operational risks facing the organisation, along with clear mitigation measures and plans. The Risk Register is updated by the Executive Committee on a bi-quarterly basis and reviewed by the Audit, Risk and Compliance Committee every quarter. The Risk Register is reviewed by the full Board every year.

The Trustees are satisfied that systems are in place to monitor, manage and mitigate Action Against Hunger's exposure to major risks. The most significant risks identified in 2024 are set out on pages 33 to 34.

The Trustees consider that maintaining Action Against Hunger's general reserves at the levels stated on page 30, and reviewing internal controls and risks, will provide Action Against Hunger with adequate risk assurance and sufficient resources in the event of adverse conditions. They also recognise that the nature of some of Action Against Hunger's work requires active acceptance and management of some risks when undertaking activities to achieve the Charity's objectives.

## The Action Against Hunger global network

Action Against Hunger UK is part of a global Action Against Hunger network of organisations committed to saving the lives of malnourished children and supporting their families to beat hunger.

The Action Against Hunger global network is made up of eight separate legal entities and their branches and subsidiaries. These are in the UK, France, USA, Spain, Canada, India, Germany and, in 2024, Action Against Hunger Italy was added as a member of the network's International Committee of Chairs. These offices (and their branches and subsidiaries) were active in 59 countries around the world in 2024. The entities that make up the Action Against Hunger global network share the same objectives and operate under common International Co-operation Protocols, including

an International Charter of Principles and a number of common policies agreed by the International Committee of Chairs and the International Executive Committee.

In 2024 the entities that made up the Action Against Hunger global network were:

- Action Against Hunger UK
  A registered charity in the UK
- Action Contre La Faim
  A registered charity in France
- Action Against Hunger USA
  A registered s501(c)(3) organisation in the USA
- Accion Contra el Hambre
  A registered foundation in Spain
- Action Against Hunger Canada
  A registered charity in Canada
- Fight Hunger Foundation/Action Against Hunger
  A registered foundation in India
- Aktion Gegen Den Hunger
  A registered charity in Germany
- Azione Contro La Fame
  A registered foundation in Italy

Expenses are recharged between the connected charities where staff and other resources are used on projects run by another charity. This gives rise to the balances at the year-end referred to in Notes 11 and 12.

## Related parties/ subsidiaries

Action Against Hunger UK has a wholly owned trading subsidiary called Action Against Hunger Enterprises Limited, a private limited company with company number 6569439. Action Against Hunger Enterprises Limited's principal activity is to raise funds for the Charity. The company was incorporated in 2008 and it donates all distributable profits to the Charity.

Action Against Hunger UK is one of the eight members of the trading company ACFIN Licensing Ltd, a company incorporated in England and Wales (company number 06672034). The company's main objective is to license the Action Against Hunger trademarks to the entities that make up the Action Against Hunger global network. The Action Against Hunger UK Executive Director is one of the Directors of the company.

### Approval

This Annual Report is signed by the Chair on behalf of the Board of Trustees. The Trustees also approve the Strategic Report, which is contained within this report, in their capacity as company directors.



Mr Paul Wilson
Chair of Trustees
29 October 2025

# Fundraising statement

This statement sets out the Charity's approach to Fundraising as required by the Charities (Protection and Social Investment) Act 2016.

In 2024, Action Against Hunger UK raised over £6.3 million through its fundraising activities which was a substantial increase on the previous year. This growth was driven by uplift to existing partnerships – both corporate and trusts – and securing new partnerships with InterContinental Hotel Group, Foundation, Walls and others. Growth in income from individual supporters also increased significantly, both in the form of donations for our emergency appeals – most notably our Gaza appeal – and via the acquisition of new regular supporters, who make monthly donations in support of the charity's work. Underpinning this is the generous support of long-standing partners and individuals who give significant gifts in support of projects and via our sector-leading special events.

Seven campaigns were run by the Charity in 2024 aimed at tackling conflict and hunger and the climate crisis, including asking the Government to enhance their commitments at COP, petitioning for a ceasefire in Gaza and Lebanon and fundraising for humanitarian emergencies including Sudan and Haiti.

The Charity benefits from several commercial participator arrangements, mainly in the food sector, and used professional fundraisers to support its work. Due diligence is carried out on all third parties that we work with, to ensure appropriate compliance and a good return on investment. Current agencies used by the Charity include Acwyre (for recruitment of regular donors via face-to-face fundraising), Forward Action (for digital mobilisation and technical support), DTV Optimise (for telemarketing) and Elovate (for fulfilment).

The Charity complies with current regulations and best practice set out by regulatory bodies such as the Fundraising Regulator and monitors the activities of donors and professional fundraisers to manage the risk of non-compliance. Our complaints policy is available on the Charity's website; in 2024 we received 17 complaints about fundraising, all of which were responded to and resolved in accordance with our policy. We also received 6 unsolicited compliments about our fundraising activities last year.

All our donation pages and all direct marketing includes information about how a supporter can opt out of receiving further communications from us. This information is also included in our Supporter Promise, available on our website. We have signed up to the Fundraising Preference Service and received and actioned 7 requests in 2024.

# Financial Performance

Total income of £22.4 million was £9.5 million less than the previous year. This reduction in income is due to a combination of the completion of some multi-year charitable projects funded by the UK government, fewer government grants, and a reduction in income received through Disaster Emergency Committee appeals during the year. However, private fundraising income from donations and legacies increased by £2.2 million, reflecting continuing investments in fundraising activities to increase regular private donations and increase unrestricted income.

Total expenditure of £23.5 million was £9.5 million less than the previous year, which reflects the reduction in income for the year. However, this level of expenditure enabled the charity to deliver major pieces of work around the world and achieve significant impact in tackling hunger. Net income for the year was a deficit of £1.1 million due to the timing of project expenditure and investments in infrastructure projects and fundraising.

Fundraising costs increased by £0.8 million, reflecting new and continued investment in income generation activities with a view to increasing the regular donor base, diversifying and increasing unrestricted income. This will enable the charity to minimize the impact of fluctuations in institutional grants, launch strategically important projects independent of restricted funding, and respond to emergency humanitarian needs quickly and in a timely manner.

As in prior years, total income includes the full amount of multi-year grants, accounted for in accordance with the Charities SORP and Accounting Standards, which allows us to recognise the full amount of income on most grants when agreements are signed.

## Reserves Policy

The Board of Trustees have reviewed the reserves policy of the Charity and considers it appropriate to seek to maintain unrestricted free reserves equivalent to six months of general operational expenditure. This is to cover potential risks, including property liabilities and staff redundancies, as well as the unlikely event of closure of the Charity. It also provides security against seasonal variations in income and expenditure, and funds strategic research, investment, and innovations.

Unrestricted reserves, including the designated fund, were at £0.5 million as at 31 December 2024, which is equivalent to 1.5 months of the general operating expenditure.

Directors and the trustees have prepared a detailed plan to rebuild the general reserves back to the policy level within the next three financial years. Action Against Hunger's income profile has changed in the past two years, with more unrestricted income generated than ever before. This trend will continue and detailed planning, as well as financial performance year to date, indicates that full replenishment of our unrestricted reserves will be achieved.

The trustees have mandated the management to rebuild the general reserves back to the policy level within the next two to three financial years.

The Charity's Memorandum of Association provides the Trustees with the authority to invest in such assets as they see fit, in order to benefit the Charity and its continued financial wellbeing.

The Charity is committed to utilising any surplus cash funds in the most effective way possible. However, the Charity is occasionally required to react quickly to particular emergencies and has a policy of investing any surplus funds in relatively short-term deposits, ranging from one month to immediate access.

Action Against Hunger's Board of Trustees review the investment policy annually. The objective of the current policy is to maintain high liquidity while ensuring maximum security. To achieve this, the Charity invests with institutions with a high security rating in instant access, fixed-term or call cash deposits.

# Risk statement

Action Against Hunger UK considers effective risk management as fundamental to good management practice and to provide an essential contribution towards the achievement of the Charity's strategic and operational objectives. The Trustees are satisfied that appropriate internal control systems are in place to identify and mitigate the Charity's key strategic and operational risks.

The Action Against Hunger global network operates in high-risk contexts to save the lives of children and provide them and their families with opportunities for a better life. At Action Against Hunger UK, we remain prudent on how we identify, manage and mitigate these risks in relation to our programmes.

Action Against Hunger UK is a forward-looking organisation driven by impact and cost-effectiveness. It therefore embraces higher risk approaches on innovation; complex programming; leading consortiums; creative fundraising; new ways of working; embracing digital technologies; exploring new technical approaches that challenge existing ones and any other activities that support the achievement of our objectives and the strategic priorities of the Action Against Hunger global network.

The Charity's risk appetite reflects the need to take risks to achieve our objectives, provided always that these risks do not breach our principles, values, policies, legal obligations or our duty of care to staff, donors and the populations we support.

Action Against Hunger UK's Risk Management Policy sets out the Charity's approach to risk management and uses a risk-management framework to support the identification, assessment and management of key risks, including the implementation of comprehensive mitigation plans and risk-management strategies. This includes a thorough risk-identification process; prioritisation of key risks based on an assessment of impact and likelihood; regular review of mitigation measures and controls; evaluation of risks against the Charity's risk appetite; and, where appropriate, the development of mitigation plans. Action Against Hunger UK regularly monitors its key risks with a view to embedding a strong risk-management culture across the Charity.

The Board is responsible for appointing members of the Charity's Audit, Risk and Compliance Committee, of which four Trustees were members, and to which a new Chair was appointed in 2024. The Committee carried out a thorough review of its Terms of Reference and approved a revised version in December 2024.

The updated Terms of Reference set out the following main functions of the Audit, Risk and Compliance Committee:

Audit

- To attend preparatory and closing meetings with auditors and to review in detail the Annual Report and Accounts prior to its submission to the full Board.
- To discuss any problems or reservations arising from the annual audit and any matters the external auditors may wish to discuss.
- To review with management the efficiency and effectiveness of internal financial systems and controls and the progress made in implementing recommendations from the external auditors.
- To consider the appointment, resignation or dismissal of the external auditors and to approve their fee annually.

Risk

- To review risks and mitigation measures identified in the Risks Register.
- To monitor implementation of the mitigation measures proposed.
- To advise the Executive team on risk mitigation and recommend additional risk-mitigation measures if needed.

- To support the Board in its assessment of an appropriate risk appetite.
- To ensure risks are within the Charity's risk appetite and capital resources and advise on the rejection of activities that incur excessive risk.

Compliance

- To review and advise in relation to the Charity's policies for counter-fraud, whistle-blowing and cyber and information security.
- To review and advise in relation to the Charity's safeguarding policy and monitor the implementation of agreed safeguarding recommendations.
- To review serious incidents, considering learnings and trends, and approve the reporting of serious incidents to the Charity Commission where appropriate.
- To consider and review the Charity's compliance with data protection, and other legal and compliance issues.
- To oversee and ensure that there is a procedure in place to create and update relevant policies and procedures for the Charity.
- To consider and seek assurance in relation to the management of the Charity's trading subsidiary.

Monitoring and reporting

- To receive and consider reporting on progress against the strategy in relation to Finance and Legal and Governance including in relation to any Key Performance Indicators agreed in relation to each financial year in a format agreed by the Committee.
- To monitor and receive assurance in relation to compliance with the requirements of relevant regulators including the Charity Commission and HMRC.



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# Key risks

The Risk Register was updated monthly by the Executive Committee and reviewed quarterly by the Audit, Risk and Compliance Committee and annually by the full Board of Trustees. The following major risks to the Charity were identified in 2024:

| Risk | Key mitigation measures |
|---|---|
| Security<br><br>We recognise the safety and security risks to staff working in complex environments to deliver programmes funded by the Charity | • The Action Against Hunger International Network's Security Working Group conducted a review of the International Safety and Security Management Policy in 2024 to ensure its effectiveness in mitigating risks to staff, programmes and people who come into contact with our Action Against Hunger network partners.<br>• Detailed security plans and guidelines are frequently updated in every country where work is carried out, to take account of changing conditions in the programme countries.<br>• All staff in the Action Against Hunger network travelling to high-risk locations receive comprehensive security training before any assignment.<br>• Critical-incident management procedures and training are in place and are regularly reviewed/updated.<br>• Country Security Plans are continually updated and global risk security mapping is carried out regularly. |
| Safeguarding<br><br>We recognise the risk of harm to the people through programmes funded by the Charity if appropriate safeguards are not in place | • International Safeguarding Policy applied across the Action Against Hunger network to ensure zero tolerance towards all forms of harm and abuse.<br>• The Action Against Hunger International Network created an International Anti-Trafficking Policy in 2024 to streamline the network's processes in relation to anti-trafficking and modern slavery.<br>• In 2024, Action Against Hunger UK and a number of our network partners joined the Misconduct Disclosure Scheme to strengthen our safeguarding mitigation measures.<br>• Pre-employment checks, a robust Code of Conduct and mandatory safeguarding training for all staff in the Action Against Hunger network.<br>• Robust incident and complaint-reporting processes and procedures.<br>• Communication, due diligence and monitoring of safeguarding policies and procedures across all partners and suppliers in programme countries.<br>• Regular review of safeguarding incidents and mitigation measures by the UK executive team and the Charity's Audit, Risk and Compliance Committee. |

| | |
|---|---|
| Fraud, corruption and bribery<br><br>We recognise the risk of fraud, corruption and bribery in the complex environments where programmes funded by the Charity are delivered | • Action Against Hunger International Network's Anti-Fraud Policy adopted across all Action Against Hunger programmes. The Policy was adopted in April 2023 and roll out of the policy continued in 2024.<br>• Robust incident-reporting processes and training for all staff and downstream partners.<br>• Regular reporting and review of incidents and mitigation measures by the UK Audit, Risk and Compliance Committee. |
| Cyber security<br><br>We recognise the risk of business interruption, loss of data, regulatory action and/or financial loss in the event of a cyber security breach | • In 2024, the UK Finance Director conducted a review of all cyber security measures protections and working-from-home practices to ensure sufficient protections are in place.<br>• Application of IT security measures that are reviewed periodically<br>• Cyber Essentials Certificate obtained. |
| Data protection<br><br>We recognise the risk of regulatory action, fines, penalties and loss of trust and confidence in the event of a data breach and/or non-compliance with data protection legislation | • In 2024, the Charity continued to roll out a Data Protection Action Plan to continually review and strengthen our compliance and mitigation measures.<br>• The Data Governance Group (which was created in 2023 and includes a representative from each department) continued to meet monthly to discuss and assess data protection risks and progress in rolling out the Data Protection Action Plan.<br>• Data Protection training is undertaken by all new staff and specific refresher workshops and presentations are delivered throughout the year. |
| Income<br><br>We recognise the risk to our programmes, people and charity memberships resulting from the reduction in institutional and other funding | • Implementation of Funding Diversification Strategy and Objectives.<br>• Regular review of programme and funding structures, arrangements and opportunities.<br>• Regular review of staffing structures and efficiency, with corresponding investment in high performing areas of fundraising to strengthen financial resilience. |

## Serious incidents

In 2024, Action Against Hunger UK was notified of 12 alleged fraud, safeguarding or security incidents, and two data protection incidents, in relation to programmes that we fund and support. Three of these incidents were reported to the Charity Commission. All reports were investigated and appropriate actions were taken, including lessons learned. There were no serious incidents during 2024 that should have been reported to the Charity Commission but were not.

# Stakeholder engagement

The Trustees are required to explain how they consider the interests of key stakeholders and the broader matters set out in Section 172 of the Companies Act 2006 in promoting the success of the company for the achievement of its charitable purposes. This statement focuses on matters of strategic importance and the level of information disclosed in this statement is consistent with the size and complexity of the business.

## General confirmation of Trustees' duties

Action Against Hunger UK's Board of Trustees has a clear framework for determining the matters within its remit and has approved Terms of Reference for the matters delegated to its Committees. An explanation of the roles and responsibilities of the Board Committees can be found on page 25. When making decisions, each Trustee ensures that they act in good faith to best promote the company's success for the achievement of its charitable purposes, and in doing so will have regard (among other matters) to:

- S172(1) (a) 'The likely consequences of any decision in the long-term'

The Charity is guided by a five-year strategic plan, at both UK and international level, through the Action Against Hunger global network. In order to deliver its strategy, the Board of Trustees must pay due regard to the long-term consequences of all its decisions. Throughout the life of the strategy its implementation is regularly monitored through annual progress reports, which help inform the long-term decision-making required to achieve the objectives set out in our strategy.

- S172(1) (b) 'The interests of the Company's employees'

The Trustees recognise that Action Against Hunger UK's employees are our most important asset and are fundamental to the delivery of our Strategic Plan. Our success depends on attracting, retaining, motivating and developing our people, wherever they are located. The Charity carries out an Annual Staff Survey which is one of the Board's principal tools to measure employee engagement, motivation and commitment to Action Against Hunger. It enables the Board to understand how we are learning from survey findings to strengthen Action Against Hunger's culture and values, and informs decision-making from pay and benefits to health, safety and wellbeing. The Staff Forum operates throughout the year as a mechanism for bringing any issues or suggestions for improvements to the Executive Committee, as well as being an important vehicle for staff consultation on any significant changes or restructuring.

- S172(1) (c) 'The need to foster the Company's business relationships with suppliers, customers and others'

Action Against Hunger UK's key business relationships are with other members of the Action Against Hunger International Network; the communities in which the programmes we fund are delivered; our suppliers; and our partners, donors and supporters. Our engagement with these stakeholders is described within this report. In order to deliver our mission and strategy, and to create impact at scale, we need to work with others. We will continue to work primarily through the implementing members within the Action Against Hunger International Network and also build our capacity to work through other partnerships, alliances and networks.

- S172(1) (d) 'The impact of the Company's operations on the community and the environment'

The Board of Trustees has fully committed the organisation to the Core Humanitarian Standards on Quality and Accountability. These standards "put communities and people affected by crisis at the centre of humanitarian action". The Charity fully subscribes to this ethos, which we enact in our programme delivery. Recognising that climate change is currently one of the main drivers of food insecurity and hunger, we advocate on this and ensure that within our programme work, and in the UK, due attention is paid to the environmental impact of everything we do.

- S172(1) (e) 'The desirability of the Company maintaining a reputation for high standards of business conduct'

It is important that Action Against Hunger UK continues to maintain its reputation for high standards of conduct in all its work. As part of the Action Against Hunger International Network, all our staff and Trustees are required to sign and abide by a Global Code of Conduct. We also always ensure compliance with the high standards of business conduct attached to receiving funding from grants and donations from private, institutional and partner organisations.

- S172(1) (f) 'The need to act fairly as between members of the Company'

This is not applicable to Action Against Hunger UK's organisational structure, as the Trustees are the only members of the Charity, and the Charity is run in the interests of its charitable objectives rather than in the interests of its members.

## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Strategic Report, the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounts Standards (United Kingdom Generally Accepted Accounting Practice). The Trustees confirm they comply with the Companies Act 2006 and the Charities Statement of Recommended Practice (FRS 102) 2019.

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 group and charity, and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 Statement of Recommended Practice (SORP);
- make judgements and accounting 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 the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Mr Paul Wilson
Chair of Trustees
Approved by the Board of Trustees
29 October 2025

# Independent auditor's report

To the members of Action Against Hunger UK

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as 31 December 2024 and of the Group's incoming resources and application of resources 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.

We have audited the financial statements of Action Against Hunger UK ("the Parent Charitable Company") and its subsidiary company, Action Against Hunger Enterprises Limited ("the Group") for the year ended 31 December 2024, which comprise the consolidated statement of financial activities, the Group and Parent Charitable Company Statements of Financial Position, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

## 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 Group and the Parent Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We remain independent of the Group and Parent Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: the Directors' report, the Strategic report and structure, governance and management. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the 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, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.
- in light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic Report or the Trustee's Report.

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

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

## Responsibilities of the Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 determines 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 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.

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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements 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. Mis-statements 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.

## Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures can detect irregularities, including fraud, is detailed below.

Based on our understanding of the Group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the reporting requirements of the Charities SORP, FRS 102 and Companies Act 2006. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgments made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: https://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.

Adam Halsey (Senior Statutory Auditor)
For and on behalf of Haysmac LLP,
Statutory Auditors
Date: 31 October 2025

# FINANCIAL STATEMENTS

## Consolidated statement of financial activities (incorporating an income and expenditure account) for the year ended 31 December 2024

| | Note | 2024 Unrestricted £ | 2024 Restricted £ | 2024 Total £ | 2023 Restated Total £ |
|---|---|---|---|---|---|
| **Income from** | | | | | |
| Donations and legacies | 2a | 3,916,842 | 2,417,281 | **6,334,123** | 4,131,470 |
| Charitable activities | 2b | 5,579,977 | 10,424,942 | **16,004,919** | 27,731,695 |
| Investment and other income | 2c | 44,688 | - | **44,688** | 45,845 |
| **Total income** | | **9,541,507** | **12,842,223** | **22,383,730** | **31,909,010** |
| **Expenditure on** | | | | | |
| Costs of generating funds | 3 | 2,767,388 | 437,339 | **3,204,727** | 2,364,601 |
| Charitable activities | 4 | 7,275,940 | 13,002,437 | **20,278,377** | 31,580,085 |
| **Total expenditure** | | **10,043,328** | **13,439,776** | **23,483,104** | **33,944,686** |
| **Net (expenditure)** | | **(501,821)** | **(597,553)** | **(1,099,374)** | **(2,035,676)** |
| **Net movement in funds** | | **(501,821)** | **(597,553)** | **(1,099,374)** | **(2,035,676)** |
| **Reconciliation of funds** | | | | | |
| Funds brought forward at 1 January 2024 | | 1,038,742 | 1,700,557 | 2,739,299 | 4,774,975 |
| **Total funds carried forward at 31 December 2024** | | **536,921** | **1,103,004** | **1,639,925** | **2,739,299** |

The results for the year shown above all derive from continuing operations. There are no recognised gains or losses for the year other than those show above. There are no material differences between the results for the year as stated above and those calculated on a historical cost basis.

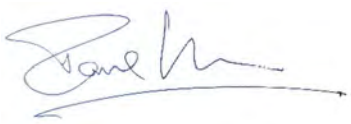
The accompanying notes on pages 43 to 58 form an integral part of these Financial Statements.

## Consolidated and charity statements of financial position for the year ended 31 December 2024

**Company number: 3069468**

| | Notes | Group 2024 £ | Restated Group 2023 £ | Charity 2024 £ | Restated Charity 2023 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 9 | 146,934 | 41,700 | 146,933 | 41,700 |
| Investment in subsidiary | 10 | - | - | 1 | 1 |
| **Current assets** | | | | | |
| Debtors and prepayments | 11 | 12,410,721 | 19,676,547 | 12,398,249 | 19,676,547 |
| Cash at bank and in hand | | 4,646,409 | 4,514,247 | 4,596,054 | 4,460,644 |
| | | **17,057,130** | **24,190,794** | **16,994,303** | **24,137,191** |
| **Creditors** | | | | | |
| Amounts falling due within one year | 12 | (15,564,139) | (21,493,195) | (15,618,993) | (21,619,993) |
| **Net current assets** | | **1,492,991** | **2,697,599** | **1,375,310** | **2,517,198** |
| **Net Assets** | | **1,639,925** | **2,739,299** | **1,522,244** | **2,558,898** |
| **Reserves** | | | | | |
| Unrestricted funds | 13 | 436,921 | 738,742 | 436,921 | 738,742 |
| Designated funds | 13 | 100,000 | 300,000 | 100,000 | 300,000 |
| Restricted funds | 13 | 1,103,004 | 1,700,557 | 985,323 | 1,520,156 |
| **Total reserves** | | **1,639,925** | **2,739,299** | **1,522,244** | **2,558,898** |

The surplus for the financial year dealt with in the financial statements of the parent Company was £117,683 (2023: surplus of £180,400. Approved and authorised for issue by the Board on 07 October 2025, and signed on their behalf by:



**Mr Paul Wilson (Chair of Trustees)**
**29 October 2025**

## Consolidated Statement of Cash Flows for the year ended 31 December 2024

| | Note | Group | Restated Group |
|---|---|---|---|
| | | 2024 | 2023 |
| | | £ | £ |
| Net cash used in operating activities | a | 222,788 | (3,395,432) |
| **Cash flows from investing activities** | | | |
| Investment income received | | 44,688 | 45,845 |
| Purchase of fixed assets | | (135,314) | (16,137) |
| **Net cash (used in) / provided by investing activities** | | **(90,626)** | **29,708** |
| Change in cash and cash equivalents in the year | | 132,162 | (3,365,724) |
| Cash and cash equivalents at 1 January | | 4,514,247 | 7,879,971 |
| **Cash and cash equivalents carried forward** | | **4,646,409** | **4,514,247** |
| **a. Reconciliation of net income/(expenditure) to net cash flow from operating activities** | | | |
| Net income/(expenditure) | | (1,099,373) | (2,035,676) |
| Depreciation of tangible fixed assets | | 30,079 | 25,117 |
| Loss on disposal of fixed assets | | - | 1,227 |
| Decrease/(Increase) in debtors | | 7,265,825 | (7,056,681) |
| (Decrease)/Increase in creditors | | (5,929,055) | 5,716,426 |
| Investment income receivable | | (44,688) | (45,845) |
| **Net cash used in activities** | | **222,788** | **(3,395,432)** |

A reconciliation of net debt has not been presented as the group does not hold any debt balances.

## Notes to the financial statements for the year ended 31 December 2024

### 1. ACCOUNTING POLICIES

**(a) Basis of accounting**

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006, Charities Act 2011, Charities Accounts (Scotland) Regulations 2006, Charities and Trustee Investment Scotland) Act 2005, Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities effective from 1 January 2019, FRS102, and applicable United Kingdom accounting standards. The Charity has adapted the Companies Act formats to reflect the Charities SORP and the special nature of the Charity's activities.

In assessing whether it is appropriate to prepare the accounts on a going concern basis, the Trustees (who are the Directors of Action Against Hunger UK for the purposes of company law and the trustees of Action Against Hunger UK for the purposes of charity law) have taken account of the current levels of unrestricted reserves and cash and the current and future expected funding environment.

The Trustees continue to review the Charity's financial performance, business plans and budgets on a quarterly basis and are content that the 2024 accounts should be prepared on a going concern basis. Current stable economic condition is likely to improve fundraising opportunities. Our overseas operations, which are funded largely by FCDO and trusts and foundations through restricted grants remain stable. The UK financial position, centred around our unrestricted reserves and funding, remains stable. Having considered all these matters, the Trustee Directors do not believe there is a material uncertainty and so have prepared the accounts on a going concern basis.

**(b) Basis of consolidation**

The consolidated accounts include the accounts of the charitable company, Action Against Hunger (UK) Limited and its 100 per cent owned trading subsidiary Action Against Hunger Enterprises Limited, which is consolidated on a line-by-line basis. No separate Statement of Financial Activities (SoFA) has been presented for the charity as permitted by Section 408 of the Companies Act 2006.

**(c) Income**

Income is included in the SoFA when the charity is entitled to it, the receipt is probable and the amount can be quantified with reasonable accuracy. For restricted grants from institutional donors (e.g. charitable entities, governments or other non-governmental organisations), where receipt of funding is conditional only on administrative requirements such as the submission of a claim, it has been recognised. Where there are restrictions on the time period in which funding received can be spent, or where there are other conditions that specify the services to be performed under the grant agreement or contract, the income has not been recognised. Occasionally, a grant maker may reduce the value of their grant sometime after the initial agreement is signed. The decrease to the grant and income that has been recorded in prior periods will be adjusted in the period in which the grant reduction is made.

**(d) Expenditure recognition**

Expenditure is included in the financial statements on an accruals basis.

Subcontracted grants to other members of the Action Against Hunger network or third parties are charged to the Statement of Financial Activities when they have been approved and where a binding commitment has been made to the other organisation. Subcontracted grants that have been approved but not yet disbursed at the balance sheet date are carried forward as

creditors in the balance sheet. In situations where grants from public funders are reduced subsequent to the signing of the initial grant agreement (see note 1(c) above), the liability to the subcontracted partner will be reduced by the same amount under the terms of the subcontract agreement.

**(e) Basis of allocation or apportionment of expenditure**

Expenditure during the year is analysed into raising funds and charitable activities. Notes 3 and4 provide an analysis of these categories. All costs are directly charged against the appropriatecategory. The basis of apportionment of support costs is stated in Note 5.

**(f) Tangible fixed assets**:

Tangible assets costing £500 or more are capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:
Fixtures, fittings and equipment – 25 per cent on historical cost
Leasehold property improvements – over the term of the lease

**(g) Operating leases**

Rentals under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income as incurred.

**(h) Foreign currencies**

Foreign currency transactions are recorded at the average exchange rate for the month in which the transaction arose. Year end balances held in foreign currencies are converted at the closing rate. All differences on conversion are charged to the SoFA.

**(i) Fund accounting**

Restricted funds are monies provided by grant or donation for specific projects. Unrestricted funds consist of funds or gifts in kind provided for general charitable activities or monies raised from appeals for specific emergency responses.

**(j) Pension**

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered scheme. The pension cost charge payable by the Charity in the year amounted to £159,371 (2023: £98,541). At the end of the financial year there were no contributions (employee and employer) still to be paid over to the scheme (2023: £Nil).

**(k) Gifts in kind**

Action Against Hunger accepts gifts in kind (goods and services) that are in line with the charities mandate from individuals, corporates, foundations and government agencies. Gifts in kind are defined by Action Against Hunger UK as goods and services received for the purpose of carrying for fundraising and awareness of the organisation. These are non-monetary items that are valued at fair market price.

**(l) Accounting estimates and key judgements**

In the application of the charity's accounting policies the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and 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 revision and future periods if the revision affects the current and future periods.

The significant judgements and estimates that could impact the carrying amounts of assets and liabilities are as follows:

### Revenue Recognition

Revenue Recognition requires judgement to appropriately apply the income accounting policies across the different funding streams the Charity has. Note 1(c) above details the accounting principle adopted and its application in particular to restricted grants received from institutional funders, such as FCDO (UK Aid). The judgements made in recording such income are continually reassessed including in cases where the grant agreement wording and conditions are changed from year to year, and where appropriate provision is made for contingencies or deferrals to account for conditions yet to be fulfilled.

## 2. INCOMING RESOURCES

### (a) Donations and legacies

| | 2024 Unrestricted £ | 2024 Restricted £ | **2024 Total £** | 2023 Unrestricted £ | 2023 Restricted £ | **2023 Total £** |
|---|---|---|---|---|---|---|
| Individuals (including legacies and events | 1,383,966 | 322,526 | **1,706,492** | 1,629,446 | 183,741 | **1,813,187** |
| Corporate donors | 1,267,164 | 374,023 | **1,641,187** | 684,134 | 354,187 | **1,038,321** |
| Trusts & Foundations | 1,265,712 | 1,720,732 | **2,986,444** | 132,350 | 1,147,612 | **1,279,962** |
| **Total** | **3,916,842** | **2,417,281** | **6,334,123** | **2,445,930** | **1,685,540** | **4,131,470** |

### (b) Charitable activities

| | 2024 Unrestricted £ | 2024 Restricted £ | **2024 Total £** | 2023 Unrestricted £ | 2023 Restricted £ | **2022 Total £** |
|---|---|---|---|---|---|---|
| **Grant based activities** | | | | | | |
| Start Fund | (29,028) | 2,376,652 | **2,347,624** | - | 244,304 | **244,304** |
| UK Government | - | 4,124,363 | **4,124,363** | - | 14,462,171 | **14,462,171** |
| Qatar Fund for Development | - | 459,568 | **459,568** | - | 712,802 | **712,802** |
| Disasters Emergency Committee | - | 3,052,220 | **3,052,220** | - | 4,565,978 | **4,565,978** |
| Other | (14,555) | (77,332) | **(91,887)** | 5,194 | 1,442,981 | **1,448,175** |
| **Total** | **(43,583)** | **9,935,471** | **9,891,888** | **5,194** | **21,428,236** | **21,433,430** |
| **Monitoring and evaluation services** | | | | | | |
| Others | 765,155 | 138,172 | **903,327** | 116,600 | 1,101,776 | **1,218,376** |
| **Total** | **765,155** | **138,172** | **903,327** | **116,600** | **1,101,776** | **1,218,376** |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Other** | | | | | | |
| Provision of employees to Action Against Hunger Programme | 4,858,079 | - | **4,858,079** | 4,709,692 | - | **4,709,692** |
| Other services for Action Against Hunger network Partners | 326 | 351,299 | **351,625** | - | 370,197 | **370,197** |
| **Total** | **4,858,405** | **351,299** | **5,209,704** | **4,709,692** | **370,197** | **5,079,889** |
| **Total charitable activities** | **5,579,977** | **10,424,942** | **16,004,919** | **4,831,486** | **22,900,209** | **27,731,695** |

## (c) Investment and other income

| | 2024 Unrestricted £ | 2024 Restricted £ | **2024 Total £** | 2023 Unrestricted £ | 2023 Restricted £ | **2023 Total £** |
|---|---|---|---|---|---|---|
| Other | 44,688 | - | **44,688** | 45,845 | - | **45,845** |
| **Total** | 44,688 | - | **44,688** | 45,845 | - | **45,845** |

## 3. EXPENDITURE ON GENERATING FUNDS

| | Direct Costs 2024 £ | Support Costs 2024 £ | **Total 2024 £** | **Total 2023 £** |
|---|---|---|---|---|
| Fundraising events | 48,512 | - | **48,512** | **36,603** |
| Other fundraising activities | 2,576,990 | 579,225 | **3,156,215** | **2,327,998** |
| **Total** | **2,625,502** | **579,225** | **3,204,727** | **2,364,601** |

All fundraising events expenditure in 2024 and 2023 relates to unrestricted expenditure. Within other fundraising activity costs, £579,225 relates to restricted expenditure (2023: £591,693).

## 4. EXPENDITURE ON CHARITABLE ACTIVITIES

| | Direct Costs | Support Costs | **Total** | **Restated Total** |
|---|---|---|---|---|
| | 2024 | 2024 | **2024** | **2023** |
| | £ | £ | **£** | **£** |
| Overseas projects | 13,406,419 | 367,585 | **13,774,004** | **24,919,736** |
| Supply of aid workers | 4,770,931 | - | **4,770,931** | **4,672,566** |
| Advocacy / awareness raising | 246,550 | 111,389 | **357,939** | **442,285** |
| MEAL and Nutrition services | 1,074,752 | 300,751 | **1,375,503** | **1,545,498** |
| **Total** | **19,498,652** | **779,725** | **20,278,377** | **31,580,085** |

Of total charitable activities, £7,275,940 relates to unrestricted expenditure (2023: £5,564,449) and £13,002,437 relates to restricted expenditure (2023: £26,015,636).

## 5. SUPPORT COSTS

| | Executive Office | Admin | Finance and IT | HR | **Total 2024** | **Total 2023** |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | **£** | **£** |
| **Allocated to Project costs** | | | | | | |
| Overseas projects | 76,910 | 101,412 | 104,984 | 84,279 | **367,585** | **416,462** |
| Recruitment of aid workers | | | | | | - |
| Advocacy/awareness raising | 23,306 | 30,731 | 31,813 | 25,539 | **111,389** | **65,757** |
| MEAL and Nutrition services | 62,926 | 82,974 | 85,896 | 68,955 | **300,751** | **65,757** |
| **Total** | **163,142** | **215,117** | **222,693** | **178,773** | **779,725** | **547,976** |
| | | | | | | |
| Allocated to Fundraising | 121,191 | 159,801 | 165,430 | 132,803 | **579,225** | **591,814** |
| **Total** | **284,333** | **374,918** | **388,123** | **311,576** | **1,358,950** | **1,139,790** |

**Basis for support cost allocation**

Staff costs have been allocated on a basis consistent with the time spent on each activity. Office and administration costs are allocated based on number of staff. Direct support costs are allocated directly to project costs. The increase in support costs is partially due to an increase in staff costs and investment in improving the infrastructure.

## 6. STAFF COSTS

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Staff costs for employees on UK contracts** | | |
| Wages and salaries | 7,889,303 | 7,375,444 |
| Employer pension contributions | 159,371 | 98,541 |
| Social security costs | 334,107 | 314,347 |
| **Total** | **8,382,781** | **7,788,332** |

The above amounts represent costs for the parent charity and the group (the parent charity's subsidiary does not employ any staff). The total emoluments earned and paid to the Executive Director, Jean-Michel Grand, for the year, including pension contributions, was £130,756 (2023: £125,842).

The number of other employees whose remuneration amounted to over £60,000 in the year was as follows:

| | 2024 | 2023 |
|---|---|---|
| £100,001 to £110,000 | 1 | - |
| £80,001 to £90,000 | 2 | 2 |
| £70,001 to £80,000 | 4 | 4 |
| £60,001 to £70,000 | 8 | 6 |

Remuneration includes salaries and benefits in kind but excludes employer pension scheme contributions. No contributions were made to defined benefit schemes for employees whose remuneration was greater than £60,000.

Including the Executive Director, total emoluments paid to other members of the Senior Management Team totaled £455,525 (2023: £322,696) in the year. This constitutes key management personnel.

The average number of staff working overseas employed by Action Against Hunger under UK contracts during the year was 98 (2023: 103). At the year-end, staff numbers overseas were 96 (2023: 102). These amounts include staff that worked overseas on projects run by both Action Against Hunger and other members of the Action Against Hunger International network. The average number of staff employed by Action Against Hunger and working in the UK in 2024 was 70 (2023: 64). At the year-end, UK staff numbers were 75 (2023: 68).

**Trustees' expenses and remuneration and related party transactions**
Trustees are not remunerated, and no expenses were claimed in 2024 (2023: £Nil). There were no disclosable related party transactions.

## 7. NET INCOME

| | 2024 | 2023 |
|---|---|---|
| **Net expenditure is stated after charging:** | £ | £ |
| Depreciation of tangible fixed assets | 30,079 | 25,118 |
| Operating lease payments – property | 233,654 | 228,854 |
| Auditor's remuneration: Charity and Trading subsidiary | 60,100 | 46,200 |
| Corporation tax return preparation cost | 5,000 | 5,000 |

## 8. TAXATION

The charitable company meets the definition of a charity in Schedule 6 Finance Act 2010 and accordingly is entitled to exemptions set out in Part II Corporation Tax Act 2010 and section 256 Taxation of Chargeable Gains Act 1992 to the extent that its income and gains are applied for charitable purposes.

## 9. TANGIBLE FIXED ASSETS

| | Leasehold property improvements | Fixtures fittings & equipment | Total |
|---|---|---|---|
| **Group and Charity** | **£** | **£** | **£** |
| **Cost** | | | |
| At 1 January 2024 | 71,697 | 80,155 | 151,852 |
| Additions | - | 135,314 | 135,314 |
| **At 31 December 2024** | **71,697** | **215,469** | **287,166** |
| **Depreciation** | | | |
| At 1 January 2024 | 58,871 | 51,281 | 110,152 |
| Charge for the year | 12,076 | 18,004 | 30,080 |
| **At 31 December 2024** | **70,947** | **69,285** | **140,232** |
| **Net book value** | | | |
| At 31 December 2024 | 751 | 146,184 | 146,934 |
| At 31 December 2023 | 12,825 | 28,875 | 41,700 |

## 10. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Action Against Hunger Enterprises Limited (Company number 6569439) is a wholly owned subsidiary and is a company incorporated in England & Wales. The principal activity is conducting trading fundraising activities for the charity.

| | Total 2024 | Total 2023 |
|---|---|---|
| | £ | £ |
| **Statement of income and retained earnings** | | |
| Turnover | 122,863 | 185,580 |
| Cost of sales | (180) | (180) |
| Net profit before taxation | 122,683 | 185,400 |
| Taxation | (5,000) | (5,000) |
| **Retained profit for the year** | **117,683** | **180,400** |
| | | |
| **Statement of financial position** | | |
| Current assets | 125,422 | 229,003 |
| Current liabilities | (7,738) | (48,602) |
| **Net current assets** | **117,684** | **180,401** |
| **Total assets less current liabilities** | **117,684** | **180,401** |
| | | |
| **Capital and Reserves** | | |
| Called up share capital | 1 | 1 |
| Retained profit | 117,683 | 180,400 |
| **Equity shareholders' funds** | **117,684** | **180,401** |

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Share capital** | | |
| Authorised | 100 | 100 |
| Called up | 1 | 1 |

## 11. DEBTORS

| | Group 2024 £ | Group 2023 £ | Charity 2024 £ | Charity 2023 £ |
|---|---|---|---|---|
| Institutional donors | 10,981,895 | 18,585,954 | 10,981,895 | 18,585,954 |
| Action Against Hunger – Canada | 49,412 | 35,100 | 49,412 | 35,100 |
| Action Against Hunger – Spain | - | 304,039 | - | 304,039 |
| Action Against Hunger – India | 588,343 | 109,861 | 588,343 | 109,861 |
| Accrued income | 552,629 | 135,000 | 552,629 | 135,000 |
| Sundry debtors | 190,882 | 374,883 | 178,410 | 374,883 |
| Prepayments | 47,560 | 131,710 | 47,560 | 131,710 |
| **Total** | **12,410,721** | **19,676,547** | **12,398,249** | **19,676,547** |

Institutional debtors are related to grant agreements signed with FCDO, directly or via a consortium lead or managing agent. As noted above, our accounting policy recognises the full amount of the grant at the time the agreement is signed and therefore the full grant amount is treated as a current debtor rather than as a debtor due after more than one year.

## 12. CREDITORS

| **Amounts falling due within one year:** | Group 2024 £ | Restated Group 2023 £ | Charity 2024 £ | Restated Charity 2023 £ |
|---|---|---|---|---|
| Action Against Hunger – France | 5,559,061 | 11,553,668 | 5,559,061 | 11,553,668 |
| Action Against Hunger – Spain | 966,036 | - | 966,036 | - |
| Action Against Hunger – USA | 7,733,750 | 8,835,014 | 7,733,750 | 8,835,014 |
| Action Against Hunger - Enterprises | - | - | 62,591 | 147,997 |
| Other creditors | 610,802 | 649,030 | 603,063 | 627,831 |
| Accruals | 303,694 | 203,720 | 303,696 | 203,720 |
| Deferred income | 390,796 | 251,763 | 390,796 | 251,763 |
| **Total** | **15,564,139** | **21,493,195** | **15,618,993** | **21,619,993** |

## 13. STATEMENT OF FUNDS 2024

| | 1 January restated 2024 £ | Income 2024 £ | Expenditure 2024 £ | 31 December 2024 £ |
|---|---|---|---|---|
| FCDO El-Nino Somalia | - | 2,677,582 | (2,677,582) | - |
| FCDO CAR emergency | - | 1,506,026 | (1,506,026) | - |
| DEC Community resilience Syria | - | 1,500,000 | (1,500,000) | - |
| Start Zimbabwe El-Nino-induced drought | - | 1,317,477 | (1,317,477) | - |
| DEC Turkey & Syria Earthquake response | - | 590,005 | (590,005) | - |
| DEC Ukraine resilience building | - | 534,000 | (534,000) | - |
| Middle East emergency response | 84,000 | 516,872 | (542,195) | 58,677 |
| Al Thani Somalia | - | 459,568 | (459,568) | - |
| Innocent Kenya project | - | 413,505 | (413,505) | - |
| Sudan emergency response | - | 345,190 | (137,084) | 208,106 |
| Start Fund Madagascar drought response | - | 315,000 | (315,000) | - |
| Start Fund Honduras Dengu outbreak | - | 289,459 | (295,367) | (5,908) |
| Power of nutrition India | 370,592 | 230,278 | (158,334) | 442,536 |
| FCDO Health Resilience Nigeria | - | 181,018 | (181,018) | - |
| DEC Middle East Humanitarian Appeal | - | 179,252 | (179,252) | - |
| DEC, Innocent, private appeals | 502,125 | 150,583 | (653,994) | (1,286) |
| Haiti Emergency Response 2024 | - | 110,000 | (110,000) | - |
| Health and Nutrition Services in Tigray | - | 105,000 | (105,000) | - |
| Start Fund Nepal flooding response | - | 100,000 | (100,000) | - |
| Cholera outbreak | - | 100,000 | (100,000) | - |
| Start Fund Madagascar cyclone | - | 98,850 | (98,850) | - |
| Start Alert Philippines Oil Spill | - | 89,991 | (89,991) | - |
| Other | 563,440 | 1,090,103 | (1,370,345) | 283,198 |
| **Total restricted fund (charity)** | **1,520,157** | **12,899,759** | **(13,434,593)** | **985,323** |
| Power of Nutrition India (AAHE) | 180,400 | (57,536) | (5,183) | 117,681 |
| **Total restricted funds (Group)** | **1,700,557** | **12,842,223** | **(13,439,776)** | **1,103,004** |
| Unrestricted funds | 738,742 | 9,541,507 | (9,843,328) | 436,921 |
| Designated fund | 300,000 | - | (200,000) | 100,000 |
| **Total unrestricted and designated fund** | **1,038,742** | **9,541,507** | **(10,043,328)** | **536,921** |
| **Total fund** | **2,739,299** | **22,383,730** | **(23,483,104)** | **1,639,925** |

The restatement to opening balances has been detailed in note 20.

## 14. STATEMENT OF FUNDS 2024 (CONTINUED)

The funds on page 52 listed by the projects and programmes or work by country represent fund received specifically for carrying out activities within those areas. Specific programme funds are detailed below:

- FCDO El-Nino Somalia project is funded by the UK government to elevate the impact of El-Nino weather changes in Somalia and build community resilience.
- FCDO CAR emergency appeal project is funded by the FCDO to reduce premature death and illness from hunger.
- DEC Community resilience Syria fund was raised by the DEC to support people impacted by the earthquake and unrest in Syria.
- Start Fund Zimbabwe El-Nino-induced drought project sought to alleviate the impact of malnutrition and suffering caused the long drought in Zimbabwe in 2024.
- DEC Turkey & Syria Earthquake response fund was raised by the DEC to support people impacted by the earthquake in February 2023. The project continued in 2024.
- DEC Ukraine resilience building fund was raised by the DEC to support people impacted by the Russia / Ukraine war.
- Middle East emergency response appeal raised fund to provide humanitarian assistance in Gaza, Occupied Palestinian territory and Lebanon.
- Al Thani Somalia project was funded by the Al Thani Foundation to provide emergency humanitarian assistance in Somalia.
- Innocent Kenya project was funded by the Innocent Foundation to foster a conducive environment for adaptation of lipid based nutrient supplement in Kenya.
- Sudan emergency response project sought to provide humanitarian assistance to people affected by the fighting in 2024.
- Start Fund Madagascar cyclone project was funded by the Start Fund to alleviate the impact of the cyclone in 2024 and build community resilience.
- Start Fund Honduras Dengue outbreak project was funded by the Start Fund to provide humanitarian assistance to people affected by the Dengue outbreak in Honduras in 2024.
- Power of nutrition India project that aims to improve the essential health and nutrition practices in the community by building knowledge, skills and motivation and creating an enabling environment in India funded by Power of Nutrition and Kelli Deli restaurant chain.
- FCDO Health Resilience Nigeria project is funded by the UK government to support and build health and nutrition resilience within Nigeria.
- DEC Middle East Humanitarian Appeal fund was raised by the DEC to support people impacted by the war in Gaza, Palestine and Lebanon.
- DEC, Innocent, private appeals include multiple projects that were funded DEC, innocent foundation and various private appeals for emergency and humanitarian work in multiple countries.

- Haiti Emergency Response 2024 project provided humanitarian assistance to people displaced by the Haiti unrest in 2024.
- Health and Nutrition Services in Tigray was a project in providing essential health and nutrition practices in the community in the Tigray region in Ethiopia.
- Start Fund Nepal flooding response sought to alleviate the impact of flooding in Nepal in 2024.
- Cholera outbreak project was funded by the Start Fund to provide assistance in Yemen to alleviate the suffering due to a sudden outbreak of cholera.
- Start Fund Madagascar cyclone response sought to alleviate the impact of suffering caused by severe drought in Madagascar 2024.
- Start Alert Philippines Oil Spill project sought to alleviate the impact the Oil Spill near Manilla, Philippines in 2024
- Other funds include old and small I scale projects providing humanitarian assistance in multiple countries around the world.
- Designated fund was set aside by trustees in 2022 to invest in fundraising activities over the next few years. A £200,000 was expended in 2024.

## 15. STATEMENT OF FUNDS 2023 (restated)

| | 1 January 2023 | Income 2023 | Expenditure 2023 | 31 December 2023 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| BRCiS 3 Somalia | - | 6,479,000 | (6,479,000) | - |
| CAR Emergency appeal | - | 520,237 | (520,237) | - |
| DEC Afghanistan | 106,087 | (3,901) | - | 102,186 |
| DEC Pakistan appeal | - | 599,037 | (599,037) | - |
| DEC Turkey & Syria Earthquake response | - | 2,949,336 | (2,914,344) | 34,992 |
| DEC Ukraine emergency appeal | 793,788 | 1,007,770 | (1,477,608) | 323,950 |
| DEFRA Zambia | - | 195,000 | (195,000) | - |
| ELA | 20,068 | 104,333 | (31,027) | 93,374 |
| ELRHA Kenya & Ethiopia | - | 108,399 | (108,399) | - |
| ELRHA Mali | - | 239,586 | (149,741) | 89,845 |
| FCDO Driving wellbeing in Afghanistan | - | 3,722,426 | (3,722,426) | - |
| FCDO Somalia | - | 4,000,000 | (4,000,000) | - |
| FCDO Somalia health and nutrition | - | (565,205) | 565,205 | - |
| FCDO START fund | 26,150 | 394,065 | (336,215) | 84,000 |
| Innocent foundation grant | 399,939 | - | - | 399,939 |
| Nutrition work | - | 597,191 | (575,912) | 21,279 |
| Power of Nutrition Gujrat | 372,732 | 464,832 | (466,973) | 370,591 |
| Qatar Development Fund | - | 712,802 | (712,802) | - |
| USAID Somalia appeal | - | 961,491 | (961,491) | - |
| Multi-sectoral response Sindh | - | - | (748,000)* | (748,000)* |
| DEC Ukraine appeal 2 | - | - | (909,000)* | (909,000)* |
| Other | 470,212 | 1,918,949 | (2,265,322) | 123,839 |
| Transfer from unrestricted funds | - | - | - | 1,533,161 |
| **Total restricted funds (Charity)** | **2,188,976** | **24,405,348** | **(26,607,329)** | **1,520,156** |
| Power of Nutrition India (AAHE) | - | 180,401 | - | 180,401 |
| **Total restricted funds** | **2,188,976** | **24,585,749** | **(26,607,329)** | **1,700.557** |
| Unrestricted funds | 2,285,999 | 7,323,261 | (7,337,357) | 2,271,903 |
| Designated funds | 300,000 | - | - | 300,000 |
| Transfer to restricted funds | - | - | - | (1,533,161) |
| **Total unrestricted funds** | **2,585,999** | **7,323,261** | **(7,337,357)** | **1,038,742** |
| **Total funds** | **4,774,975** | **31,909,010** | **(33,944,686)** | **2,739,299** |

The designated fund above has been set aside from the unrestricted fund to facilitate investment in fundraising to increase income. *The recognition of the expenditure as a prior year restatement results from an error in the prior year. See note 20. The transfer from restricted funds reduces the carried forward amounts of the restated amounts to nil.

The funds on page 55 listed by the projects and programmes or work by country represent fund received specifically for carrying out activities within those areas. Specific programme funds are detailed below:

- BRCiS 3 Somalia is a consortium led by the Norwegian Refugee Council which funds the resilience building work in Somalia.
- CAR Emergency Appeal is project funded by the FCDO to reduce premature death and illness from hunger.
- DEC Afghanistan appeal raised fund for drought, economic collapse and rising global food prices pushed millions in Afghanistan to the brink of famine in 2021.
- DEC Pakistan Appeal fund was raised by the DEC to assist people impacted by the flood in Pakistan.
- DEC Turkey and Syria Earthquake response fund was raised by the DEC to support people impacted by the earthquake in February 2023.
- DEC Ukraine emergency appeal fund was raised by the DEC to support people impacted by the Russia / Ukraine war.
- DEFRA Zambia is a project on strengthening Local Partner Capacity for Effective Biodiversity-Poverty Interventions. This project addresses the capacity challenges faced by local NGOs involved in environmental protection and climate change mitigation and adaptation.
- ELA (Evaluation, Learning and Accountability) is a network initiative that represents the forward-facing international projects that serve to advance both the organisational priorities and the network as a whole.
- ELRHA Kenya and Ethiopia is a project to evaluate the integration of WaterScope's bacterial testing system for drinking water into ongoing programmes in Ethiopia and Kenya to improve decision-making on water supply.
- ELRHA Mali is a project on testing the faecal sludge field laboratory innovation in Timbuktu North Mali.
- FCDO Driving wellbeing in Afghanistan is a project that aims to address contributors to excess mortality exacerbated by food insecurity amongst marginalised and high-risk groups.
- FCDO Somalia is project that contributes to reducing the risk of morbidity and mortality associated with acute malnutrition, natural disasters (drought/floods), displacements or other shocks among vulnerable populations in South Central Somalia.
- FCDO Somalia health and nutrition is a multi-year consortium led by Norwegian Refugee Council and funded by USAID. The project was discontinued in 2023 and previously recognised income and expenditure were reversed in 2023,
- FCDO Start fund Liberia Flood Crisis Anticipatory Tool; Madagascar Start Ready National Reserve 2023; Start Ready Madagascar Cyclone Season 2023; START Alert 744: Prompt response to displacement of people from Nagorno-Karabakh to Armenia; START Alert (759) Urgent MPCA assistance to displaced Gazan workers in Bethlehem and Hebron Governorates.

- Innocent Foundation grant was made to fund a research project in Mali ICCM.
- Nutrition work is a provision of technical expertise and services on nutrition.
- Power of Nutrition Gujrat is a project that aims to improve the essential health and nutritionQ practices in the community by building knowledge, skills and motivation and creating anQ enabling environment in Bhavnagar and Sabarkantha, Gujarat.
- Qatar Development fund is a consortium led by Norwegian Refugee Council which fundsQ the humanitarian assistance and resilience building in Somalia, funded by QatarQ Development Fund.
- USAID Somalia appeal is a consortium led by Norwegian Refugee Council which funds theQ humanitarian assistance and resilience building in Somalia, funded by USAID.
- Power of nutrition India is project funded by money raised by our restaurant partner KelliQ Deli for knowledge building and humanitarian assistance in India.
- Multi-sectoral grant was received from multiple funders to respond to the emergency in Sindh and Baluchistan in India.
- DEC Ukraine emergency appeal 2 fund was raised by the DEC to support people impacted by the Russia / Ukraine war.
- Designated fund was set aside by trustees in 2022 to invest in fundraising activities overQ the next few years. A portion of it is expected to be utilised in 2024.

## 16. ANALYSIS OF NET ASSETS

| Fund balances at 31 December 2024 are represented by: | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|---|---|---|
| Tangible fixed assets | 146,934 | - | 146,934 |
| Net current assets | 389,987 | 1,103,004 | 1,492,991 |
| **Total net assets** | **536,921** | **1,103,004** | **1,639,925** |

| Fund balances at 31 December 2023 are represented by: | Unrestricted funds Restated £ | Restricted funds £ | Total funds Restated £ |
|---|---|---|---|
| Tangible fixed assets | 41,700 | - | 41,700 |
| Net current assets | 997,042 | 1,700,557 | 2,697,599 |
| **Total net assets** | **1,038,742** | **1,700,557** | **2,739,299** |

## 17. OPERATING LEASE COMMITMENTS

The company and the group have total outstanding operating lease commitments relating to the lease of its London office per year is £233,654, two to five years £85,197 (2023: £318,852). The lease commitment ends on 1 August 2025.

## 18. CONNECTED CHARITIES

The directors consider Action Contre la Faim ('Action Against Hunger'), a charity registered in France, to be a connected charity. Action Against Hunger has the same objectives to that of the Company and works closely with it. Its business address is 14/16 Boulevard Douaumont – CS 80060, 75854 Paris CEDEX, France, from which accounts can be obtained.

Other connected charities are Action Against Hunger USA, a charity registered in the US, and Acción Contra el Hambre, a charity registered in Spain, Action Against Hunger Canada, a charity registered in Canada and Fight Hunger Foundation, a charity registered in India.

Expenses are recharged between the connected charities where staff and other resources are used on projects run by the other charity. This gives rise to the balances at the year-end referred to in Notes 11 and 12.

## 19. RELATED PARTIES

Action Against Hunger is one of the five members of the trading company Action Against Hunger Licensing Ltd (ACFIN), a company based in the UK (Company No. 06672034). One of its main roles is to license its Action Against Hunger members the right to use trademarks.

The Action Against Hunger UK Executive Director is a Director of ACFIN. During the year UK license expenses totalling £402 were charged to Action Against Hunger UK by Action Against Hunger Licensing Ltd. At the year end an amount of £16,853 (2023 £36,435) was due from Action Against Hunger Licensing Ltd to Action Against Hunger UK.

Action Against Hunger UK is also a member of Action Against Hunger Development, a foundation registered in France and an organisation that pools resources and expertise to support the development of Action Against Hunger International Network. One of Action Against Hunger's Trustees is an Executive Director of that organisation.

## 20. PRIOR YEAR ADJUSTSMENT AND RESTATEMENT

In 2024, we implemented a new accounting process for reconciling our records of income and expenditure for the overseas projects with the records kept by our international network partners and carried out an in-depth analysis. This was as result of incomplete reconciliations which resulted in an under accrual of creditors in 2023 and impacted creditors, expenditure and the restricted funds being carried forward by £1.5 million. The charity has now established its obligations to all international network partners relating to current projects and has made a transfer from the unrestricted fund to the restricted fund to cover the shortfall, thereby allowing the charity to meet its commitments to its international partners. This has been accounted for as a restatement of the prior year amounts and balances.

# Thank you

Action Against Hunger UK could not fulfil its mission without the support of our donors and stakeholders. Thank you to all our fantastic supporters and partners for your generosity in 2024. We would like to thank the following donors and partners for supporting us this year:

- Antonio Carluccio Foundation
- Arnold and Porter LLP
- Bakkavor Limited
- Boparan Restaurant Group
- Boult Wade Tennant LLP
- Caravan Restaurants
- C B and H H Taylor 1984 Trust
- CHK Foundation
- D&D London
- David and Ruth Lewis Family Charitable Trust
- Fazenda
- First Choice Catering
- George Society members
- Hawksmoor Restaurants
- H10 Hotels
- IHG Hotels & Resorts
- JKS Restaurants
- Kelly Deli Company Limited
- Klarent Hospitality
- Mowgli
- North Brewing Company Limited
- PayPal
- People's Postcode Lottery
- Power of Nutrition
- Punch
- Revolut
- Schroders
- Soneva Foundation
- Super 8 Restaurants
- Tao Group London (including Hakkasan and Yauatcha restaurants)
- Tenderstem® Broccoli
- Thani Bin Abdullah Bin Thani Al-Thani
- The ALBORADA Trust
- The Band Aid Trust
- The Innocent Foundation
- The Pig
- Unearthed®
- WOLF
- Wrisk Insurance

We thank all our Love Food Give Food partners and all those who supported our emergency appeals and our long-term development programmes. And we thank our chef, celebrity and committee supporters:

- Adam Gahlin
- Andi Oliver
- Angela Hartnett
- Asma Khan
- Bill Knott
- Candice Brown
- Dan Keeling
- David Ellis
- David Gleave
- Francesco Mazzei
- Hugh Bonneville
- Ianthe Cox-Willmott
- Ixta Belfrage
- Jason Atherton
- Jimi Famurewa
- Ken Hom
- Levi Roots
- Leyla Kazim
- Mark Hix
- Meera Sodha
- Mel Jappy
- Nieves Barragan
- Noor Murad
- Richard Corrigan
- Robin and Sarah Gill
- Robin Hutson
- Ryan Chetiyawardana
- Sam Hainsworth
- Soren Jessen
- Thom Bateman
- Vivek Singh

You have all helped us to achieve our mission of tackling hunger and malnutrition around the world: thank you!

# Ways to get involved

## Sign up to receive an e-newsletter

If you'd like to receive regular emails about our work, please sign up. You can unsubscribe at any time, although we'd love you to stay!

## Campaign with us

Please support our campaign to reverse the cuts to the UK Overseas Development Budget by writing to your MP. Visit our 'Campaign With Us' page to see how else you can get involved, or for further information please write to theadvocacyteam@actionagainsthunger.org.uk

## Raise funds for us



You could organise a fundraising event, carry out a challenge or set up a Just Giving page. For ideas, please visit the Fundraise for Us page on the website or email Clare at publicfundraising@actionagainsthunger.org.uk

## Tell others about our work

Like us on Facebook (Action Against Hunger UK) and follow us on Instagram (actionagainsthungeruk), TikTok (actionagainsthungeruk), LinkedIn (Action Against Hunger UK) and YouTube (actionagainsthungeruk). Please engage with our posts and tell your friends, family and colleagues about what we do.

## Become our partner



If you're a company looking for a Charity of the Year partnership, a trust looking to make a difference, or a philanthropist who would like to support our life-saving work, we would love to hear from you. If you are a company, write to us at partnerships@actionagainsthunger.org.uk and if you're a trust, foundation or philanthropist, please write to us at philanthropy@actionagainsthunger.org.uk

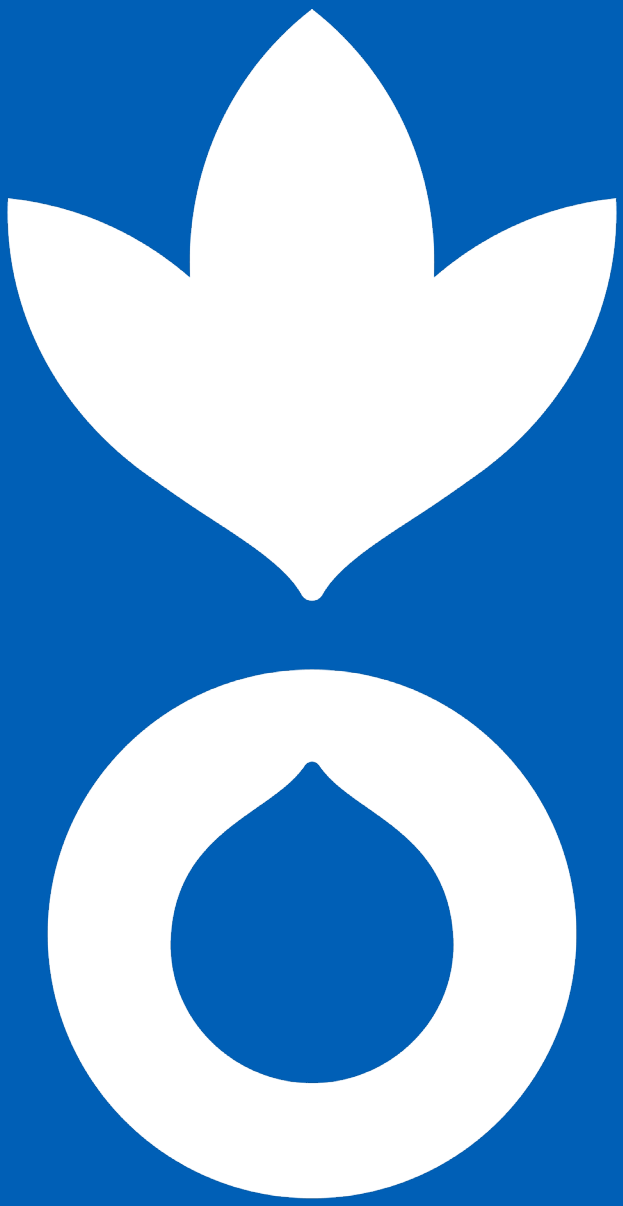
## Donate to us

If you'd like to make a one-off donation or become a regular donor to our work, if you'd like to play our Lottery, or if you'd like to leave a gift in your will, please contact Amy at support@actionagainsthunger.org.uk. Alternatively, you can make a donation on our website or here by scanning the QR code.

**Together, let's take action against hunger.**



© Guy Peterson for Action Against Hunger




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Action Against Hunger UK

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**Action Against Hunger UK**

England & Wales - Charity number 1047501

# Accounts

ACTION AGAINST HUNGER



# 2023 Annual report & financial statements

## Action Against Hunger UK

# ABOUT ACTION AGAINST HUNGER

Action Against Hunger is building a world where no one dies from hunger. Life-threatening hunger is predictable, preventable and treatable, so a world without it is possible. We tackle it where it hits and lead research to stop it and work relentlessly to save lives.

## Our vision

Our vision is of a world free from hunger.

## Our mission

No one needs to die from hunger. We predict and prevent it. Where it exists, we treat it. We stop life-threatening hunger in its tracks. By training parents and healthcare workers to spot the signs, we get life-saving care to people who need it.

Our research drives forward understanding of how to predict, prevent and treat life-threatening hunger. With unbeatable knowledge and unstoppable determination, we're taking action against hunger.

## Our values

Three values encapsulate all that we do:

- We work in partnership
- We are trusted experts
- We are unstoppable changemakers

## Our global network

Action Against Hunger UK is part of a global network that operates under the name of Action Against Hunger, with head offices in Canada, France, Germany, India, Spain, the UK and the USA. It also has a fundraising office in Italy. Each Action Against Hunger member is legally independent but all members share a common mandate, values, operating principles, quality standards, and strategy.

The narrative sections of this report refer to those activities for which Action Against Hunger UK has management responsibility, unless otherwise stated.

© Cover: Abel Gichuru / Action Against Hunger

# WELCOME FROM THE CHAIR AND THE EXECUTIVE DIRECTOR

This year Action Against Hunger responded to several major humanitarian crises, from conflict-related emergencies in Ukraine and Gaza to cyclones in Madagascar, the devastating earthquake in Turkey, and complex emergencies where crises including armed conflict, disease, and climate disasters combine to put the population at risk of hunger, such as in Ethiopia and Afghanistan.

Our membership of the Disasters Emergency Committee (DEC) enabled us to work in partnership in some of these settings, and to receive £4.6 million in DEC funding to support our emergency response. This year we also received £14.7 million from the UK Government's Foreign, Commonwealth & Development Office (FCDO).

Action Against Hunger UK continued to provide high-quality and holistic expertise on nutrition this year. In the UK we advocated for the prevention of malnutrition through increased aid for nutrition and provided evidence in the battle to push hunger and its causes further up the agenda in the UK Government's new White Paper on International Development.

Our nine-year partnership with the Innocent Foundation to promote the use of community health workers to diagnose and treat severe acute malnutrition culminated in the World Health Organisation updating its global guidelines on the management of wasting and nutritional oedema – a tremendous endorsement of our work.

Meanwhile, the UK aid budget maintained at 0.5 per cent of GNI this year, and the global cost-of-living crisis meant food poverty in the UK required more of our attention. To this end, we built on existing partnerships with local organisations and continued to work towards scaling-up much-needed food pantries in London and Somerset.

Against this backdrop of financial pressure, Action Against Hunger's private fundraising nonetheless did exceptionally well this year, with the Love Food Give Food campaign raising an amazing £373,000 from 167 restaurants, and the Fine Wine and Art auction dinner seeing its second-most successful event in its 17-year history, raising a fantastic £461,000 in unrestricted income. We also successfully recruited over 4,329 new individual donors. We must also thank players of People's Postcode Lottery for continuing to be long-standing allies and donating a very generous £1 million for our fight against hunger.

This year, for example, in the Central African Republic (and with FCDO support) we helped reduce premature death and illness from hunger. This shows that while tackling life-threatening hunger and malnutrition is an onerous task, it can be done. We are proud of achievements in 2023, and are also proud to present this report, which gives a snapshot of our year.



Paul Wilson
Chair of Trustees

Jean-Michel Grand
Executive Director

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# CONTENTS



# WHY WE DO WHAT WE DO

Life-threatening hunger is caused by conflict, climate change, natural disasters, poverty and inequality – particularly gender inequality.

As a result, too many people still do not have enough food to eat in a world of plenty. We need to address all these causes in order to prevent people from suffering life-threatening hunger and malnutrition.

These facts and stats explain why we do what we do:



**1 in 10 people go to bed hungry every night**

**3 billion people**

**cannot afford healthy diets**

**Over 43 million people across 38 countries**



**are at risk of famine**

**Around 45% of deaths among children aged under 5 are linked to undernutrition**



**These mostly occur in low-and middle-income countries**

**The UK Government has reduced nutrition-specific international aid by**

**70%**



**1 in 3 people are affected by at least one form of malnutrition**

**Unhealthy diets are among the top**

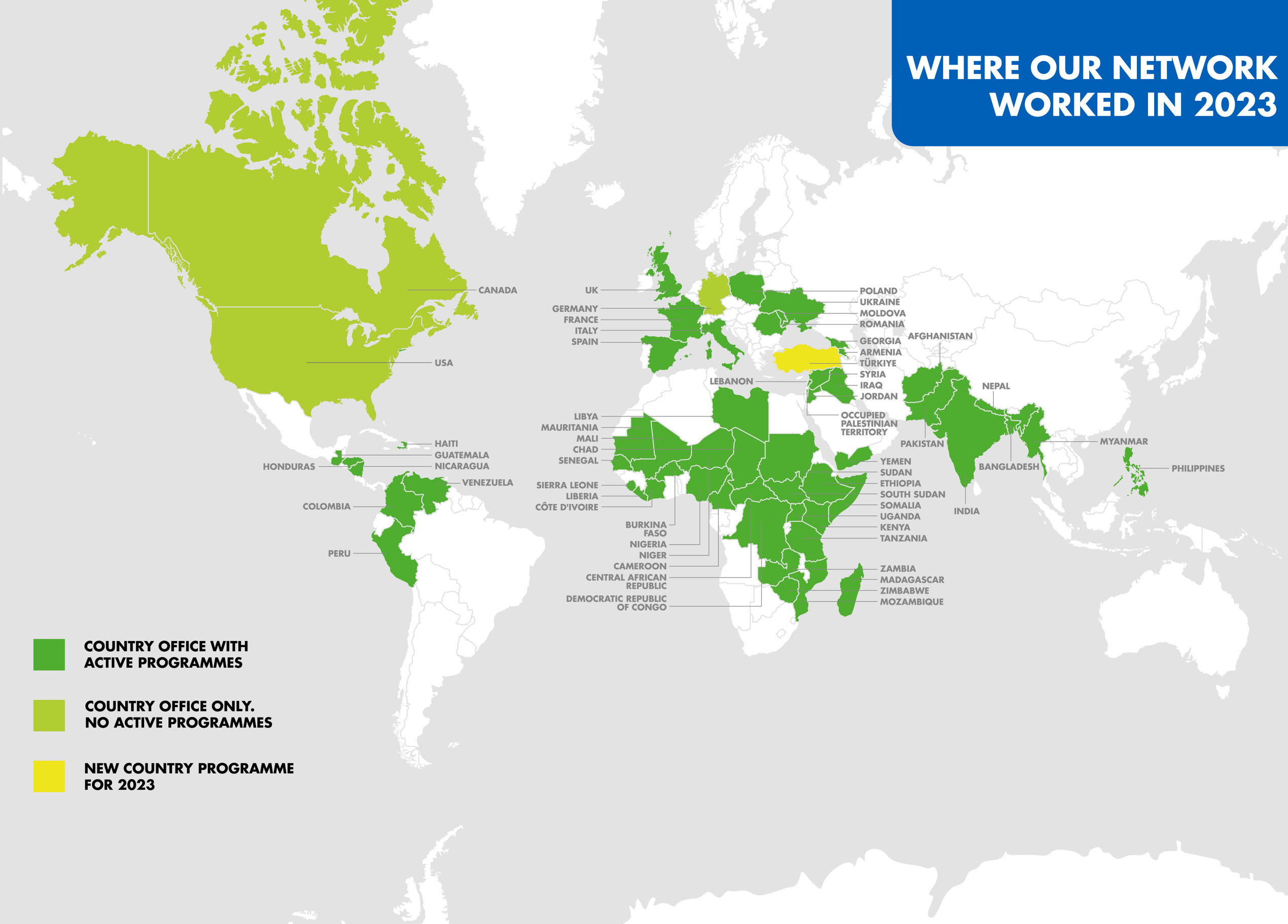
**3**

**underlying causes of mortality worldwide**



**Less than 1% of global development assistance focuses on nutrition**

# WHERE OUR NETWORK WORKED IN 2023



# OUR GLOBAL IMPACT

These statistics represent our collective achievements as a global network

**TOTAL INCOME**
**€679.6M**

**21M**
**PEOPLE ASSISTED**

**56**
**PROGRAMME COUNTRIES**

**NUMBER OF WOMEN AGED 15-49 SEEN BY A HEALTHCARE PROVIDER AT LEAST FOUR TIMES DURING PREGNANCY**

**104,722**

**ADMISSIONS FOR MALNUTRITION**
**- CHILDREN**



**TOTAL**
**725K**
**390K**
**335K**

**EXPENDITURE BREAKDOWN**



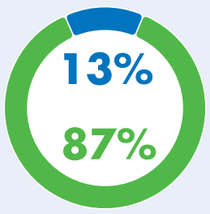
**PROGRAMMES 90%**
**6%** FUNDRAISING & COMMUNICATIONS
**4%** MANAGEMENT, GOVERNANCE, AND SUPPORT

**PRESENCE**

**7**
**HEAD OFFICES**

**8,987**
**STAFF**

**STAFF IN HEAD OFFICES**




**STAFF IN COUNTRY OFFICES**

**24**
**ADVOCACY INITIATIVES LED BY/IMPLEMENTED BY ACF**

**46**
**POLICY CHANGES AS A RESULT OF ACF ACTIVITIES**

**128**
**ADVOCACY PRODUCTS PRODUCED**

# A SNAPSHOT OF OUR WORK

As a global network, Action Against Hunger supported programme work in 56 countries in 2023. Action Against Hunger UK raised funds from various sources to support our programme work overseas, including a health project in Central African Republic (CAR) supported by the Foreign, Commonwealth and Development Office (FCDO).

## Hunger-related death and illnesses in Central African Republic

Tackling life-threatening hunger and malnutrition in low and middle-income countries is at the core of what we do. Thanks to funding from the FCDO, we have reduced hunger-related death and illnesses in Alindao District in Central African Republic (CAR).

The project – which started in 2022 and is due to run until the end of 2024 – has enabled access to free secondary healthcare for all patients at Alindao District Hospital, with a particular focus on child malnutrition, reproductive healthcare, primary healthcare for children under five years, healthcare for pregnant or breastfeeding women, and the improvement of hygiene practices in the hospital.

To achieve our objectives we have provided training on a range of topics, including:

- infection prevention and control, and hospital hygiene for 28 healthcare personnel and 14 hospital hygienists;
- basic emergency obstetric and neonatal care for 14 staff members working in the maternity and paediatrics wards;
- integrated management of childhood illnesses for 12 paediatric ward workers;
- blood transfusion safety for eight healthcare providers;
- anaesthesia and resuscitation techniques for three hospital providers.

As well as providing essential training for healthcare staff, the project has also included the rehabilitation or construction of several healthcare buildings, including a paediatric ward, a maternity ward, a laundry room and clothes-drying area, a kitchen for patients' caregivers, a triage building, a pharmaceutical storage area, two medication distribution points, latrines and shower cabins, a waste disposal unit, placenta pit, an incinerator and two water towers.

The project has ensured medication supplies and the payment of 66 hospital staff and eight District Management Team members, which has enabled totally free healthcare within the hospital. In addition, operational expenses have been covered on a monthly basis to ensure the smooth running of the hospital. The project has also covered generator maintenance, thus ensuring the safe running of the healthcare facilities at times when energy supplies faltered or failed.

Transport expenses have also been covered for patients returning from the hospital and for the regular maintenance and refuelling of the ambulance. Additional equipment for labs and the operating room were provided and the pharmacy improved. Finally, hospitalised patients and their caregivers received three free meals a day while they remained in the hospital.



Mabelle Koto holds 12-month-old Ketia Toubama, who has been recovering from severe acute malnutrition in an Action Against Hunger stabilisation centre.

© Christophe Da Silva / Action Against Hunger

# TRUSTEES' REPORT

Action Contre La Faim (Action Against Hunger in France) and the other members of the Action Against Hunger network have led the fight against hunger around the world since 1979. Action Against Hunger UK was established in 1995 and for almost three decades we have been saving the lives of malnourished children, ensuring that people in need can access clean water, food, healthcare and treatment, and working to help people improve their lives and livelihoods. The Trustees of Action Against Hunger UK – hereafter referred to as Action Against Hunger – present their annual report and audited accounts for the year ended 31 December 2023.

## Public benefit

Action Against Hunger's Trustees have a duty to ensure that the Charity provides public benefit and achieves its objectives as set out in its governing document. The Trustees' Annual Report provides a detailed account of the significant activities undertaken by the Charity in line with these objectives, which are: to relieve poverty, deprivation and distress throughout the world and to relieve hunger, whether chronic or temporary, by way of emergency intervention and/or establishing rehabilitation programmes.

The Trustees regularly review the Charity's strategy and plans to ensure these are consistent with its objectives and to consider how its activities contribute to the public benefit. The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims, objectives and activities, and are confident that they have complied with their duty to have due regard to the guidance when exercising their powers and duties.

## Strategic report

Action Against Hunger is part of a humanitarian and development network that has been at the forefront of the fight against hunger for 45 years. We are a needs-driven and rights-based organisation with a primary focus on assisting the most at-risk groups in society, wherever they live.

We are focused on reducing and eliminating hunger and malnutrition. Our technical expertise, based on research, mass data analysis and collaboration with scientists and government ministries is internationally recognised and respected.

We create innovative responses to treat life-threatening malnutrition. We protect livelihoods and improve long-term food security. We do this by constantly investing in research and innovative nutrition products and field-testing treatment protocols. These have become international best practices in treating and preventing undernutrition among adolescents, pregnant and breastfeeding women, and new-born and young children.

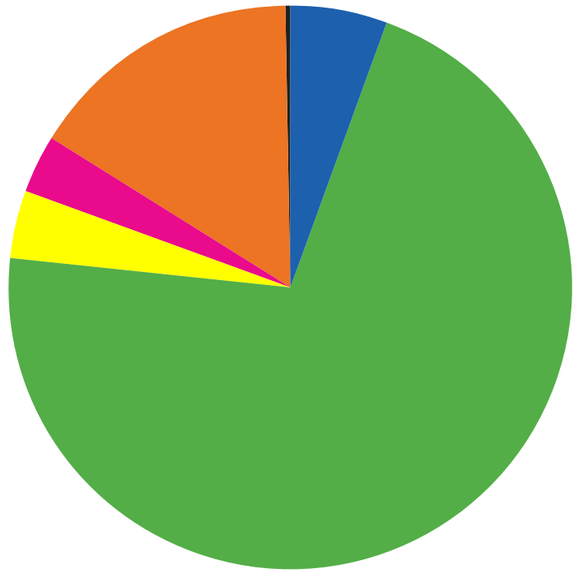
## Our priorities

Our core strength is responding to hunger and malnutrition crises; this is where our expertise is grounded. Our strategy is to build from this core strength, continually broadening our technical capabilities on issues central to our mission.

We offer our reliable and expert technical services and often partner with other national and international civil society organisations, scientists, funders and decision-makers to ensure the best outcomes. Our increasing evidence-based knowledge and expertise gives us a powerful voice to engage the public and influence governments to deliver greater action on hunger.

## How we raised our money

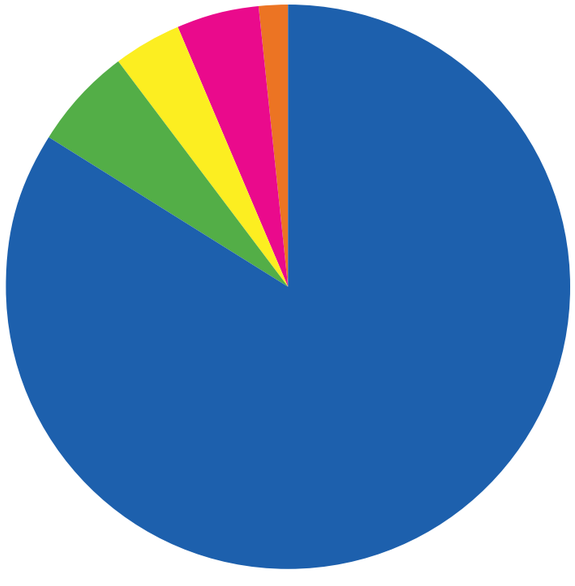
Action Against Hunger received grants and donations from UK individuals, institutional donors, trusts and foundations, and corporate partners.



| | |
|---|---|
| Institutional (exc. FCDO) | £22,651,806 |
| Action Against Hunger network | £5,079,889 |
| Individuals | £1,813,187 |
| Trusts and foundations | £1,279,962 |
| Corporate | £1,038,321 |
| Other | £45,845 |
| **Total** | **£31,909,010** |

## How we spent our money

The vast majority of our income is spent on emergency relief, disaster risk-reduction work and long-term development projects.



| | |
|---|---|
| Overseas projects | £27,478,949 |
| Fundraising | £1,772,787 |
| Support costs | £1,172,004 |
| Consultancy services | £1,545,498 |
| Advocacy | £442,286 |
| **Total** | **£32,411,524** |

# Our objectives in 2023

## 1 Raise £32.5 million to treat malnourished children and vulnerable people


© Khaula Jamil / Action Against Hunger

## 2 Respond to the food poverty crisis in the UK



© Joe Golden / Action Against Hunger

## 3 Use evidence uptake and data to inform and influence positions and policies


© Arthur De Poortere / Action Against Hunger

## 4 Digitalise our expertise and drive innovative approaches


© Carmen Abd Ali / Action Against Hunger

## 5 Expand our technical expertise


© Action Against Hunger

## 6 Bring the voices of affected communities to our supporters and activists



© Action Against Hunger

# Raise £32.5 million funds to treat malnourished children and support vulnerable adults

In 2023, we raised £31.9 million, 98 per cent of our projected target, helped by many substantial donations from institutional donors, the Disasters Emergency Committee (DEC), trusts and foundations, corporate partners and generous individuals.

Substantial grants and donations included:

- £250,000 from KellyDeli
- £373,000 from the Love Food Give Food restaurant campaign
- £519,000 from the Start Network, DEFRA via the Darwin Initiative, and ELRHA
- £1 million from players of People's Postcode Lottery
- £4.6 million from the Disasters Emergency Committee (DEC)
- £14.7 million from the UK Government's Foreign, Commonwealth & Development Office (FCDO)

Robin Hutson and Bill Knott, the founding members of the Fine Wine & Arts (FWA) Committee deserve a special mention for their dedication to Action Against Hunger. The FWA event has been running for 17 years. In 2023, it was the second most successful FWA dinner ever, raising £461,000 of unrestricted income at the event attended by over 160 guests.


© Joshua Tucker / Action Against Hunger

**£31.9m**
**raised overall**

## Case study: Turning the Forgotten Ends of sushi into Power for Nutrition

Despite India's economic growth, hunger and malnutrition are still on the rise. In fact, India is home to more than one-third of the world's malnourished children, with 46.6 million being too short for their age and one in every six children being excessively thin. Half of the women in India suffer from anaemia.

Malnutrition has long-lasting consequences. It limits children's educational outcome and hinders their future life chances.

In the Sabarkantha region of Gujarat, the malnutrition rate is high: 37 per cent of children under five years old are too short for their age and 40 per cent are excessively thin. To address this, Action Against Hunger developed Project Vruddhi to support the local government to tackle malnutrition among children and provide support to anaemic women.

The two main objectives are to strengthen health systems so they can better deliver quality nutrition and healthcare services, and to increase awareness of healthy nutrition practices within the community. This is achieved by training frontline healthcare workers, screening children for malnutrition, providing counselling and nutritional advice and treatment to pregnant women and mothers, and conducting home visits.


© Action Against Hunger


© Action Against Hunger

This would not be possible without the generous support of KellyDeli. This year donations from its best-selling Forgotten Ends pot – made from the end pieces of sushi rolls that are normally discarded – continued to contribute to fighting malnutrition in the worst-affected communities, while also tackling the issue of food waste in the production process.

When Sonali Patel had her first antenatal check-up, her iron level was very low. The Project Vruddhi team prescribed her iron and calcium tablets and recommended that she start consuming food rich in iron and vitamin C. She was also advised to attend at least four antenatal check-ups.

When Sonali did not attend her second antenatal check-up, the Project Vruddhi team visited her at home, where they found Sonali struggling to get out of bed because her iron levels were so low. She was hospitalised and given intravenous therapy. After three days she was well enough to return home, and her iron levels were good at her third check-up. However, they had dropped again by the time of her fourth and final check-up, so the Project Vruddhi team continued to monitor Sonali until the successful delivery of her healthy baby girl, Daya, in January 2023.

# 2 Respond to the food poverty crisis in the UK

Despite being the sixth largest economy in the world, food insecurity in the UK is increasing day by day. According to the Food Foundation, during 2023, nine million adults said they had reduced or skipped meals because they could not afford enough food, and three million adults reported not eating for a whole day.

While food insecurity is not new to the UK, its rising prevalence can be traced to the Covid-19 pandemic, the war in Ukraine and the resulting cost-of-living crisis. Weekly food shops are now unaffordable for many. The Food Foundation's Basic Basket tracker indicated that the average cost of food baskets increased by 25 per cent between May 2022 and April 2023 alone.

Since 2020, Action Against Hunger has supported partners in Lewisham in southeast London and in Sandwell in the Midlands to run community food pantries. These are community-run shops where food insecure households can access a wide choice of foods on a weekly basis for a small fee.

In addition, during 2023 we provided funds to six community food pantries so that they could continue their activities. Between them, they supported 560 households every week for six months.

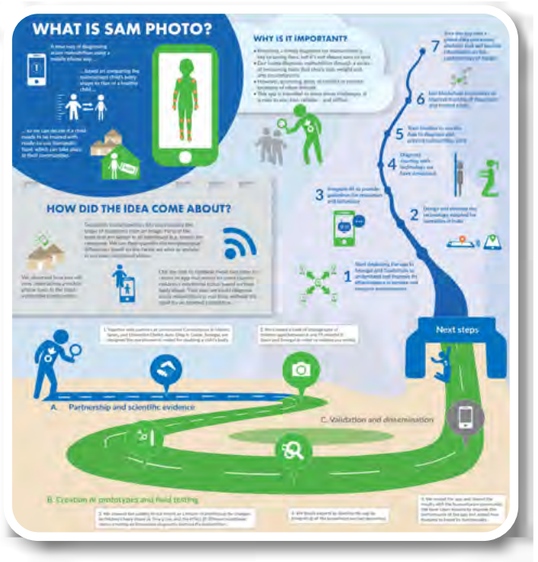
The UK food programme team also provided technical support to Somerset County Council for the council's roll-out of a network of local pantries. This included providing guidance and support to community partners in setting up and running the pantries and helping to develop a food resilience strategy for Somerset. Action Against Hunger also produced a brief video about the pantry network in Somerset to raise local awareness of it and to help community organisations learn how to set up new pantries.

Volunteers at a social supermarket in Somerset pack bags for members, who pay around £3 and receive £30 worth of food of their choice.


© Joe Golden / Action Against Hunger

# 3 Use evidence uptake and data to inform and influence positions and policies

In 2023 we continued to advocate for political action on the underlying causes of hunger and malnutrition (the biggest of which are conflict and climate change), as well as effective humanitarian responses to these crises. We also continued to advocate for the prevention of malnutrition through aid for nutrition.




## Global Food Security Summit

On 20 November 2023, the UK Government hosted a Global Food Security Summit, intended to boost international efforts to tackle hunger and malnutrition. Prior to the summit we participated in a two-day FCDO conference on "Addressing humanitarian need and famine risk: the role of climate finance" – the outputs from which fed into the summit.

During the summit, Action Against Hunger's Executive Director, Jean-Michel Grand, spoke at a session on conflict and hunger, and specifically on the role of the UK and other governments in championing UN Security Resolution 2417 – which prohibits the use of hunger as a weapon of war. He also highlighted the importance of upholding international humanitarian law and investing in long-term food security.

At the summit we were selected to display an aspect of our work, focusing on the Severe Acute Malnutrition (SAM) Photo App and co-organised (with the World Health Organisation, WHO) a side event on the launch of WHO's new Wasting Prevention Guidelines (mentioned on page 19). We also worked on a joint public statement for the Action Review Panel on Child Wasting and made a supporting video, released to coincide with the summit.

The UK Government launched its new White Paper on International Development at the event – to which we had submitted evidence. Both the event and White Paper set out ways to refocus UK Aid on its core purpose of achieving the Sustainable Development Goals (SDGs), including on hunger and its causes. We welcomed this, given that the purpose of aid has been more oriented to UK trade interests in recent years.


© Eden Sparke / Action Against Hunger

# 4 Digitalise our expertise and drive innovative approaches

Action Against Hunger has an established reputation as an evidence-based, data-driven organisation providing high-quality technical and operational support. It has contributed to the development of revolutionary nutrition products and has led to the field-testing of treatment protocols that are now the standard globally. Evidence is the foundation of all we do. Our goal is to test our innovations and ensure they work. Then we share our research with others, so they can adopt new and better ways of working.

In 2022, we launched an innovative three-year research initiative in Senegal to tackle life-threatening hunger, thanks to funding from People's Postcode Lottery and members of The George Society.

This project empowers four communities in Senegal's northern Louga and Matam regions to identify the root causes of undernutrition in their own communities through a participatory consultation process.

As the causes of undernutrition vary across locations, this consultatitve process not only allows communities to take ownership of identifying local causes of undernutrition, it also allows them to pinpoint context-specific insights and solutions.

Throughout 2023, we conducted weekly discussions with 352 people from the four communities, focusing on the risk factors of undernutrition. The findings were synthesised and shared with the community, which then ranked the risk factors according to their perceived impact. This approach allowed communities to formulate, learn, and understand the underlying causes of undernutrition.

The communities also identified solutions to sustainably address these risks and prepared detailed action plans and budgets. Each village received £5,000 to support community initiatives, such as the establishment of a "Health Hut"; assistance in setting up small businesses; and breeding livestock to provide meat, milk and an income.

The results so far indicate that communities have successfully identified both risk factors of undernutrition and ways to eliminate them, thus demonstrating the effectiveness of this inclusive approach. We hope to roll out this approach in other communities and countries.


© Action Against Hunger



# 5 Expand our technical expertise

Action Against Hunger's technical expertise on nutrition was deployed in multiple training, research and evaluation efforts around the globe this year, and influenced the World Health Organisation's (WHO) update of guidelines on the management of wasting and nutritional oedema.

Globally, 45 million children suffer from acute malnutrition (wasting), making it the single greatest threat to child survival. Of these 45 million children, 13.7 million are severely wasted, meaning they have low weight-for-height. Community Health Workers (CHWs), who live in the heart of rural communities and travel door-to-door to provide care and support to families at home, are vital in defeating this threat.

For the past nine years, Action Against Hunger has partnered with the Innocent Foundation to promote the use of CHWs to diagnose and treat severe acute malnutrition. In northern Mali, we trained CHWs and collected evidence on their effectiveness in diagnosing and treating malnutrition through home visits.

The project found that CHWs achieved the same or better treatment results for children with severe acute malnutrition, compared to treatment at a hospital or another medical facility. In Mali, this stood at 94.2 per cent cured with the support of CHWs, in comparison to 88.6 per cent cured in a healthcare facility. It also improved the number of children being diagnosed and treated, reducing the risk of illness and death related to acute malnutrition, and reducing costs.

"Having malnutrition treatment within the community has greatly reduced malnutrition and other illnesses in the community," says Ibrahim Sangare, a CHW in Mali.


© Eden Sparke / Action Against Hunger

In 2023 this work culminated in the World Health Organisation (WHO) updating its global guidelines on the management of wasting and nutritional oedema, endorsing the CHW approach as long as adequate training and ongoing supervision can be ensured.

Since WHO is the world's leading agency providing recommendations on malnutrition treatment, this is a tremendous endorsement of our model. WHO has committed to working with other UN bodies and humanitarian organisations to review and update their policies, so that the new guidelines are widely implemented.

We want to say a huge thank you to the Innocent Foundation which has committed £1.75 million to our work since 2014, helping us to predict, prevent and treat life-threatening hunger and malnutrition.

# 6 Bring the voices of affected communities to our supporters and activists

We believe it is important for our supporters and stakeholders to hear directly from the people we are helping, wherever they are in the world. We do this through sharing stories on our website, social media, emails and in the press.

In 2023, we hosted a photo exhibition on climate change in South Sudan, thanks to funding from players of People's Postcode Lottery.

For four years in a row, floods in South Sudan swept away entire villages, destroyed crops, drowned livestock and forced people to flee their homes – leaving families hungry and unable to support themselves.

As part of our mission to highlight the importance of tackling climate crisis – one of the root causes of life-threatening hunger around the world – we staged a photo exhibition at the Oxo Tower in London in February 2023. The powerful photos highlighted the devastation caused by years of extreme flooding in South Sudan and how, with our help, local communities are adapting in the face of the climate crisis.

Photographer Peter Caton and journalist Susan Martinez visited the remote and badly hit villages of Paguir and Old Fangak, capturing the stories of villagers as they cleared water from their homes, desperately searching for something to eat.

Before the floods, most communities across South Sudan survived on home-grown, maize-based foods. So, when farms were suddenly submerged, families lost everything. The unlikely solution was to introduce a completely new crop to the area, rice.
Action Against Hunger provided rice seeds and showed farmers how to plant them in the floodwaters. Farmers who had lost their crops in the floods were employed to create waterways through the vegetation brought in by the floods so they would have a regular monthly wage again.

Bigger and faster boats can now reach the isolated villages and bring in food, medicine and enable trading.

Gender equality in the community has unexpectedly increased, as now, for the first time, dozens of women own and cultivate their own farms. One of the trainee rice farmers, Nyadim, said: "Now we know how to grow rice, the community respects us women more."

The launch of the photo exhibition was attended by 100 guests, with speakers including the Liberal Democrat Peer, Lord Oates; the journalist and broadcaster Seyi Rhodes; and Peter Caton. The exhibition was viewed by 4,000 people over a two-week period and highlighted in the press, on the website and on social media, enabling an important story of resilience and hope to reach thousands of people.

The Unyielding floods: Restoring hope exhibition, held at the OXO Tower in London, was viewed by thousands of people and helped to spread awareness of the effects of extensive flooding in South Sudan and how families are adapting to the climate crisis.



© Peter Caton / Action Against Hunger

# Our objectives in 2024

## 1 Diversify and grow our income and mobilise significant resources



© Sébastien Duijndam / Action Against Hunger

## 2 Become a global leader in technical assistance

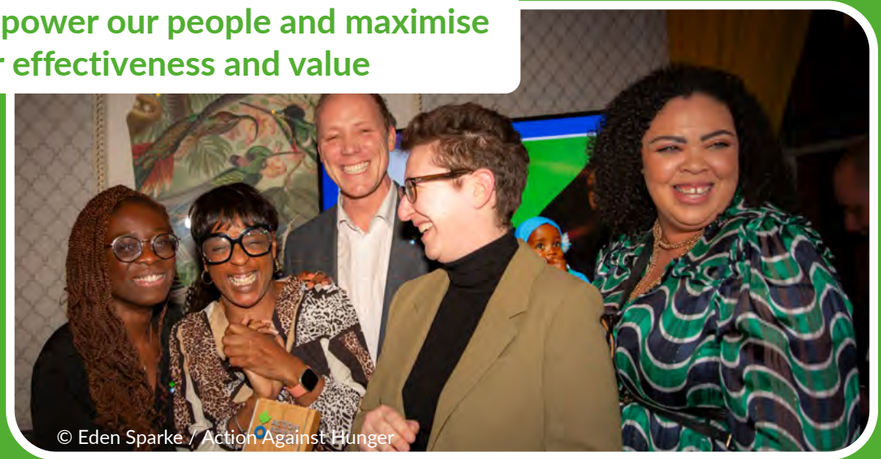


© Action Against Hunger

## 3 Increase brand awareness and become a trusted activist on hunger and malnutrition


© Tom Gustin / Action Against Hunger

## 4 Empower our people and maximise our effectiveness and value


© Eden Sparke / Action Against Hunger

Like others in the international development sector, Action Against Hunger has faced several challenges in recent years, including Covid-19, the UK Government's reduction of its aid budget to 0.5 per cent, and the cost-of-living crisis.

These, and other significant global events, have challenged the Charity's initial ambitions and growth plans, but they have also contributed to sharpening our focus on our main strategic direction.

After three years of continuous adjustments to external shocks, we are planning to invest significantly across all departments to transform Action Against Hunger into a more performance driven, resilient and impactful organisation.

These investments will strengthen progress towards the following plans which support our core objectives:

1. mobilising timely and significant resources for emergency appeals, humanitarian and long-term programmes, actions on climate change, and UK food poverty programmes;
2. becoming a global leader in technical expertise, with a focus on being a reference organisation on nutrition and taking a new direction for monitoring, evaluation and learning (MEAL);
3. becoming a trusted activist on hunger and nutrition by being a leading advocate and technical expert.

# STRUCTURE, GOVERNANCE AND MANAGEMENT

Action Against Hunger UK is a company limited by guarantee (company number 3069468) and a registered charity in England and Wales (1047501) and in Scotland (SC048317). The charity's objects and powers are set out in its Articles of Association.

The Articles of Association provide that the Trustees are the only members of the charity.

### Trustees (Current)

- **Paul Wilson** (Chair of Board and Chair of the Remuneration, Compensation & Governance Committee)
- **Sanjay Dhiri**
- **Frances Pasteur (**Safeguarding Trustee)
- **Nicolas Sarkis** (Chair of the Fundraising, Engagement and Ethics Committee)
- **Jordan Winokur**
- **Hewete Haileselassie** (appointed 1 February 2024)
- **Annabel Ferrie Venner** (appointed 1 July 2024)
- **Sylvia Amy Lowe** (Appointed 1 July 2024)
- **Milton Anthony Fernandes** (Appointed 24 June 2024), Chair of the Audit and Risk Committee

### Trustee resignation

- **Eleanor White** (resigned 3 Oct 2023)

### Executive Committee (Current)

The Executive Committee consists of the executive directors of the Charity, who are:

- **Jean-Michel Grand** (Chief Executive) - From October 2003
- **Jamal Uddin** (Director of Finance, IT and Administration) - From September 2022
- **Alison McNulty** (Director of Operations) - From November 2020
- **Will Morgan-Macleod** (Director of Fundraising) - From February 2024
- **Maria Franklin** (Director of Human Resources) - From April 2014

### Executive Committee resignations

- Martin Dale (Director of Fundraising & Communications) –February 2023 to May 2023
- Sarah Canniford (interim co-Director of Fundraising & Communications and Head of Partnerships) – June 2023 to Jan 2024
- Claire Dalmaine (interim co-Director of Fundraising & Communications and Head of Special Events) – June 2023 to Jan 2024
- Judith Escribano (interim co-Director of Fundraising & Communications and Deputy Director of Communications) – June 2023 to Jan 2024

### Company Secretary

Jean-Michel Grand

### Auditors

Haysmacintyre LLP
10 Queen Street Place
London EC4R 1AG

### Solicitors

Reed Smith Corporate Services Ltd
Minerva House
5 Montague Close
London SE1 9BB

Bates Wells Braithwaite
10 Queen Street Place
London EC4R 1BE



## Trustees

Action Against Hunger UK is governed by its Board of Trustees who are also the Directors under company law. The Trustees have overall responsibility for overseeing the management of the Charity and delegate day-to-day management to the Chief Executive and the Executive Committee.

Trustees are appointed in accordance with the Articles of Association. Trustees are elected by the Board for a three-year term after which they must retire from office and may be reappointed (no more than twice) for a further period of three years by a decision of the Board.

Three members of the Board have served as Trustees for longer than three terms of three years. The Articles of Association provide that the limitation on the period of appointment does not apply to the current Chair, although he is required to stand for re-election every three years. The Board has determined that the directors who have served for longer than nine years brought particular skills and experience that were necessary to the Board for the development of the Charity. Two of these directors are currently serving their last term.

The Trustees are required to declare any conflicts of interest and reaffirm their commitment to Action Against Hunger's Global Code of Conduct upon appointment and every year thereafter. Governance reviews are carried out on a regular basis and Trustee self-assessments are carried out annually (including questions on the performance of the Chair). Board members receive no remuneration for their work as a Trustee. All Trustees are required to undertake a comprehensive induction programme covering the running of the Charity and their role as a Trustee.

Action Against Hunger UK's Board of Trustees meets on a quarterly basis and may hold other ad hoc meetings to discuss specific issues as appropriate. The Executive Director and members of the Executive Committee attend board meetings to respond to questions and ensure informed decisions are made. Decisions are taken by a majority vote in accordance with the Articles of Association. The decisions and business of Board meetings are recorded in minutes of the meetings that are approved by the Trustees.

The Board delegates certain powers related to the administration and day-to-day management of the Charity's affairs (up to certain financial thresholds) to the Executive Director and Executive Committee under a Scheme of Delegation. Any decisions above these financial thresholds or relating to key matters such as major initiatives, appointment of the Executive Director and/or approval of long-term objectives and strategy must be approved by the Board.

The Executive Director leads the Executive Committee, which is responsible for defining and proposing the following to the Board for approval:

- Strategies (five-year plan)
- Annual action plan
- Certain policies which are reserved for approval by the Board
- Investment plans
- Budgets

The Chief Executive is responsible for implementing the Charity's strategy, annual plans and policies, identifies and manages risk and reports to the Board on a regular basis to ensure full accountability and transparency of the Charity's accounts and reports.

### Committees of the Board

The Board has delegated specific responsibilities to three Committees as set out in the Committees' Terms of Reference which have been approved by the Trustees. Members of the Committees are appointed by the Board. Each Committee meets regularly, and the Chair of the Committee reports back to the full board at quarterly Board meetings.

- The Audit, Risk and Compliance Committee ensures the organisation's key risks are adequately managed through financial and non-financial internal controls. This committee also provides oversight to the development of Action Against Hunger UK's safeguarding

culture and reviews all significant serious incidents that are reported to Action Against Hunger UK. In 2023 this Committee met four times.

- The Fundraising, Engagement and Ethics Committee oversees and advises on Action Against Hunger's UK fundraising and marketing activities and considers whether relationships meet specific ethical criteria. In 2023 the Committee did not meet due to the position of Fundraising & Communications Director being vacant or temporary for most of the year. However, the Board as a whole supported with assessing whether relationships met specific ethical criteria since the Committee did not meet.
- The Remuneration, Compensation and Governance Committee ensures good governance practices for the organisation and reviews financial and non-financial remuneration, including pension arrangements and annual cost-of-living awards for employees. It also reviews and promotes the implementation of continuous development of the Board as set out in the Code of Good Governance. The Committee met three times in 2023.

A young Afghan mother feeds therapeutic milk to her 7-month-old severely malnourished son, in an in-patient ward at Action Against Hunger's therapeutic feeding unit in Kabul's Ahmad Shah Baba Mina area.



© Elise Blanchard / Action Against Hunger

## Arrangements for setting the pay and remuneration of the Charity's key management personnel

Action Against Hunger operates an incremental pay structure for all roles, including senior management roles. Grades are established by assessing the job description against a job evaluation tool. Where appropriate, salaries are also periodically benchmarked – in 2023, we commissioned an organisation-wide benchmarking project using the Croner Job Evaluation and Salary Search tool. Incremental increases are service related and awarded annually up to the top of the designated grade. All staff receive a discretionary annual cost-of-living increase.

The Remuneration, Compensation and Governance Committee meets in December to review financial and non-financial remuneration, including pension arrangements and annual cost-of-living awards, which are applied to uplift the salary scales. The Remuneration, Compensation and Governance Committee recommendations are ratified by the full Board of Trustees.

## Internal control and risk management

Action Against Hunger works to ensure that the identification, assessment and mitigation of key risks is an integral part of the Charity's decision-making and management processes. We aim to embed a risk management culture across the organisation as a critical measure in today's ever-evolving risk landscape.

Action Against Hunger operates an annual planning and budgeting process with reference to the five-year Strategic Plan, and with start-of-year and mid-year revised budgets approved by the Board of Trustees. Significant changes during the year are subject to specific approval. The financial reporting systems provide monthly comparison of actual results with budget. Forecasts of expected results for the year are undertaken on a regular basis.

The Charity's risk management framework ensures that all significant risks are identified, assessed and, where necessary, reported to the Audit, Risk and Compliance Committee. The Charity maintains a comprehensive Risk Register that sets out the major strategic and operational risks facing the organisation, along with clear mitigation measures and plans. The Risk Register is updated by the Executive Committee on a monthly basis and reviewed by the Audit, Risk and Compliance Committee every quarter. The Risk Register is reviewed by the full Board every year.
The Trustees are satisfied that systems are in place to monitor, manage and mitigate Action Against Hunger's exposure to major risks.

The most significant risks identified in 2023 are set out on pages 31 and 32.

The Trustees consider that maintaining Action Against Hunger's general reserves at the levels stated on page 29, and reviewing internal controls and risks, will provide Action Against Hunger with adequate risk assurance and sufficient resources in the event of adverse conditions. They also recognise that the nature of some of Action Against Hunger's work requires active acceptance and management of some risks when undertaking activities to achieve the objectives of the Charity.

## The Action Against Hunger global network

Action Against Hunger is part of a global humanitarian network of organisations committed to saving the lives of malnourished children and supporting their families to beat hunger.

In 2023, the Action Against Hunger global network was made up of seven separate legal entities (and their branches and subsidiaries) which were active in 56 countries around the world. The entities that make up the Action Against Hunger global network share the same objectives and operate under common International Co-operation Protocols, including an International Charter of Principles and a number of common policies agreed by the International Committee of Chairs and the International Executive Committee.

In 2023 the entities that made up the Action Against Hunger global network were:

- Action Against Hunger UK
- Action Contre La Faim (a registered charity in France)
- Action Against Hunger USA (a registered s501(c)(3) organisation in the USA)
- Accion Contra el Hambre (a registered foundation in Spain)
- Action Against Hunger Canada (a registered charity in Canada)
- Fight Hunger Foundation/Action Against Hunger (a registered foundation in India)
- Aktion Gegen Den Hunger (a registered charity in Germany)

Expenses are recharged between the connected charities where staff and other resources are used on projects run by another charity. This gives rise to the balances at theyear-end referred to in Notes 11 and 12.

## Related parties/ subsidiaries

Action Against Hunger UK has a subsidiary trading company called Action Against Hunger Enterprises Limited (company no: 6569439). It is a private limited company and a wholly owned trading subsidiary of Action Against Hunger UK. Action Against Hunger Enterprises Limited's principal activity is to raise funds for the Charity. The company was incorporated in 2008 and it donates all its profits to the Charity.

Action Against Hunger UK is one of the seven members of the trading company ACFIN Licensing Ltd, a company incorporated in England and Wales (Company No. 06672034). The company's main objective is to license the Action Against Hunger trademarks to the entities that make up the Action Against Hunger global network. The Action Against Hunger UK Executive Director is one of the Directors of the company.

## Fundraising statement

This statement sets out the Charity's approach to Fundraising as required by the Charities (Protection and Social Investment) Act 2016.

In 2023, Action Against Hunger UK raised £4.13 million through its fundraising activities. Our Fundraising team pursued many approaches, including campaigns, corporate donations, fundraising events, grants from trusts and foundations, legacy gifts, regular giving and the People's Postcode Lottery. Campaigns run by the charity in 2023 include campaigns aimed at tackling conflict and hunger and the climate crisis, and fundraising campaigns for humanitarian emergencies such as Ukraine, the Turkey-Syria Earthquake and the Gaza-Israel conflict.

The Charity benefits from a number of commercial participator arrangements, mainly in the food sector, and used professional fundraisers to support its work. Due diligence is carried out on all third parties who we work with, to ensure appropriate compliance and a good return on investment. Current agencies used by the charity include Acwyre (for recruitment of regular donors via Face to Face fundraising), TPX Impact and Forward Action (for digital mobilisation and technical support), DTV Optimise (for Telemarketing) and Elovate (for fulfilment).

The Charity complies with current regulations and best practice set out by regulatory bodies such as the Fundraising Regulator and monitors the activities of donors and professional fundraisers to manage the risk of non-compliance. Our complaints policy is available on the Charity's website; in 2023 we received 10 complaints about fundraising, all of which were responded to and resolved in accordance with our policy.

All of our giving pages and all direct marketing includes information about how a supporter can opt out of receiving further communications from us, information which is also included in our Supporter Promise, available on our website. We have signed up to the Fundraising Preference Service and received and actioned 4 requests in 2022.



# FINANCIAL PERFORMANCE

Total income in 2023 was over £31.9m which is £9.2m less than the previous year. This reduction in income is due to a combination of the end of a £4.6m donation from the Al-Thani Humanitarian Fund and fluctuations in grants from the UK government and trusts and foundations. We ended the year with a net unrestricted deficit of £14k and restricted deficit of £488k.

Income at this level enabled us to deliver major pieces of work around the world. Our fundraising effort continues to be targeted to maximise income for projects which are making a significant impact in tackling hunger.

Our fundraising cost remained similar to last year and charitable spend was 93 per cent of total expenditure compared to 94 per cent in the previous year. The remaining spend was mostly used to support fundraising and, to a lesser extent, indirect support costs. We are continuing to invest in unrestricted fundraising activities to further diversify the income base to minimise the impact of fluctuations in institutional grants.

As in prior years, total income includes the full amount of multi-year grants, accounted for in accordance with the Charities SORP and Accounting Standards, which require us to recognise the full amount of income on most grants when agreements are signed.

### Reserves Policy

The Board of Trustees has reviewed the reserves policy of the Charity and considers it appropriate to seek to maintain unrestricted free reserves equivalent to six months of general expenditure, to cover eventual risks including property liabilities and staff redundancies, as well as the closure of the Charity; to provide a security against seasonal variations in income and expenditure; to costs; and to fund strategic research, investment and innovations.

Unrestricted reserves as of 31 December 2023 were £2.3 million (which represents around six months of general expenditure) and includes a designated fund of £300,000 which has been set aside to invest in fundraising activities.

The Charity's Memorandum of Association provides the Trustees with the authority to invest in such assets as they see fit, in order to benefit the Charity and its continued financial wellbeing.

The Charity is committed to utilising any surplus cash funds in the most effective way possible. However, the Charity is occasionally required to react quickly to particular emergencies and has a policy of investing any surplus funds in relatively short-term deposits, ranging from one month to immediate access.

Action Against Hunger's Board of Trustees review the investment policy annually. The objective of the current policy is to maintain high liquidity while ensuring maximum security. To achieve this, the Charity invests with institutions with a high security rating in instant access, fixed-term or call cash deposits.

# RISK STATEMENT

Action Against Hunger UK considers effective risk management to be fundamental to good management practice and to provide an essential contribution towards the achievement of the Charity's strategic and operational objectives. The Trustees are satisfied that appropriate internal control systems are in place to identify and mitigate the Charity's key strategic and operational risks.

While the Action Against Hunger global network organisations operate in high-risk contexts to save the lives of children and provide them and their families with opportunities for a better life, at Action Against Hunger we remain prudent on how we identify, manage and mitigate these risks.

Action Against Hunger is a forward-looking organisation driven by impact and cost-effectiveness, therefore it embraces higher risk approaches on innovation, complex programming, leading consortiums, creative fundraising, new ways of working, embracing digital technologies, exploring new technical approaches that challenge existing ones and any other activities that support the achievement of our objectives and the strategic priorities of the Action Against Hunger global network.

The Charity's risk appetite reflects the need to take risks in order to achieve our objectives, provided always that these risks do not breach our principles, values, policies, legal obligations or our duty of care to staff, donors and the populations we support.

Action Against Hunger UK's Risk Management Policy sets out the Charity's approach to risk management and uses a risk-management framework to support the identification, assessment and management of key risks, including the implementation of comprehensive mitigation plans and risk-management strategies. This includes a thorough risk identification process; prioritisation of key risks based on an assessment of impact and likelihood; regular review of mitigation measures and controls; evaluation of risks against the Charity's risk appetite; and, where appropriate, the development of mitigation plans. Action Against Hunger regularly monitors its key risks with a view to embedding a strong risk-management culture across the Charity.

The Board is responsible for appointing members of the Charity's Audit, Risk and Compliance Committee, of which three Trustees were members in 2023. The main functions of the Committee are to:

- review and monitor the key risks and mitigation measures identified in the Charity's Risk Register;
- oversee, support and advise the Executive Committee on the assessment, management and mitigation of key risks and to inform the board of any new major risks or key changes in the risk environment;
- monitor the implementation of existing mitigation measures and proposed mitigation action plans;
- review serious incident reports reported by the Executive Committee and confirm authority for these to be reported to the Charity Commission;
- ensure that risk management is mainstreamed and embedded within the culture of the Charity.



## Key risks

The Risk Register is updated monthly by the Executive Committee and reviewed quarterly by the Audit, Risk and Compliance Committee and annually by the full Board of Trustees. The following major risks to the Charity were identified in 2023:

| Risk | Key mitigation measures |
|---|---|
| Inability to meet fundraising targets | • Continue to invest in fundraising activities<br>• Continue investment in new donor recruitmnt. |
| Significant security incidents in programme country<br><br>*We recognise the safety and security risks to staff working in complex environments to deliver our programmes.* | • Detailed security plans and guidelines are frequently updated in every country where work is carried out, to take account of changing conditions in the programme countries<br>• All staff travelling to high-risk locations receive comprehensive security training before any assignment<br>• Critical-incident management procedures and training are in place and are regularly reviewed/updated<br>• Country Security Plans are continually updated and global risk security mapping is carried out regularly. |
| Significant safeguarding incidents in programme countries<br><br>*We recognise the risk of harm to the people who come into contact with our charity through our work if appropriate safeguards are not in place.* | • International Safeguarding Policy applied across the Action Against Hunger network to ensure zero tolerance towards all forms of harm and abuse<br>• Pre-engagement checks, a robust Code of Conduct and mandatory safeguarding training for all staff<br>• Robust incident and complaint-reporting processes and procedures<br>• Communication, due diligence and monitoring of safeguarding policies and procedures across all partners and suppliers in programme countries<br>• Regular review of safeguarding incidents and mitigation measures by executive team and the Audit, Risk and Compliance Committee. |
| Fraud, corruption and bribery<br><br>*We recognise the operational risks inherent in working in challenging environments.* | • Zero tolerance policy towards fraud, corruption and bribery across the Action Against Hunger network<br>• International Anti-Fraud Policy (approved in April 2023) adopted across all Action Against Hunger programmes<br>• Robust incident reporting processes and training for all staff and downstream partners<br>• Regular reporting and review by the Audit, Risk and Compliance Committee. |
| Reduction of income<br><br>*Risks to our income due to the reduction in ODA funding and increased cost of living in the UK.* | • Diversification of fundraising strategy to strengthen income portfolio<br>• Regular review of income strategies, with identification of, and investment in, new sources of income offering a high return<br>• Continued work with key high value supporters – corporate partners, trusts and foundations – including on significant events and campaigns<br>• Maximising opportunities to bid for new institutional and consortium funding opportunities<br>• Advocacy work to focus on increasing the ODA budget and prioritisation of global hunger |

| | |
|---|---|
| Cyber security breach or other significant IT issues<br><br>*Risks of business interruption, loss of data, regulatory action and financial loss in the event of a breach.* | • Review of cyber protections and working-from-home practices to ensure sufficient protections are in place<br>• Application of IT security measures that are reviewed periodically<br>• Cyber Essentials Certificate obtained<br>• Relevant IT policies updated |
| Non-compliance with data protection legislation<br><br>*A data breach could lead to regulatory action, fines and penalties and loss of trust and confidence from key stakeholders.* | • Action plan and tracker developed to monitor progress of actions required by external review of compliance with data protection regulations<br>• New Data Protection Policy and Privacy Statements produced and launched on website and with staff and trustees. |
| Reputational risk, and security risks related to the launch of Gaza/Israel appeal and activities in the region | • Continue to monitor the situation and liaise with other Action Against Hunger network members to ensure robust compliance processes<br>• Share information with FCDO, DEC and other partners to ensure awareness of the Charity's approach and ways of working in Gaza to mitigate these risks<br>• Communicate clearly in relation to the charity's humanitarian principles of humanity, neutrality and impartiality with a focus on activity rather than political statements. |

### Serious incidents

In 2023, we were notified of 38 allegations in relation to the programmes that we fund and support in relation to incidents of fraud, abuse of power, sexual exploitation or harassment, terrorism or security. The majority of allegations were categorised as safeguarding incidents. Five of these incidents were reported to the Charity Commission. All cases were investigated, and appropriate actions were taken, including learnings for future programmes. There were no serious incidents during 2023 that should have been reported to the Charity Commission but were not.

Please note that Action Action Hunger UK were not directly involved in these incidents. Our involvement is limited to funding and supporting the programmes.



## Stakeholder engagement

The Trustees are required to explain how they consider the interests of key stakeholders and the broader matters set out in Section 172 of the Companies Act 2006 in promoting the success of the company for the achievement of its charitable purposes. This statement focuses on matters of strategic importance and the level of information disclosed in this statement is consistent with the size and complexity of the business.

### General confirmation of Trustees' duties

Action Against Hunger UK's Board has a clear framework for determining the matters within its remit and has approved Terms of Reference for the matters delegated to its Committees. An explanation of the roles and responsibilities of the Board Committees can be found on page 24. When making decisions, each Trustee ensures that they act in good faith to best promote the company's success for the achievement of its charitable purposes, and in doing so will have regard (among other matters) to:

- S172(1) (a) 'The likely consequences of any decision in the long-term'

The Charity is guided by a five-year strategic plan, at both UK and international level, through the Action Against Hunger global network. In order to deliver its strategy, the Board of Trustees has to pay due regard to the long-term consequences of all its decisions. Throughout the life of the strategy its implementation is regularly monitored through annual progress reports, which help inform the long-term decision-making that is required to achieve the objectives set out in our strategy.

- S172(1) (b) 'The interests of the Company's employees'

The Trustees recognise that Action Against Hunger UK employees are our most important asset and are fundamental to the delivery of our strategic plan. Our success depends on attracting, retaining, motivating and developing them, wherever they are located. The annual staff survey is one of the Board's principal tools to measure employee engagement, motivation and commitment to Action Against Hunger. It enables the Board to understand how we are learning from survey findings to strengthen Action Against Hunger's culture and values, and informs decision-making from pay and benefits to health, safety and wellbeing. The Staff Forum operates throughout the year as a mechanism for bringing any issues or suggestions for improvements to the Executive Committee, as well as being an important vehicle for staff consultation on any significant changes or restructuring.

- S172(1) (c) 'The need to foster the Company's business relationships with suppliers, customers and others'

Action Against Hunger UK's key business relationships are with other members of the Action Against Hunger Global network; the communities with whom we work; our suppliers; and our donors and supporters. Our engagement with these stakeholders is described within this report. In order to deliver our mission and strategy, and to create impact at scale, we need to work with others. We will continue to work primarily through the implementing members within the Action Against Hunger global network and also build our capacity to work through other partnerships, alliances and networks.

- S172(1) (d) 'The impact of the Company's operations on the community and the environment'

The Board of Trustees has fully committed the organisation to the Core Humanitarian Standards on Quality and Accountability. These standards "put communities and people affected by crisis at the centre of humanitarian action". The charity fully subscribes to this ethos, which we enact in our programme delivery. Recognising that climate change is currently one of the main drivers of food insecurity and hunger, we advocate on this and ensure that within our programme work and in the UK due attention is paid to the environmental impact of everything we do.

- S172(1) (e) 'The desirability of the Company maintaining a reputation for high standards of business conduct'

It is important that Action Against Hunger UK continues to maintain its reputation for high standards of conduct in all its work. As part of the Action Against Hunger global network, all employees and trustees are required to sign and abide by a Global Code of Conduct. We also always ensure compliance with the high standards of business conduct attached to receiving funding from many important institutional and private donors, including the FCDO/UK Aid.

- S172(1) (f) 'The need to act fairly as between members of the Company'

This is not applicable to Action Against Hunger UK's organisational structure, as the Trustees are the only members of the Charity, and the Charity is run in the interests of its charitable objectives rather than in the interests of its members.

## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Strategic Report, the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounts Standards (United Kingdom Generally Accepted Accounting Practice). The Trustees confirm they comply with the Companies Act 2006 and the Charities Statement of Recommended Practice (FRS 102) 2019.

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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 accounting 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 the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

*Paul Wilson*

Mr Paul Wilson
Chair of Trustees
Approved by the Board on 01 October 2024



# INDEPENDENT AUDITOR'S REPORT

To the members of Action Against Hunger UK

## Opinion on the financial statements

We have audited the financial statements of Action Against Hunger UK for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Statements of Financial Position, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitablecompany's affairs as at 31 December 2023and of the group's and parent charitablecompany's net movement in funds,including the 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 2006and the Charities and Trustee Investment(Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations2006.

## 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 group 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.

## Conclusion relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. 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 the audit:

- the information given in the Trustees'Report (which includes the strategic report and the directors' 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 the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 48 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 group's and the parent 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 group or the parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales and Scotland, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, fundraising regulations and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to income and grant expenditure recognition. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
  Identifying and testing journals, in
- particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgementsmade by management in their accountingestimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 the 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, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 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.



Adam Halsey (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors.
10 Queen Street Place
London
EC4R 1AG

Date: 31 October 2024

# FINANCIAL STATEMENTS

## Consolidated statement of financial activities (incorporating an income and expenditure account) for the year ended 31 December 2023

| | Note | 2023 Unrestricted £ | 2023 Restricted £ | 2023 Total £ | 2022 Total £ |
|---|---|---|---|---|---|
| **Income from** | | | | | |
| Donations and legacies | 2a | 2,445,930 | 1,685,540 | **4,131,470** | 6,024,223 |
| Charitable activities | 2b | 4,831,486 | 22,900,209 | **27,731,695** | 35,089,543 |
| Investment and other income | 2c | 45,845 | - | **45,845** | 10,666 |
| Total income | 2 | 7,323,261 | 24,585,749 | **31,909,010** | 41,124,432 |
| **Expenditure on** | | | | | |
| Costs of generating funds | 3 | 1,772,908 | 591,693 | **2,364,601** | 2,340,768 |
| Charitable activities | 4 | 5,564,449 | 24,482,475 | **30,046,924** | 36,803,087 |
| Total expenditure | | 7,337,357 | 25,074,168 | **32,411,525** | 39,143,855 |
| **Net (expenditure) / income** | | **(14,096)** | **(488,419)** | **(502,515)** | **1,980,577** |
| **Net movement in funds** | | **(14,096)** | **(488,419)** | **(502,515)** | **1,980,577** |
| **Reconciliation of funds** | | | | | |
| Funds brought forward at 1 January 2023 | | 2,585,999 | 2,188,976 | **4,774,975** | 2 ,794,398 |
| **Total funds carried forward at 31 December 2023** | | **2,571,903** | **1,700,557** | **4,272,460** | **4,774,975** |

The results for the year shown above all derive from continuing operations. There are no recognised gains or losses for the year other than those show above. There are no material differences between the results for the year as stated above and those calculated on a historical cost basis.

The accompanying notes on pages 41 to 57 form an integral part of these Financial Statements.



## Consolidated and charity statements of financial position for the year ended 31 December 2023

**COMPANY NUMBER: 3069468**

| | Notes | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 9 | **41,700** | 51,906 | **41,700** | 51,906 |
| Investment in subsidiary | 10 | - | - | 1 | 1 |
| **Current assets** | | | | | |
| Debtors and prepayments | 11 | **19,676,546** | 12,619,865 | **19,676,546** | 12,619,866 |
| Cash at bank and in hand | | **4,514,247** | 7,879,971 | **4,460,644** | 7,809,285 |
| | | **24,190,793** | **20,499,836** | **24,137,190** | **20,429,151** |
| **Creditors** | | | | | |
| Amounts falling due within one year | 12 | **(19,960,034)** | (15,776,767) | **(20,086,832)** | (15,924,765) |
| **Net current assets** | | **4,230,759** | **4,723,069** | **4,050,358** | **4,504,386** |
| **Net Assets** | | **4,272,460** | **4,774,975** | **4,092,059** | **4,556,293** |
| **Reserves** | | | | | |
| Unrestricted funds | 13 | **2,271,903** | 2,285,999 | **2,271,903** | 2,067,317 |
| Designated funds | 13 | **300,000** | 300,000 | **300,000** | 300,000 |
| Restricted funds | 13 | **1,700,557** | 2,188,976 | **1,520,156** | 2,188,976 |
| | | **4,272,460** | **4,774,975** | **4,092,059** | **4,556,293** |

The surplus for the financial year dealt with in the financial statements of the parent Company was £180,400 (2022: surplus of £178,684. Approved and authorised for issue by the Board on 01 October 2024, and signed on their behalf by:

*Paul Wilson*

**Mr Paul Wilson (Chair of Trustees)**

# Consolidated Statement of Cash Flows for the year ended 31 December 2023

| | Note | 2023 | 2022 |
|---|---|---|---|
| | | £ | £ |
| Net cash used in operating activities | 1 | **(3,395,432)** | 3,839,403 |
| **Cash flows from investing activities** | | | |
| Investment income received | | **45,845** | 10,666 |
| Purchase of fixed assets | | (16,137) | (9,870) |
| **Net cash (used in) / provided by investing activities** | | **29,708** | **796** |
| Change in cash and cash equivalents in the year | | (3,365,724) | 3,840,199 |
| Cash and cash equivalents at 1 January | | **7,879,971** | 4,039,772 |
| **Cash and cash equivalents carried forward** | | **4,514,247** | **7,879,971** |
| **1. Reconciliation of net income/(expenditure) to net cash flow from operating activities** | | | |
| Net income/(expenditure) | | **(502,515)** | 1,980,577 |
| Depreciation of tangible fixed assets | | **25,117** | 23,321 |
| Loss on disposal of fixed assets | | **1,227** | - |
| Decrease/(Increase) in debtors | | (7,056,681) | (919,490) |
| (Decrease)/Increase in creditors | | **4,183,265** | 2,765,661 |
| Investment income receivable | | (45,845) | (10,666) |
| **Net cash used in activities** | | **(3,395,432)** | **3,839,403** |

A reconciliation of net debt has not been presented as the group does not hold any debt balances.



# Action Against Hunger UK
# Notes to the financial statements for the year ended 31 December 2023

## 1. ACCOUNTING POLICIES

### (a) Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006, Charities Act 2011, Charities Accounts (Scotland) Regulations 2006, Charities and Trustee Investment (Scotland) Act 2005, Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities effective from 1 January 2019, FRS102, and applicable United Kingdom accounting standards. The Charity has adapted the Companies Act formats to reflect the Charities SORP and the special nature of the Charity's activities.

In assessing whether it is appropriate to prepare the accounts on a going concern basis, the Trustees (who are the Directors of Action Against Hunger UK for the purposes of company law and the trustees of Action Against Hunger UK for the purposes of charity law) have taken account of the current levels of unrestricted reserves and cash and the current and future expected funding environment.

The Trustees continue to review the Charity's financial performance, business plans and budgets on a quarterly basis and are content that the 2023 accounts should be prepared on a going concern basis. Current stable economic condition is likely to improve fundraising opportunities. Our overseas operations, which are funded largely by FCDO and trusts and foundations through restricted grants remain stable. The UK financial position, centered around our unrestricted reserves and funding, remains stable.

Having considered all these matters, the Trustee Directors do not believe there is a material uncertainty and so have prepared the accounts on a going concern basis.

### (b) Basis of consolidation

The consolidated accounts include the accounts of the charitable company, Action Against Hunger (UK) Limited and its 100 per cent owned trading subsidiary Action Against Hunger Enterprises Limited, which is consolidated on a line-by-line basis. No separate Statement of Financial Activities (SoFA) has been presented for the charity as permitted by Section 408 of the Companies Act 2006.

### (c) Income

Income is included in the SoFA when the charity is entitled to it, the receipt is probable and the amount can be quantified with reasonable accuracy. For restricted grants from institutional donors (e.g. charitable entities, governments or other non-governmental organisations), where receipt of funding is conditional only on administrative requirements such as the submission of a claim, it has been recognised. Where there are restrictions on the time period in which funding received can be spent, or where there are other conditions that specify the services to be performed under the grant agreement or contract, the income has not been recognised. Occasionally, a grant maker may reduce the value of their grant sometime after the initial agreement is signed. The decrease to the grant and

income that has been recorded in prior periods will be adjusted in the period in which the grant reduction is made.

**(d) Expenditure recognition**

Expenditure is included in the financial statements on an accruals basis.

Subcontracted grants to other members of the Action Against Hunger network or third parties are charged to the Statement of Financial Activities when they have been approved and where a binding commitment has been made to the other organisation. Subcontracted grants that have been approved but not yet disbursed at the balance sheet date are carried forward as creditors in the balance sheet. In situations where grants from public funders are reduced subsequent to the signing of the initial grant agreement (see note 1(c) above), the liability to the subcontracted partner will be reduced by the same amount under the terms of the subcontract agreement.

**(e) Basis of allocation or apportionment of expenditure**

Expenditure during the year is analysed into raising funds and charitable activities.

Notes 3 and 4 provide an analysis of these categories. All costs are directly charged against the appropriate category. The basis of apportionment of support costs is stated in Note 5.

**(f) Tangible fixed assets**

Tangible assets costing £500 or more £500 are capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures, fittings and equipment
– 25 per cent on historical cost
Leasehold property improvements
– over the term of the lease

**(g) Operating leases**

Rentals under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income as incurred.

**(h) Foreign currencies**

Foreign currency transactions are recorded at the average exchange rate for the month in which the transaction arose. Year end balances held in foreign currencies are converted at the closing rate. All differences on conversion are charged to the SoFA.

**(i) Fund accounting**

Restricted funds are monies provided by grant or donation for specific projects. Unrestricted funds consist of funds or gifts in kind provided for general charitable activities or monies raised from appeals for specific emergency responses.

**(j) Pension**

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered scheme. The pension cost charge payable by the Charity in the year amounted to £98,541 (2021: £84,509). At the end of the financial year there were no contributions (employee and employer) still to be paid over to the scheme (2021: £Nil).

**(k) Gifts in kind**

Action Against Hunger accepts gifts in kind (goods and services) that are in line with the charities mandate from individuals, corporates, foundations and government agencies.
Gifts in kind are defined by Action Against Hunger UK as goods and services received for the purpose of carrying out the activities of the charity and also for fundraising and awareness of the organisation. These are non-monetary items that are valued at fair market price.

**(l) Accounting estimates and key judgements**

In the application of the charity's accounting policies the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and 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 revision and future periods if the revision affects the current and future periods.
The significant judgements and estimates that could impact the carrying amounts of assets and liabilities are as follows:

**Revenue Recognition**

Revenue Recognition requires judgement to appropriately apply the income accounting policies across the different funding streams the Charity has. Note 1(c) above details the accounting principle adopted and its application in particular to restricted grants received from institutional funders, such as FCDO (UK Aid).- the judgements made in recording such income are continually reassessed including in cases where the grant agreement wording and conditions are changed from year to year, and where appropriate provision is made for contingencies or deferrals to account for conditions yet to be fulfilled.

## 2. INCOMING RESOURCES

### (a) Donations and legacies

| | 2023 Unrestricted £ | 2023 Restricted £ | 2023 Total £ | 2022 Unrestricted £ | 2022 Restricted £ | 2022 Total £ |
|---|---|---|---|---|---|---|
| Individuals (including legacies and events) | 1,629,446 | 183,741 | **1,813,187** | 1,559,260 | 152,690 | 1,711,950 |
| Corporate donors | 684,134 | 354,187 | **1,038,321** | 1,192,566 | 561,209 | 1,753,775 |
| Trusts & Foundations | 132,350 | 1,147,612 | **1,279,962** | 480,562 | 2,077,936 | 2,558,498 |
| Gifts in kind | - | - | **-** | - | - | - |
| **Total** | **2,445,930** | **1,685,540** | **4,131,470** | **3,232,388** | **2,791,835** | **6,024,223** |

### (b) Charitable activities

| | 2023 Unrestricted £ | 2023 Restricted £ | 2023 Total £ | 2022 Unrestricted £ | 2022 Restricted £ | 2022 Total £ |
|---|---|---|---|---|---|---|
| **Grant-based activities** | | | | | | |
| UK Government – START fund | - | 244,304 | **244,304** | - | 9,404,103 | 9,404,103 |
| UK Government – FCDO | - | 14,462,171 | **14,462,171** | - | 3,104,413 | 3,104,413 |
| Al-Thani Humanitarian fund | - | - | **-** | - | 4,597,491 | 4,597,491 |
| Qatar Fund for Development | | 712,802 | **712,802** | - | - | - |
| Disasters Emergency Committee | - | 4,565,978 | **4,565,978** | 95,426 | 12,706,534 | 12,801,960 |
| Other | 5,194 | 1,442,981 | **1,448,175** | 11,126 | - | 11,126 |
| **Total** | **5,194** | **21,428,236** | **21,433,430** | **106,552** | **29,812,541** | **29,919,093** |

### (b) Charitable activities (continued)

| | 2023 Unrestricted £ | 2023 Restricted £ | 2023 Total £ | 2022 Unrestricted £ | 2022 Restricted £ | 2022 Total £ |
|---|---|---|---|---|---|---|
| **Monitoring and evaluation services** | | | | | | |
| UN agencies | - | - | **-** | - | 51,702 | 51,702 |
| Others | 116,600 | 1,101,776 | **1,218,376** | - | 756,785 | 756,785 |
| | **116,600** | **1,101,776** | **1,218,376** | **-** | **808,487** | **808,487** |

| | 2023 Unrestricted £ | 2023 Restricted £ | 2023 Total £ | 2022 Unrestricted £ | 2022 Restricted £ | 2022 Total £ |
|---|---|---|---|---|---|---|
| **Other** | | | | | | |
| Provision of employees to Action Against Hunger programme | 4,709,692 | - | **4,709,692** | 3,914,833 | - | 3,914,833 |
| Other services for Action Against Hunger network partners | - | 370,197 | **370,197** | - | 447,130 | 447,130 |
| | 4,709,692 | 370,197 | **5,079,889** | 3,914,833 | 447,130 | 4,361,963 |
| **Total charitable activities** | **4,831,486** | **22,900,209** | **27,731,695** | **4,021,385** | **31,068,158** | **35,089,543** |

### 2 (c) Investment and other income

| | | | | | | |
|---|---|---|---|---|---|---|
| UN agencies | | - | **-** | - | - | - |
| Others | 45,845 | - | **45,845** | 10,666 | - | 10,666 |
| **Total investment and other income** | **45,845** | **-** | **45,845** | **10,666** | **-** | **10,666** |

## 3 EXPENDITURE ON RAISING FUNDS

| | Direct Costs 2023 | Support Costs 2023 | Total 2023 | Total 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Fundraising events | 36,603 | - | **36,603** | 102,549 |
| Other fundraising activities | 1,736,184 | 591,814 | **2,327,998** | 2,238,219 |
| | **1,772,787** | **591,814** | **2,364,601** | **2,340,768** |

All fundraising events expenditure in 2023 and 2022 relates to unrestricted expenditure. Within other fundraising activity costs, £591,693 relates to restricted expenditure (2022: £544,529).

## 4 CHARITABLE ACTIVITIES

| | Direct | Support Costs | Total 2023 | Total 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Overseas projects | 22,970,113 | 416,462 | **23,386,575** | 31,971,288 |
| Supply of aid workers | 4,672,566 | - | **4,672,566** | 3,835,164 |
| Advocacy / awareness raising | 376,528 | 65,757 | **442,285** | 250,515 |
| MEAL and Nutrition services | 1,479,741 | 65,757 | **1,545,498** | 746,120 |
| | **29,498,948** | **547,976** | **30,046,924** | **36,803,087** |

Of total charitable activities, £5,564,449 relates to unrestricted expenditure (2022: £4,910,130) and £24,482,475 relates to restricted expenditure (2022: £31,892,957).



## 5 SUPPORT COSTS

| | Executive Office | Admin | Finance and IT | HR | Total 2023 | Total 2022 |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Allocated to Project costs** | | | | | | |
| Overseas projects | 92,589 | 136,989 | 79,799 | 107,085 | **416,462** | 444,812 |
| Recruitment of aid workers | - | - | - | - | **-** | - |
| Advocacy/awareness raising | 14,619 | 21,630 | 12,600 | 16,908 | **65,757** | 58,019 |
| MEAL and Nutrition services | 14,619 | 21,630 | 12,600 | 16,908 | **65,757** | 77,359 |
| **Total** | **121,827** | **180,249** | **104,999** | **140,901** | **547,976** | **580,190** |
| Allocated to Fundraising | 131,573 | 194,669 | 113,398 | 152,174 | **591,814** | 406,133 |
| | **253,400** | **374,918** | **218,397** | **293,075** | **1,139,790** | **986,323** |

### Basis for support cost allocation

Staff costs have been allocated on a basis consistent with the time spent on each activity. Office and administration costs are allocated based on number of staff. Direct support costs are allocated directly to project costs. Increase in support cost is partially due to back dated business rate payment.

## 6 STAFF COSTS

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Staff costs for employees on UK contracts** | | |
| Wages and salaries | **7,375,444** | 6,337,617 |
| Employer pension conributions | **98,541** | 84,509 |
| Social security costs | **314,347** | 341,664 |
| **Total** | **7,788,332** | **6,763,790** |

The above amounts represent costs for the parent charity and the group (the parent charity's subsidiary does not employ any staff). The total emoluments earned and paid to the Executive Director, Jean-Michel Grand, for the year, including pension contributions, was £125,842 (2022: £119,036).

The number of other employees whose remuneration amounted to over £60,000 in the year was as follows:

| | 2023 | 2022 |
|---|---|---|
| £80,001 to £90,000 | **2** | 2 |
| £70,001 to £80,000 | **4** | 4 |
| £60,001 to £70,000 | **6** | 7 |

Remuneration includes salaries and benefits in kind but excludes employer pension scheme contributions. No contributions were made to defined benefit schemes for employees whose remuneration was greater than £60,000.

Excluding the Executive Director, total emoluments paid to other members of the Senior Management Team totalled £322,696 (2022: £422,136) in the year.

The average number of staff working overseas employed by Action Against Hunger under UK contracts during the year was 103 (2022: 87). At the year-end, staff numbers overseas were 102 (2022: 95). These amounts include staff that worked overseas on projects run by both Action Against Hunger and other members of the Action Against Hunger International network. The average number of staff employed by Action Against Hunger and working in the UK in 2023 was 64 (2022: 61). At the year-end, UK staff numbers were 68 (2022: 61).

**Trustees' expenses and remuneration and related party transactions**

Trustees are not remunerated and no expenses were claimed in 2023 (2022: £Nil). There were no discloseable related party transaction.



## 7 NET INCOME

| | 2023 | 2022 |
|---|---|---|
| **Net Income/(Expenditure) is stated after charging:** | £ | £ |
| Depreciation of tangible fixed assets | **25,118** | 23,321 |
| Operating lease payments – property | **228,854** | 230,644 |
| Auditor's remuneration: Charity and Trading subsidiary Subsidiary | **46,200** | 35,000 |
| corporation tax | **5,000** | 5,000 |

## 8 TAXATION

The charitable company meets the definition of a charity in Schedule 6 Finance Act 2010 and accordingly is entitled to exemptions set out in Part II Corporation Tax Act 2010 and section 256 Taxation of Chargeable Gains Act 1992 to the extent that its income and gains are applied for charitable purposes.

## 9 TANGIBLE FIXED ASSETS

| Group and Charity | Leasehold property improvements | Fixtures fittings & equipment | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost** | | | |
| At 1 January 2023 | 248,626 | 109,838 | 358,464 |
| Disposal | (176,929) | (45,820) | (222,749) |
| Additions | - | 16,137 | 16,137 |
| **At 31 December 2023** | **71,697** | **80,155** | **151,852** |
| | | | |
| **Depreciation** | | | |
| At 1 January 2023 | 220,214 | 86,344 | 306,558 |
| Disposal | (172,917) | (48,605) | (221,522) |
| Charge for the year | 11,574 | 13,542 | 25,116 |
| **At 31 December 2023** | **58,871** | **51,281** | **110,152** |
| | | | |
| **Net book value** | | | |
| At 31 December 2023 | 12,826 | 28,874 | 41,700 |
| At 31 December 2022 | 28,412 | 23,494 | 51,906 |

## 10 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Action Against Hunger Enterprises Limited
(Company number 6569439) is a wholly owned subsidiary and is a company incorporated in England & Wales. The principal activity is conducting trading fundraising activities for the charity.

| | Total 2023 | Total 2022 |
|---|---|---|
| | £ | £ |
| **Statement of income and retained earnings** | | |
| Turnover | 185,580 | **178,745** |
| Cost of sales | (180) | **(61)** |
| Net profit before taxation | 185,400 | **178,684** |
| Taxation | (5,000) | **-** |
| Retained profit for the year | 180,400 | **178,684** |
| **Statement of financial position** | | |
| Current assets | 229,003 | **188,512** |
| Current liabilities | (48,602) | **(9,827)** |
| Net current assets | 180,401 | **178,685** |
| Total assets less current liabilities | 180,401 | **178,685** |
| **Capital and Reserves** | | |
| Called up share capital | 1 | **1** |
| Retained profit | 180,400 | **178,684** |
| Equity shareholders' funds | 180,401 | **178,685** |

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Share capital** | | |
| Authorised | **100** | 100 |
| Called up | **1** | 1 |

## 11 DEBTORS

| | Group 2023 | Group 2022 | Charity 2023 | Charity 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Institutional donors | **18,585,954** | 11,691,078 | **18,585,954** | 11,691,078 |
| Action Against Hunger – Canada | **35,100** | 3,598 | **35,100** | 3,598 |
| Action Against Hunger – Spain | **304,039** | - | **304,039** | - |
| Action Against Hunger – India | **109,861** | 485,806 | **109,861** | 485,806 |
| Accrued income | **135,000** | 317,916 | **135,000** | 317,916 |
| Sundry debtors | **374,882** | 82,394 | **374,882** | 82,394 |
| Prepayments | **131,710** | 39,073 | **131,710** | 39,074 |
| **Total** | **19,676,546** | **12,619,865** | **19,676,546** | **12,619,866** |

Institutional debtors are related to grant agreements signed with FCDO, directly or via a consortium lead or managing agent. As noted above, our accounting policy recognises the full amount of the grant at the time the agreement is signed and therefore the full grant amount is treated as a current debtor rather than as a debtor due after more than one year.

## 12 CREDITORS

| | Group 2023 | Group 2022 | Charity 2023 | Charity 2022 |
|---|---|---|---|---|
| **Amounts falling due within one year:** | £ | £ | £ | £ |
| Action Against Hunger – France | **10,020,507** | 14,287,525 | **10,020,507** | 14,287,525 |
| Action Against Hunger – Spain | **-** | 192,757 | **-** | 192,757 |
| Action Against Hunger – USA | **8,835,014** | 526,521 | **8,835,014** | 526,521 |
| Action Against Hunger - Enterprises | **-** | - | **147,997** | - |
| Other creditors | **649,030** | 412,196 | **627,831** | 593,734 |
| Tax Payable | **-** | 33,540 | **-** | - |
| Accruals | **203,720** | 121,441 | **203,720** | 121,441 |
| Deferred income | **251,763** | 202,787 | **251,763** | 202,787 |
| Total | **19,960,034** | **15,776,767** | **20,086,832** | **15,924,765** |

## 13 STATEMENT OF FUNDS

| | 1 Jan 2023 | Income 2023 | Expenditure 2023 | 31 Dec 2023 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| BRCiS 3 Somalia | - | 6,479,000 | (6,479,000) | - |
| CAR Emergency appeal | - | 520,237 | (520,237) | - |
| DEC Afghanistan | 106,087 | (3,901) | - | 102,186 |
| DEC Pakistan appeal | - | 599,037 | (599,037) | - |
| DEC Turkey & Syria Earthquake response | - | 2,949,336 | (2,914,344) | 34,992 |
| DEC Ukraine emergency appeal | 793,788 | 1,007,770 | (1,477,608) | 323,950 |
| DEFRA Zambia | - | 195,000 | (195,000) | - |
| ELA | 20,068 | 104,333 | (31,027) | 93,374 |
| ELRHA Kenya & Ethiopia | - | 108,399 | (108,399) | - |
| ELRHA Mali | - | 239,586 | (149,741) | 89,845 |
| FCDO Driving wellbeing in Afghanistan | - | 3,722,426 | (3,722,426) | - |
| FCDO Somalia | - | 4,000,000 | (4,000,000) | - |
| FCDO Somalia health and nutrition | - | (565,205) | 565,205 | - |
| FCDO START fund | 26,150 | 394,065 | (336,215) | 84,000 |
| Innocent foundation grant | 399,939 | - | - | 399,939 |
| Nutrition work | - | 597,191 | (575,912) | 21,279 |
| Power of Nutrition Gujrat | 372,732 | 464,833 | (466,973) | 370,592 |
| Qatar Development Fund | - | 712,802 | (712,802) | - |
| USAID Somalia appeal | - | 961,491 | (961,491) | - |
| Other | 470,212 | 1,914,989 | (2,389,161) | - |
| **Total restricted funds (Cahrity)** | **2,188,976** | **24,405,349** | **(25,074,168)** | **1,520,157** |
| Power of Nutrition India (AAHE) | - | 180,400 | - | 180,400 |
| **Total restricted funds** | **2,188,976** | **24,585,749** | **(25,074,168)** | **1,700,557** |
| Unrestricted funds | 2,285,999 | 7,323,261 | (7,337,358) | 2,271,903 |
| Designated funds | 300,000 | - | - | 300,000 |
| **Total funds** | **4,774,975** | **31,909,010** | **(32,411,525)** | **4,272,460** |



## 13 STATEMENT OF FUNDS (CONTINUED)

The funds on page 52 listed by the projects and programmes or work by country represent fund received specifically for carrying out activities within those areas. Specific programme funds are detailed below:

- BRCiS 3 Somalia is a consortium led by the Norwegian Refugee Council which funds the resilience building work in Somalia.
- CAR Emergency Appeal is project funded by the FCDO to reduce premature death and illness from hunger.
- DEC Afghanistan appeal raised fund for for drought, economic collapse and rising global food prices pushed millions in Afghanistan to the brink of famine in 2021.
- DEC Pakistan Appeal fund was raised by the DEC to assist people impacted by the flood in Pakistan.
- DEC Turkey and Syria Earthquake response fund was raised by the DEC to support people impacted by the earthquake in February 2023.
- DEC Ukraine emergency appeal fund was raised by the DEC to support people impacted by the Russia / Ukraine war.
- DEFRA Zambia is a project on strengthening Local Partner Capacity for Effective Biodiversity-Poverty Interventions. This project addresses the capacity challenges faced by local NGOs involved in environmental protection and climate change mitigation and adaptation.
- ELA (Evaluation, Learning and Accountability) is a network initiative that represents the forward-facing international projects that serve to advance both the organisational priorities and the network as a whole.
- ELRHA Kenya and Ethiopia is a project to evaluate the integration of WaterScope's bacterial testing system for drinking water into ongoing programmes in Ethiopia and Kenya to improve decision-making on water supply.
- ELRHA Mali is a project on testing the faecal sludge field laboratory innovation in Timbuktu North Mali.
- FCDO Driving wellbeing in Afghanistan is a project that aims to address contributors to excess mortality exacerbated by food insecurity amongst marginalised and high-risk groups.
- FCDO Somalia is project that contributes to reducing the risk of morbidity and mortality associated with acute malnutrition, natural disasters (drought/floods), displacements or other shocks among vulnerable populations in South Central Somalia.
- FCDO Somalia health and nutrition is a multi-year consortium led by Norwegian Refugee Council and funded by USAID. The project was discontinued in 2023 and previously recognised income and expenditure were reversed in 2023,
- FCDO Start fund Liberia Flood Crisis Anticipatory Tool; Madagascar Start Ready National Reserve 2023; Start Ready Madsgascar Cyclone Season 2023 ; START Alert 744: Prompt response to displacement of people from Nagorno-Karabakh to Armenia; START Alert (759) Urgent MPCA assistance to displaced Gazan workers in Bethlehem and Hebron Governorates.
- Innocent Foundation grant was made to fund a research project in Mali ICCM.
- Nutrition work is a provision of technical expertise and services on nutrition.
- Power of Nutrition Gujrat is a project that aims to improve the essential health and nutrition practices in the community by building knowledge, skills and motivation and creating an enabling environment in Bhavnagar and Sabarkantha, Gujarat.

- Qatar Development fund is a consortium led by Norwegian Refugee Council which funds the humanitarian assistance and resilience building in Somalia, funded by Qatar Development Fund.
- USAID Somalia appeal is a consortium led by Norwegian Refugee Council which funds the humanitarian assistance and resilience building in Somalia, funded by USAID.
- Power of nutrition India is project funded by money raised by our restaurant parter Kelli Deli for knowledge building and humanitarian assistance in India.
- Designated fund was set aside by trustees in 2022 to invest in fundraising activities over the next few years. A portion of it is expected to be utilised in 2024.



## 13 STATEMENT OF FUNDS

| | As at 1 Jan 2022 | Income 2022 | Expenditure 2022 | 31 Dec 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| DEC Afghanistan appeal | - | 1 ,473,064 | ( 1,366,977) | 106,087 |
| DEC Ukraine emergency appeal 2022 | - | 11,358,668 | (10,564,880) | 793,788 |
| People's Postcode Lottery | 12,177 | 903,197 | (752,361) | 163,013 |
| Evaluation, learning and accountability (ELA) | - | 165,384 | (145,316) | 20,068 |
| Al-Thani Foundation | - | 4 ,597,491 | ( 4,597,491) | - |
| FCDO START Fund 2022 | - | 92,343 | (92,343) | - |
| BRCiS HARBS Emergency Programme | - | 740,000 | (740,000) | - |
| FCDO IRF Drought Scale-up | - | 2 ,020,678 | ( 2,020,678) | - |
| Darwin Initiative Innovation – Farming-Zimbabwe | - | 188,841 | (188,841) | - |
| AECID Advocacy 2022 | - | 52,003 | (52,003) | - |
| Senegal Start Ready Drought Activation 2022 | - | 330,000 | (323,333) | 6,667 |
| Spain Food Poverty Programme | - | 10,000 | - | 10,000 |
| Punch year 2 | - | 9,404,103 | ( 9,390,664) | 13,439 |
| International Executive Secretariat | - | 18,752 | (2,248) | 16,504 |
| WHH Forecast-Based Action | - | 19,483 | - | 19,483 |
| Madagascar coverage survey | - | 37,678 | (14,996) | 22,682 |
| DEC Pakistan flood appeal | - | 208,200 | (840) | 207,360 |
| innocent Foundation | - | 399,939 | - | 399,939 |
| Power of Nutrition Gujarat | 306,134 | 87,827 | ( 21,229) | 372,732 |
| Other | 448,158 | 1 ,752,342 | ( 2,163,286) | 37,214 |
| Total restricted funds | 766,469 | 33,859,993 | (32,437,486) | 2,188,976 |
| Unrestricted funds | 2,027,929 | 7 ,264,439 | ( 6,706,369) | 2,585,999 |
| Transfer to designated fund | - | - | - | (300,000) |
| Designated fund | - | - | - | 300,000 |
| **TOTAL FUNDS** | **2,794,398** | **41,124,432** | **(39,143,855)** | **4,774,975** |

The designated fund above has been set aside from the unrestricted fund to facilitate investment in fundraising to increase income. The fund has been created by reducing thr unrestricted fund.

## 14 ACCOUNTING ESTIMATES

Included in the income and expenditure for the year is an amount of £4.3 million relating to a FCDO grant funded programme: Recovery Reintegration Resilience Consortium Afghanistan (R3). Action Against Hunger is working on this project as part of a consortium led by the Norwegian Refugee Council (NRC). FCDO has an Accountable Grant Agreement with NRC for this project with the reference number: 300420-103. The Action Against Hunger component of the programme is subcontracted by Action Against Hunger UK to Action Against Hunger France. Immediately following the change of government in Afghanistan in August 2021, Action Against Hunger suspended its R3 programme activities, repatriated all expatriate staff from the country and withdrew all local staff from local field offices. Subsequently, following consultation with the R3 consortium members, the donor, and in-country stakeholders some activities resumed and our expectation is that the programme will be able to proceed, with some adjustments, in the coming months. If the programme were required to be terminated, there would be no material impact on the net funds or cash flows on the Charity.

## 15 ANALYSIS OF NET ASSETS

| Fund balances at 31 December 2023 are represented by: | Unrestricted funds | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Tangible fixed assets | 41,700 | - | 41,700 |
| Net current assets | 2,530,203 | 1,700,557 | 4,230,760 |
| **Total net assets** | **2,571,903** | **1,700,557** | **4,272,460** |

| Fund balances at 31 December 2022 were: | Unrestricted funds | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Tangible fixed assets | 51,906 | - | 51,906 |
| Net current assets | 2,534,093 | 2,188,976 | 4,723,069 |
| **Total net assets** | **2,585,999** | **2,188,976** | **4,774,975** |

## 16 OPERATING LEASE COMMITMENTS

The company and the group have total outstanding operating lease commitments relating to the lease of its London office per year is £233,654, two to five years £318,852 (2022: £552,506). The lease commitment ends in August 2025.

## 17 CONNECTED CHARITIES

The directors consider Action Contre la Faim ('Action Against Hunger'), a charity registered in France, to be a connected charity. Action Against Hunger has the same objectives to that of the Company and works closely with it. Its business address is 14/16 Boulevard Douaumont – CS 80060, 75854 Paris CEDEX, France, from which accounts can be obtained. Other connected charities are Action Against Hunger USA, a charity registered in the US, and Acción Contra el Hambre, a charity registered in Spain, Action Against Hunger Canada, a charity registered in Canada and Fight Hunger Foundation, a charity registered in India. Expenses are recharged between the connected charities where staff and other resources are used on projects run by the other charity. This gives rise to the balances at the year-end referred to in Notes 11 and 12.

## 18 RELATED PARTIES

Action Against Hunger is one of the five members of the trading company Action Against Hunger Licensing Ltd (ACFIN), a company based in the UK (Company No. 06672034). One of its main roles is to license its Action Against Hunger members the right to use trademarks. The Action Against Hunger UK Executive Director is a Director of that company. During the year UK license expenses totaling £536 were charged to Action Against Hunger UK by Action Against Hunger Licensing Ltd. At the year end an amount of £36,435 (2022 £16,181) was due from Action Against Hunger Licensing Ltd to Action Against Hunger UK.

Action Against Hunger UK is also a member of Action Against Hunger Development, a foundation registered in France and an organisation that pools resources and expertise to support the development of Action Against Hunger International Network. One of Action Against Hunger's Trustees is an Executive Director of that organisation.

# WAYS TO GET INVOLVED

## Sign up to receive an e-newsletter

If you'd like to receive regular emails about our work, please sign up via our website. You can unsubscribe at any time, although we'd love you to stay!

## Campaign with us

Please support our campaign to demand a ceasefire in Gaza by calling on the UK government to step up and act now. Visit our 'Campaign With Us' page for actions including writing to your MP, or for further information please write to theadvocacyteam@actionagainsthunger.org.uk.

## Raise funds for us

You could organise a fundraising event, carry out a challenge or set up a Just Giving page. For ideas, please visit the Fundraise for Us page on the website or email Clare at publicfundraising@actionagainsthunger.org.uk.

## Tell others about our work

Like us on Facebook (Action Against Hunger UK) and follow us on Instagram (actionagainsthungeruk), TikTok (actionagainsthungeruk), Twitter/X (AAH_UK), LinkedIn (Action Against Hunger UK) and YouTube (ActionAgainstHungerUK). Please engage with our posts and tell your friends, family and colleagues about what we do.

## Become our partner

If you're a company looking for a Charity of the Year partnership, a trust looking to make a difference, or a philanthropist who would like to support our life-saving work, we would love to hear from you. If you are a company, write to us at partnerships@actionagainsthunger.org.uk and if you're a trust, foundation or philanthropist, please write to us at philanthropy@actionagainsthunger.org.uk.

## Donate to us

If you'd like to make a one-off donation or become a regular donor to our work, if you'd like to play our Lottery, or if you'd like to leave a gift in your will, please contact Amy at support@actionagainsthunger.org.uk. Alternatively, you can make a donation on our website or here by scanning the QR code.



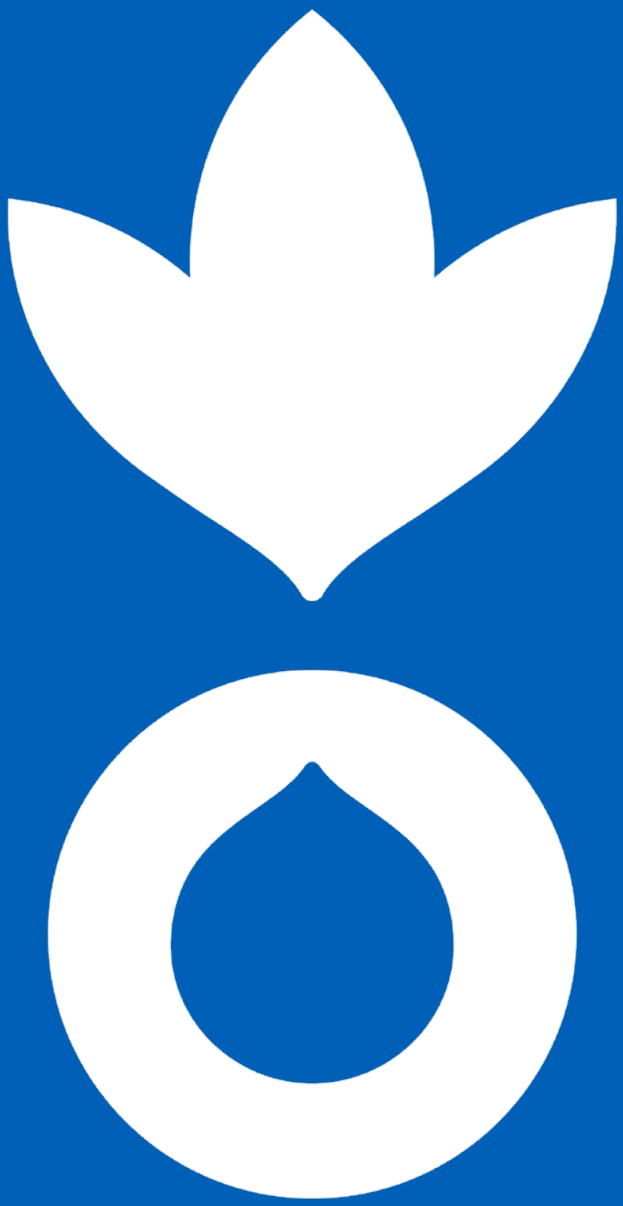
© Peter Caton for Action Against Hunger

# THANK YOU

Action Against Hunger could not fulfil its mission without the support of our donors and stakeholders. Thank you to all our fantastic supporters and partners for your generosity in 2023. We would like to thank the following donors and partners for supporting us this year:

- Antonio Carluccio Foundation
- Arnold and Porter LLP
- Bakkavor Limited
- Boparan Restaurant Group
- Boult Wade Tennant LLP
- Caravan Restaurants
- D&D London
- Department for Environment, Food and Rural Affairs (DEFRA)
- Disasters Emergency Committee (DEC)
- ELRHA
- Fazenda
- First Choice Catering
- Foreign, Commonwealth & Development Office (FCDO)
- George Society members
- Google
- Hawksmoor Restaurants
- Isle of Man Government
- H10 Hotels
- JKS Restaurants
- Kelly Deli Company Limited
- Klarent Hospitality
- Mowgli
- North Brewing Company Limited
- PayPal
- People's Postcode Lottery
- Power of Nutrition
- Punch
- Revolut
- Schroders
- Somerset County Council
- Soneva Foundation
- START Network
- Super 8 Restaurants
- Tao Group London (including Hakkasan and Yauatcha restaurants)
- Tenderstem® Broccoli
- Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund
- The ALBORADA Trust
- The Dr Martens Foundation
- The Innocent Foundation
- The Pig
- Unearthed®
- WOLF
- Wrisk Insurance






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support@actionagainsthunger.org.uk

Action Against Hunger UK

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**Action Against Hunger UK**

England & Wales - Charity number 1047501

# Accounts

ACTION AGAINST HUNGER



2022

# ACTION AGAINST HUNGER UK

# ANNUAL REPORT AND FINANCIAL STATEMENTS

# ABOUT ACTION AGAINST HUNGER

Action Against Hunger is building a world where no one dies from hunger. Life-threatening hunger is predictable, preventable and treatable, so a world without it is possible. We tackle it where it hits and lead research to stop it. We work relentlessly to save lives and create a world free from hunger.

## OUR VISION

Our vision is of a world free from hunger.

## OUR MISSION

No one needs to die from hunger. We predict and prevent it. Where it exists, we treat it. We stop life-threatening hunger in its tracks. By training parents and healthcare workers to spot the signs, we get life-saving care to people who need it.

Our research drives forward understanding of how to predict, prevent and treat life-threatening hunger. With unbeatable knowledge and unstoppable determination, we're taking action against hunger.

## OUR VALUES

We have three values that encapsulate all that we do:

We work in partnership

We are trusted experts

We are unstoppable changemakers.

## OUR NETWORK

Action Against Hunger UK is part of an international network that operates under the name of Action Against Hunger, with head offices in Canada, France, Germany, India, Spain, the UK and the USA. It also has a fundraising office in Italy. Each Acton Against Hunger member is legally independent but shares a common mandate, values, operating principles, quality standards and strategy.

The narrative sections of this report refer to those activities for which Action Against Hunger UK has management responsibility, unless otherwise stated.

Cover image © Peter Caton / Action Against Hunger

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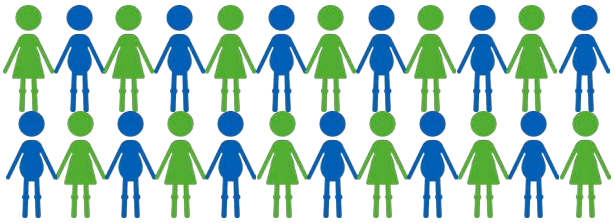
# WHY WE DO WHAT WE DO

Life-threatening hunger is caused by conflict, climate change, natural disasters, poverty and inequality, particularly gender inequality. As a result, too many people still do not have enough food to eat in a world of plenty. We need to address all of these causes of hunger in order to prevent people from suffering life-threatening hunger and malnutrition.

These facts and stats explain why we do what we do:

**828 MILLION**

**PEOPLE DON'T HAVE ENOUGH FOOD TO EAT**





**1 IN 10**

**PEOPLE GO TO BED HUNGRY EVERY NIGHT**



**45%**

**OF DEATHS AMONG CHILDREN UNDER 5 ARE RELATED TO LACK OF FOOD**



**13%**

**IN 2022, WORLD FOOD PRICES SURGED AT THE FASTEST PACE EVER, JUMPING NEARLY 13% TO A NEW RECORD HIGH**

**OVER 2 MILLION**

**UK ADULTS HAVE NOT EATEN FOR A DAY BECAUSE THEY COULDN'T AFFORD FOOD**

**<1%**

**OF GLOBAL AID FOCUSES ON NUTRITION**



**45 MILLION**

**ARE TEETERING ON THE EDGE OF FAMINE**

# WELCOME FROM CHAIR & CHIEF EXECUTIVE

In 2022, Action Against Hunger responded to several major humanitarian crises, including floods in Pakistan, drought in East Africa, and conflict in Ukraine. Our membership of the Disasters Emergency Committee (DEC) demonstrated the power of working in partnership at times such as these. In Ukraine, DEC support has been critical in enabling us to respond immediately to the crisis, and to be one of the main international NGOs to do so at scale.

This year we received £4.6 million from the Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund to provide life-saving support to severely malnourished children in drought-affected parts of Kenya and Somalia – countries that continued to share the brunt of the climate crisis. The project, which is set to reach over 160,000 severely malnourished children under five, clearly demonstrated the urgent need for Action Against Hunger to develop and invest further in climate change adaptation programming to help the most exposed populations to mitigate the risks of future shocks.

Action Against Hunger UK's role in providing high-quality and holistic expertise on nutrition went from strength to strength this year, with our work providing coverage surveys and cost-effectiveness studies, nutrition causal analyses and nutrition evaluations. We also participated in the Global Nutrition Cluster and carried out advocacy work with the UK government. The increasing demand for our nutrition expertise from UN bodies such as UNICEF and the World Health Organisation continued to demonstrate the reputation of our teams in the sector.

The UK aid budget remained under extreme pressure this year, with the UK Government announcing that a return to a ringfenced 0.7 per cent of GNP for overseas aid would not be considered for some time to come. As a result, we need to be focused in securing funds from the limited FCDO aid budget in the immediate term, and to continue to diversify our sources of funding.

The global cost-of-living crisis meant food poverty in the UK required more of our attention this year. To this end, we built on existing partnerships with local organisations and focused on scaling-up much-needed food pantries in London and Somerset.

On a positive note, private fundraising did exceptionally well this year, especially the Love Food Give Food campaign, which raised over £466,000 from 300 restaurants, and the Fine Wine and Art auction dinner, which raised a fantastic £520,000. We also successfully recruited over 1,100 new individual donors and received initial interest from several high value donors in joining the newly created George Society.

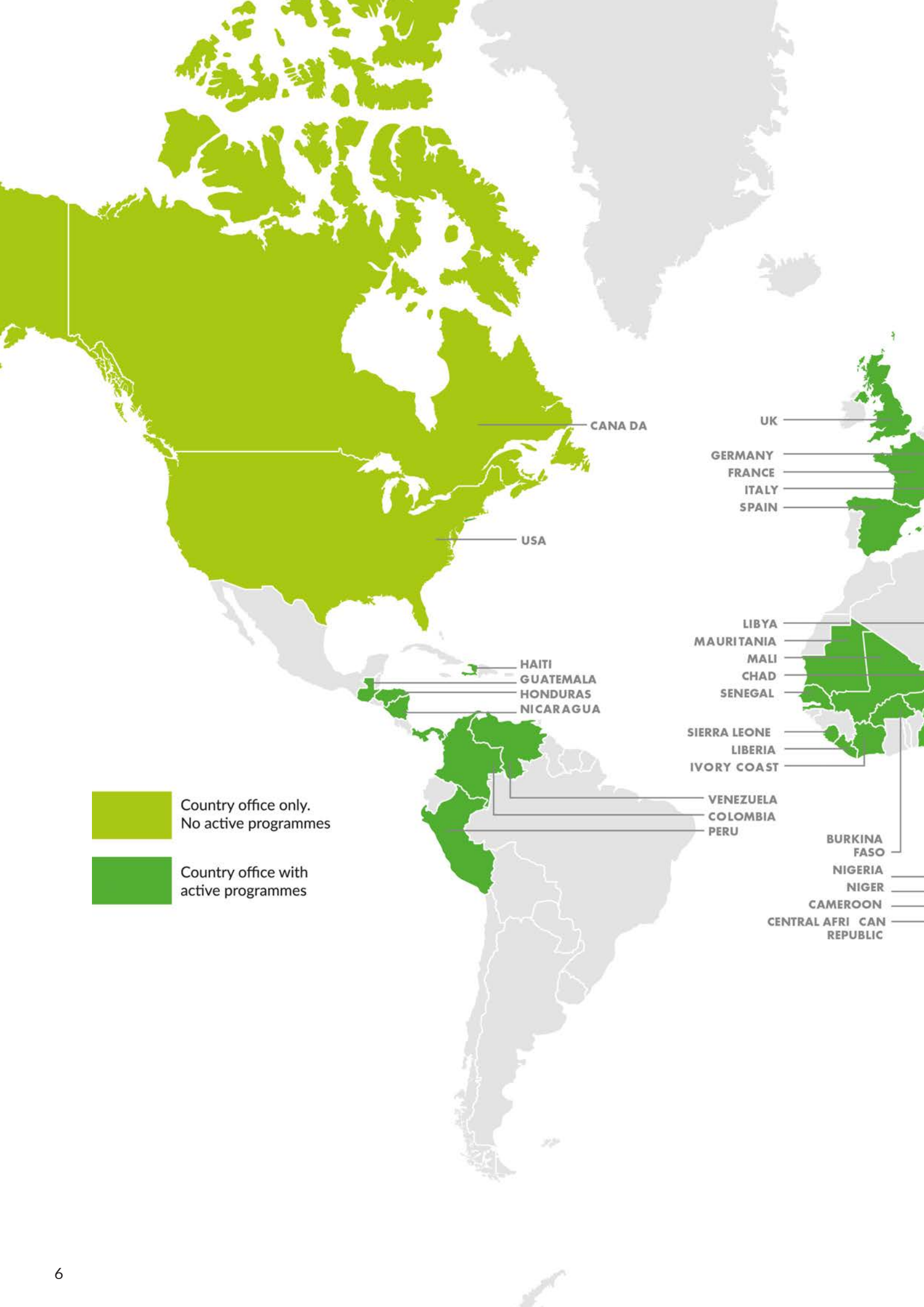
This report explores these activities, and more. It describes some of the successes and challenges of our year. We are proud to present this account of how we responded.



Jean-Michel Grand
Chief Executive



Paul Wilson
Chair of Trustees


CANADA
USA
UK
GERMANY
FRANCE
ITALY
SPAIN
LIBYA
MAURITANIA
MALI
CHAD
SENEGAL
SIERRA LEONE
LIBERIA
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HAITI
GUATEMALA
HONDURAS
NICARAGUA
VENEZUELA
COLOMBIA
PERU
BURKINA FASO
NIGERIA
NIGER
CAMEROON
CENTRAL AFRICAN REPUBLIC
Country office only.
No active programmes
Country office with
active programmes

# WHERE WE WORKED IN 2022



# TRUSTEES' REPORT

For nearly 45 years, Action Against Hunger has led the global fight against hunger around the world. We save the lives of malnourished children. We ensure people in need can access clean water, food, healthcare and training to help people improve their lives and livelihoods. And we enable entire communities to be free from hunger.

The Trustees of Action Against Hunger UK – hereafter referred to as Action Against Hunger – present their annual report and audited accounts for the year ended 31 December 2022.

## PUBLIC BENEFIT

Action Against Hunger's Trustees have a duty to ensure that the Charity provides public benefit and achieves its objectives as set out in its governing document. The Trustees' Annual Report provides a detailed account of the significant activities undertaken by the Charity in line with these objectives, which are: to relieve poverty, deprivation and distress throughout the world and to relieve hunger, whether chronic or temporary, by way of emergency intervention and/or establishing rehabilitation programmes.

The Trustees have reviewed the Charity's strategy to ensure these are consistent with its objectives and to consider how its activities contribute to these. The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims, objectives and activities, and are confident that they have complied with their duty to have due regard to the guidance when exercising their powers and duties.

## STRATEGIC REPORT

Action Against Hunger is a humanitarian and development network that has been at the forefront of the fight against hunger for nearly 45 years. We are a needs-driven and rights-based organisation with a primary focus on assisting the most at-risk populations.

We are focused on reducing and eliminating hunger and malnutrition. Each year, our international network screens over 3 million children under the age of five for acute malnutrition and provides treatment to approximately 600,000 children, making us the leading international non-governmental organisation (NGO) in treating acute malnutrition.

Our technical expertise, based on research, mass data analysis and collaboration with scientists and government ministries is internationally recognised and respected.

We create innovative responses to treat life-threatening malnutrition. We protect livelihoods and improve long-term food security. We do this by constantly investing in research and innovative nutrition products and field-testing treatment protocols. These have become international best practices in treating and preventing undernutrition among adolescents, pregnant and breastfeeding women, and new-born and young children.

# OUR PRIORITIES

Our core strength is responding to hunger and malnutrition crises', this is where our expertise is grounded. Our strategy is to build from this core strength, continually broadening our technical capabilities on issues central to our mission.

We offer our reliable and expert technical services so that we can partner with other civil society organisations, scientists, funders and decision-makers in the fight against hunger.

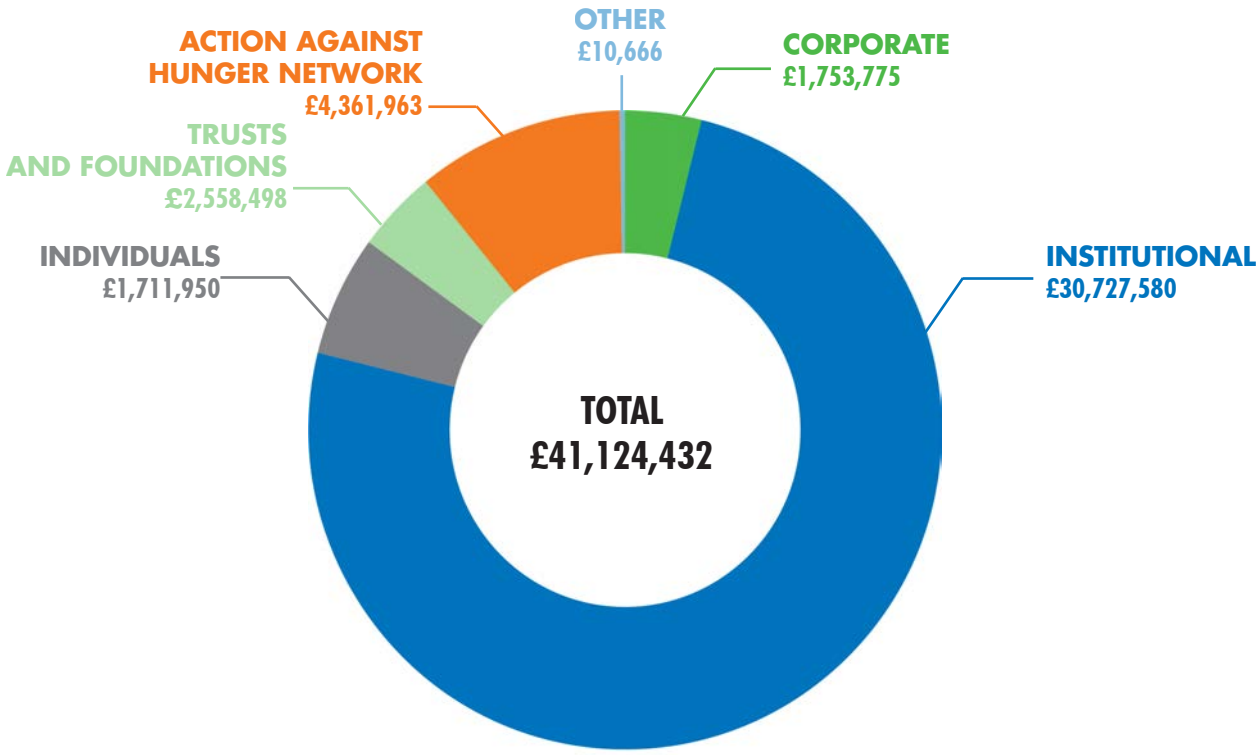
Our increasing evidence-based knowledge and expertise gives us a powerful voice to engage the public and influence governments to deliver greater action on hunger.



© Christophe Da Silva / Action Against Hunger

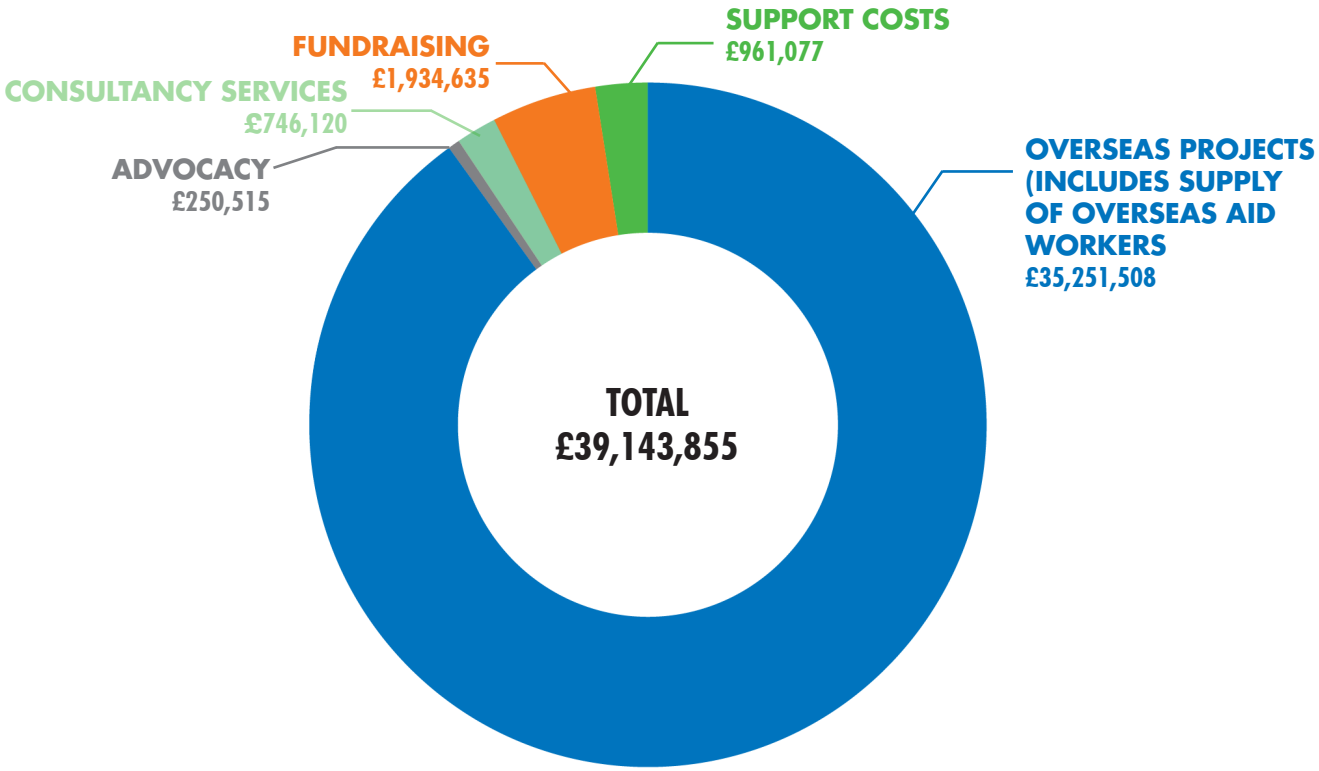
# HOW WE RAISED OUR MONEY

Action Against Hunger received grants and donations from UK individuals, institutional donors, trusts and foundations, and corporate partners.




# HOW WE SPENT OUR MONEY

We support emergency relief, disaster risk-reduction work and long-term development projects by distributing grants to partners and Action Against Hunger offices overseas.



# OUR OBJECTIVES IN 2022

1

Raise over £32.5 million to treat acutely malnourished children and support vulnerable adults



2

Respond to the food poverty crisis in the UK





4

Digitalise our expertise and drive innovative approaches




3

Use evidence uptake and data to inform and influence positions and policies

5

Expand our technical expertise




6

Bring the voices of affected communities to our supporters and activists



# RAISE FUNDS TO TREAT MALNOURISHED CHILDREN AND SUPPORT VULNERABLE PEOPLE

In 2022, our fundraising goal was to generate over £32.5m to treat malnourished children and support vulnerable adults. We surpassed our fundraising target by nearly £9 million, raising over £41m.

In 2022, we raised funds from institutional donors and from private sources, such as trusts and foundations, corporate partners and generous individuals, and the Action Against Hunger network.



**£41 M**
**RAISED**



**£6 M**
**RAISED FROM PRIVATE SOURCES**



**£4.3 M**
**RECEIVED FROM SERVICES PROVIDED**



**£30.7 M**
**RAISED FROM INSTITUTIONAL SOURCES**

## CORPORATE PARTNERSHIPS

The Love Food Give Food campaign – in which over 300 restaurants put £1 on the bill to raise funds for Action Against Hunger – raised a staggering £466,000 in 2022. The star of this year's campaign was YO! Sushi. Partnering with Action Against Hunger for the second year in a row, the restaurant chain raised an impressive £241,000 across 52 restaurants.

In 2022, our long-term partnership with unearthed® raised an incredible £1 million, and together we launched our Thanks A Million campaign to celebrate. Now in its third year, our KellyDeli partnership continues to raise money through donations from three delicious products, including its best-selling Forgotten Ends, made of the end pieces of sushi rolls that are normally discarded. Donations from the Forgotten Ends pot contributed to fighting malnutrition in two of the worst-affected communities in Gujarat, India, while also tackling food waste.

Our global partnership event saw over 20,000 Google employees running 5km raised £192,000 across the Action Against Hunger global network.

We were delighted to secure a donation of £20,000 from the Dr Martens Foundation to support our work across the world, while we welcomed two new partnerships with Ethnic Brand Marketing and Revolut. We look forward to working with both of these partners.

# PHILANTHROPY

Thanks to the support of Hawksmoor, in June 2022 the Philanthropy team launched the new George Society, a high-value giving circle for philanthropists who want to support our work in predicting, preventing and treating malnutrition.

We delivered two back-to-back treks in Peru in September, taking 36 of our most engaged, influential and important chefs, ambassadors and corporate partners on a 10-day exposure visit to Machu Picchu, which raised £208,000 for the charity.

£1 million was received from the People's Postcode Lottery, which supports project work in Senegal as well as our communications and advocacy work in the UK to raise awareness and call for policy change. In addition, nearly £400,000 was received from the innocent foundation to research the incidence of relapse in children recovering from severe acute malnutrition who have been treated by community health workers in Mali.

This year we continued to raise funds from Trusts & Foundations, with our long-term partner the ALBORADA Trust making donations to our emergency appeals, and new trusts making donations to our work in East Africa and Ukraine.

We also published two editions of our Food for Thought magazine to keep supporters updated on the programmes they are funding across the world.



© Ellie Suttle / Action Against Hunger

# WORKING WITH THE ABDULLAH BIN THANI AL-THANI FOUNDATION TO PREVENT FAMINE IN KENYA AND SOMALIA



Thanks to the very generous support of H.E. Sheikh Thani Bin Abdullah Bin Thani Al-Thani, Action Against Hunger provided humanitarian assistance to save the lives of 160,000 malnourished children in Somalia and Kenya.

In 2022, countries across East Africa faced disaster, as a third successive year of drought threatened to cause famine in the region. Crops withered, livestock died of starvation and over 13 million people faced life-threatening hunger.

Kenya and Somalia were particularly badly affected. Action Against Hunger's East Africa Regional Director, Hajir Maalim, said: "The needs right now are higher than we have experienced in generations and the situation is becoming dire."

One of the methods Action Against Hunger uses to address malnutrition is to give ready-to-use therapeutic food (RUTF) to children under the age of five. This is a peanut-based paste, full of nutrients and packed with high concentrations of protein and energy. RUTF requires no preparation or refrigeration, so large quantities can be delivered to local health clinics for distribution to community health workers, parents and care givers.
In the first few months of the project, we bought nearly 100,000 packets of RUTF and screened nearly 60,000 children under 5 for acute malnutrition, including two-year-old Hassan in Somalia.

Hassan had been ill for three months; he was coughing constantly, vomiting and suffering night fevers. His father sold his last three goats to hire a donkey cart to take his son on the 23 km journey to the nearest town for treatment. Once they reached Baidoa, they went to our Stabilisation Centre, which offers free medical care to severely sick and malnourished children.

On arrival, Hassan had no appetite, he was listless and barely able to sit, let alone walk. He was pale, his skin was peeling, his eyes were sunken and his whole body was swollen. He weighed just 4.6 kg – less than half the average weight of a child of his age.
We immediately admitted him to the acute phase section of the Stabilisation Centre due to the severity of his condition and started to treat him with therapeutic milk. Within three weeks, he was eating RUTF and had put on nearly one kilo in weight. He is now an outpatient and able to walk again.

This grant will help hundreds of thousands of children, like Hassan, to recover from life-threatening hunger and malnutrition.

Image © Ahmed Hussein / Action Against Hunger

# INSTITUTIONAL FUNDING

After a very difficult year for our institutional funding in 2021, we are pleased to report that the situation improved in 2022.

Overall, we secured £13.3 million worth of grants from the UK Government's Foreign, Commonwealth & Development Office (FCDO) for projects in Central African Republic, the Democratic Republic of Congo and Somalia.

In 2022, we secured our first ever funding from DEFRA via the Darwin Initiative. This is a good example of receiving Overseas Development Assistance (ODA) funding through a Government department other than the FCDO. The Darwin Initiative is one of DEFRA's Biodiversity Challenge Funds. It competitively awards grants for biodiversity conservation and poverty reduction activities in eligible countries. In 2022, we successfully managed the 'Farming with Alternative Pollinators for Increased Biodiversity and Smallholder Incomes' in Zimbabwe and won a new contract for Zambia called 'Strengthening local partner capacity for effective biodiversity-poverty interventions.'

In 2022, we also re-submitted four proposals for multi-country WASH innovation adaptations to Enhancing Learning and Research for Humanitarian Assistance (ELRHA) and were successful in securing funding for three, which will start in March 2023.

We also participated in two DEC appeals in 2022, receiving £11 million in grants for conflict response in Ukraine and floods in Pakistan. We also received DEC grants for emergencies that occurred in 2021, including £1.5 million towards drought relief in Afghanistan.



© Rimsha Zain / Action Against Hunger



© Elisa Bernal / Action Against Hunger

# RESPONDING TO CONFLICT IN UKRAINE THANKS TO THE DISASTERS EMERGENCY COMMITTEE

The Russian invasion of Ukraine in 2022 marked the beginning of a wave of devastation across the country, leaving many thousands of people dead and injured, families separated, homes destroyed, and essential services badly hit.

Almost 14 million Ukrainian people fled their homes – terrified and not knowing where they would sleep or get their next meal. The winter was particularly harsh and many people in Ukraine were left without heating or electricity because of the damage to the country's infrastructure. With temperatures falling below zero and increased shelling because of Ukraine's counter-offensive, people faced severe hardship.

An estimated 7.8 million people have fled Ukraine since February 2022, with over 100,000 refugees arriving in neighbouring Moldova – the poorest country in Europe. As well as the trauma of being forced to leave their homes, Ukrainians living in Moldova faced economic hardship. Moldova's heavy reliance on imports from Ukraine and Russia for its food and energy supplies meant significantly increased prices for both refugees and host communities.

We worked hard to reach as many people as possible with food, shelter, water and cash through grants and local partners and Action Against Hunger offices in the region. Since the conflict started, we have supported more than 650,000 people in Ukraine and neighbouring countries. Every month we helped 4,400 people at a refugee dignity centre in Chisinau, Moldova. Refugees were invited to register online and were then able to pick €7 worth of items per person, including essentials like milk, vegetables, snacks, toiletries, nappies and other hygiene items. They could then return every two weeks.

Kristina, who arrived in Moldova from nearby Odessa, said: "I really like it here because you can choose what kind of things to take. It's great for children's nappies and baby food, which are often hard to find elsewhere." There is also a space for children to play, so they can experience some normality in this terrible situation. "I come here with a group of mothers, and they all say they love this space, particularly for the children," says Kristina. "There's a kids' corner for them to play in. We're grateful and thankful for any help we can get."

Our support for people in Ukraine, Moldova, Poland and Romania was swiftly delivered thanks to the support of our local partners who have been crucial to our response. Thanks to the generous support of the UK public, including those who donated to the DEC's Ukraine Humanitarian Appeal, we helped people by:

- distributing winter essentials, like warm jackets, blankets and fuel
- providing hot meals with local partners in Kharkiv, Dnipro and Zaporizhzhia
- supporting healthcare facilities
- repairing homes and shelters
- enabling them to heat their homes with generators and power banks
- creating mother-and-baby-friendly spaces for parents who fled violence
- giving them cash so they can buy any essentials they need.

We will continue to support people in Ukraine and neighbouring countries in 2023 as it will take decades for the country to recover, even if peace is achieved soon.

DISASTERS EMERGENCY COMMITTEE

# PUBLIC ENGAGEMENT

With continued investment from People's Postcode Lottery we were able to increase our pool of individual giving donors so that over the coming years we can grow our unrestricted income to fund innovations, research and emergency responses.

In 2022 we put in place many of the building blocks for the future growth of our individual giving programme.

Despite the cost-of-living crisis which has seen many people reduce their charitable donations, our end-of-year income was strong. This is largely due to the UK public's incredible generosity to our campaigns on digital channels and to our emergency appeals in Ukraine and Pakistan as well as collecting more Gift Aid.

We also raised over £100,000 from community and challenge fundraising such as Run Against Hunger (our schools fundraising programme), which provides a solid base on which to rebuild our challenge and community fundraising programme in 2023.

# SPECIAL EVENTS

Action Against Hunger organised three extremely successful fundraising dinners in 2022.

The Five for Ukraine dinner was an event proposed by our chef supporters, including Angela Hartnett, and raised £100,000 for our emergency response to the Ukraine crisis. The annual Hawksmoor Dinner, hosted by food critic Jay Rayner with 140 guests, was the most successful Hawksmoor dinner to date, raising an incredible £183,000.

And finally, the Fine Wine and Art Dinner (FWA) – hosted by actor Hugh Bonneville – was attended by 200 guests and was also the most successful FWA dinner to date, raising a fantastic £520,000.

Special thanks go to players of People's Postcode Lottery who provided funding for several projects, enabling us help local people in Senegal to share their own stories of hunger (see page X), to launch a new global, public-facing campaign on preventing famine in East Africa (see page x), to invest in diversifying income streams, and to create an emergency response fund to allow us to respond swiftly to emergencies.

Also thanks to players of People's Postcode Lottery, we were able to help empower communities to take the lead in understanding the causes of malnutrition, designing solutions, monitoring progress and providing feedback through a MEAL project and community-led nutrition research in Senegal.

Supported by players of PEOPLE'S POSTCODE LOTTERY

Awarded funds from POSTCODE INTERNATIONAL TRUST



© Sonnie Campbell / Action Against Hunger

# RESPOND TO THE FOOD POVERTY CRISIS IN THE UK

The cost-of-living crisis in 2022 pushed millions more UK families into poverty and forced them to make difficult choices. The Food Foundation's bi-annual Food Insecurity survey in September 2022[1] reported that, in the UK, 26 per cent of households with children and 18 per cent of adults (9.7 million) had experienced food insecurity during the previous month.

The survey also reported that those who were food insecure were more likely to cut back on purchasing fruit and vegetables which meant that the need for community food projects such as community pantries was high.

Since 2020, Action Against Hunger UK has been supporting partners in Lewisham (London) and Smethwick (Sandwell) to set up and run community pantries, an umbrella term for community-run projects which enable households at risk from food poverty to access affordable, nutritious foods on a weekly basis for a membership fee of £3.50-£5 per week.

Six community pantries (four in Lewisham and two in Smethwick) were supported by Action Against Hunger in 2022 thanks to financial support from Tenderstem® Broccoli. Together the community pantries support approximately 450 households in their local communities the majority of which (70 per cent) have children.

Thanks to our support, between July and December 2022 the community pantries were able to purchase additional food stocks for their members. While they are supplied by surplus food supplies such as FareShare and the Felix Project, the community food projects still need to buy additional foods to ensure that members receive healthy and nutritious baskets each week. Wholesale food costs increased by 30-40 per cent from July-September 2022 and so the support of Action Against Hunger and Tenderstem® Broccoli came at a vital time.

During 2022, Action Against Hunger also supported the council and partners in Somerset by and rolling out food pantries in the county. This included working with existing council teams to guide and advise community organisations interested in establishing food pantries and coordinating pantry team leaders by organising learning workshops. Additional support was provided to the council and partners to assess and map food resilience needs and assets at county level and establish a food resilience strategy for the county.




1. https://foodfoundation.org.uk/initiatives/food-insecurity-tracking

# FEED THE HILL

This section contains extracts from an article written by Senior Reporter at i-news, Serina Sandhu, published on 21 January 2023, titled "'I can't afford Sainsburys. This is my store': The shops offering bags of groceries for £2".

At the Feed The Hill social supermarket in New Cross, south-east London, you can buy a couple of bags full of surplus food from traditional supermarkets for just £2. Some will pay nothing at all if they can't afford it.

The number of social supermarkets has expanded dramatically since the model was first introduced to Britain in Goldthorpe, South Yorkshire, in 2013. They offer a halfway house between food banks and conventional supermarkets. Growing demand means waiting lists to join them have been set up and are now doubling.

As well as helping people on low incomes access healthy food, they also reduce food waste by passing on goods that shops can no longer sell. They're set up to imitate a traditional supermarket to provide dignity and choice to customers and reduce the stigma attached to receiving a handout by charging a small fee, and don't require the referrals foodbanks often ask for.

"There's a huge stigma in people suffering from food poverty," says Hugh Lort-Phillips, UK Programme Coordinator at Action Against Hunger, which supports Feed The Hill and five other social supermarkets. "This model really helps us to overcome that [and] social supermarkets improve nutritional intake," he says, adding that many donations are fruit and vegetables.

The Feed The Hill team buys in staples such as rice, pasta and tinned goods to ensure each customer has the ingredients to make decent meals. Everyone usually walks away with around £30 worth of food. Giving people the means to cook from scratch, despite their financial troubles, allows them to create a sense of normality for their children at dinner time.




Feed The Hill has quickly become a mainstay for those who cannot afford the usual supermarkets.

"Darling, Sainsbury's is for rich people. We're poor. I can't go to Sainsbury's. This is my store," says a 64-year-old woman as she waits outside. She comes every week.

Ricky Wilmont, who is out of work at the moment, says the stigma attached to food banks and food poverty has changed. "I think it's just the way things are with society and the economy, it's just a normal part of life that sometimes you might be a little bit down on your luck. "[My sister says] sometimes there's a time for giving and a time for taking. She said, 'You worked all your life, and you helped people... now's the time maybe that you need a bit of help on your way'."

Images © Sandra Madej / Action Against Hunger

# EXPAND OUR TECHNICAL EXPERTISE

Action Against Hunger UK has technical expertise in nutrition and monitoring, evaluation and learning (MEAL). We provided technical services, not just for our international Action Against Hunger network, but for the wider sector as well.

## OUR NUTRITION WORK

Our Nutrition team delivers training and services and carries out research. In 2022, we conducted several trainings on nutrition in emergencies with the following partners:

- UK-Med, to ensure that health specialists sent by the UK government to worldwide emergencies know how to recognise and save the lives of malnourished children.
- The governments of Malaysia, the Solomon Islands and Fiji – countries subject to many emergencies due to climate change – to help the governments better prepare and respond to a rise in malnutrition during disasters.
- Save the Children and the International Rescue Committee (IRC), to design online training curricula on alternative methods of treatment in exceptional circumstances, such as a lack of access to services or a sudden increase of cases or an outbreak of diseases.

We also helped to set up programmes in Poland in response to the conflict in Ukraine, and supported the Infant Feeding in Emergencies Core Group by translating key tools into Czech, Polish, Romanian, Slovak and Ukrainian to help local actors better support mothers and their children under the age of two years.

In Cameroon and Madagascar we carried out coverage surveys (which allow us to advise programme makers on how to improve the coverage of their nutrition programmes so that more malnourished children can access treatment), and supported Action Against Hunger in the DRC with a remote performance assessment.

In Zimbabwe we carried out a Link Nutrition Causal Analysis for International Medical Corps (IMC) in order to understand the real causes of malnutrition as explained by the communities themselves. We also evaluated the cost of different models of treatment by community health workers in Niger and evaluated UNICEF's nutrition programmes in India.

We supported the in-kind donation of Ready to Use Therapeutic Food (RUTF) from an American organisation called Mana Nutrition (900 boxes for Uganda and 9,000 for DRC) as well as a UK charity called Plump'd who contacted us with a donation of 150 boxes of RUTF for our projects in Somalia.

In 2022, we also carried out two literature reviews related to the treatment of moderate acute malnutrition (MAM) for the World Health Organisation (WHO) guidelines on the prevention and treatment of wasting and nutritional oedema; and we produced an article for 'Field Exchange' magazine on wasting and stunting risk factors in Somali internally displaced persons' settlements. We also produced a Nutrition Capacity Statement for the Action Against Hunger global network to explain our work to a technical audience. And finally, we agreed to support the Overseas Development Institute (ODI) with the development of their Humanitarian Systems Report.



©Toby Madden / Action Against Hunger

# RESEARCH INTO BEST PRACTICE TO AVOID MALNUTRITION RELAPSE, MALI

Once children have been treated for malnutrition, the Action Against Hunger network needs to ensure that they do not relapse and become malnourished again.

Thanks to funds from the innocent foundation, we undertook research in Mali to gather evidence on the occurrence of relapse after children recover from severe acute malnutrition, having been treated by community health workers using different treatment methods.

Through this new study, we aim to evaluate whether combining two simplified approaches (treatment of moderate and severe acute malnutrition combined and treatment by community health workers) results in fewer children relapsing after treatment, thus reducing the risk of illness and death.

We hope to evidence lower treatment costs for families and the government and greater cost efficiencies within the national health system.



©Abel Gichuru/ Action Against Hunger

# MONITORING, EVALUATION, ACCOUNTABILITY AND LEARNING – MEAL IN ACTION

Our Monitoring, Evaluation and Learning (MEAL) team provides the network with key expertise in all aspects of MEAL, carrying out assessments and evaluations in Colombia, Cote d'Ivoire, the DRC, Jordan, Liberia, Moldova, Poland, Romania, the Occupied Palestinian territories, Sierra Leone and Ukraine.

We worked across the global network to enhance our programme standards in line with the Core Humanitarian Standards and, with additional support from People's Postcode Lottery, launched a research project to examine how best to engage the communities with whom we work.

We also led a cross-network working group on local partnership, establishing a Local Partnership and Localisation Advisory Board, and developing a related policy and toolkit for the network.

## GROUND-BREAKING WORK IN LIBERIA

For the past two years our MEAL team has supported Action Against Hunger in Liberia, and the Liberia Water, Sanitation and Hygiene (WASH) Consortium to implement a multisectoral Irish-Aid funded project to prevent malnutrition among children under five years in Rural Montserrado and Grand Bassa.

The project is the first of its kind in Liberia as its multisectoral approach seeks to tackle the root causes of malnutrition through addressing food security and livelihoods, WASH, and health and nutrition. The project design was based on a Link Nutritional Causal Analysis led by the Nutrition team, which identified key determinants of malnutrition. It works at the community, household, and individual levels to promote long-term behaviour change and strengthen sustainable approaches.
Over the course of several field visits, the MEAL team has conducted all of the project's key evaluations so far, including a baseline, midline and end of year evaluation. In addition, we are strengthening the consortium's learning practices through capacity building workshops and qualitative tool development, which provide staff with the skills and resources to identify, capture and share the evidence from this innovative approach with the wider sector in Liberia.



The latest midline evaluation demonstrated that the project's multisectoral approach has been effective in reducing malnutrition among children aged under five years. Community members report higher savings, better crop yields, increased use of latrines and safe, health-seeking behaviour.

# DIGITALISE OUR EXPERTISE AND DRIVE INNOVATIVE APPROACHES

Action Against Hunger has an established reputation as an evidence-based, data-driven organisation capable of providing high quality technical and operational support; has contributed to the development of revolutionary nutrition products; and has led the field-testing of treatment protocols that are now the standard globally.

## DIGITALISING OUR EXPERTISE

Evidence is the foundation of all we do. Our goal is to test our innovations and ensure they work. Then we share our research with others, so they can adopt our new and better ways of working. One way we do this is through our Learning Hub that brings together all sorts of learning from Action Against Hunger staff around the world, in the form of articles, blogs, videos, audio, and more.

Accenture developed a solution that could enable Action Against Hunger to link its own data to a data visualisation platform (i-Kare platform) – reducing the time taken between collecting data and providing information to decision makers. We signed a data-sharing agreement and a Memorandum of Understanding (MoU) with Action Against Hunger Spain to allow for the connection between data collected by the UK MEAL team in Moldova to the i-Kare platform.

Working as part of the global network, Action Against Hunger has created a simple smartphone app for diagnosing life-threatening hunger with just a photo of children's arms. The SAM (Severe Acute Malnutrition) photo app compares the body shape of a malnourished child with that of a healthy child to decide if they need lifesaving treatment with ready-to-use therapeutic food. This will allow for community health workers and families to identify malnourished children much sooner.





# INTEGRATED COMMUNITY CASE MANAGEMENT - ICCM+

Image © Peter Caton / Action Against Hunger

Action Against Hunger's newest approach to reach more children with life-saving nutrition treatment when they need it most is called iCCM+. This tested approach involves community health workers being trained to diagnose and treat malnourished children in their communities, rather than patients having to travel long distances to their nearest health facility.

Bringing diagnosis and treatment for malnutrition closer to home means we can get to more children, more quickly and improve results more cost-effectively. In Mali this new approach has improved treatment coverage and outcomes for children. The intervention is cost-effective and households receiving care delivered by community health workers spent nearly half the amount of time and three times less money than those with SAM treatment at a health facility.

Our task now is to demonstrate our success to others so that our work can be scaled up across the world. We want to use our evidence to change international policies and guidelines that dictate how malnutrition is treated and then turn these policies into practice.

It's already happening. Our ideas have been picked up in Kenya, Mauritania and Niger and now the World Health Organisation is reviewing its guidelines on how malnutrition should be treated globally in light of our work.

# 5 USE EVIDENCE UPTAKE AND DATA TO INFORM AND INFLUENCE POSITIONS AND POLICIES

In 2022, we continued to advocate for political action on the underlying causes of hunger and malnutrition, as well as effective responses. Our UK advocacy focused on the leading drivers of malnutrition – conflict and climate change; prevention of malnutrition through aid for nutrition; and effective humanitarian response to crises.

We also signed a cross-sector letter which was published in The Times pressing the Treasury to raise the aid budget in light of the additional demands on UK Aid from the Ukraine crisis. And we signed a public letter, along with 200 other NGOs, expressing our concern with the new aid strategy, which was covered in The Guardian and The Telegraph.

We worked closely with the Famine Envoy, now Director General for Humanitarian and Development, in the FCDO to promote an ambitious approach to implementing UN Security Resolution 2417 – which prevents the use of hunger as a weapon of war. Feedback from the FCDO was: "Action Against Hunger really drove this agenda and that was recognised in FCDO and with other UN Security Council members that were close to the information."

We hosted a reception at the Cinnamon Club, Westminster, to celebrate the UK's commitment of £1.5 billion in aid for nutrition at which our Executive Director Jean-Michel Grand spoke, alongside David Mundell MP and chefs Asma Khan and Vivek Singh. Attendees included the FCDO nutrition team and several MPs and peers, including the Rt Hon Virendra Sharma MP and Baroness Sugg.

Action Against Hunger joined a small working group with Power of Nutrition, Children's Investment Fund Foundation, Save the Children, the Eleanor Crook Foundation and UNICEF to develop a joint advocacy strategy towards the G7, including a costed proposal for action on nutrition as part of a broader package of investment in global food security that the G7 is expected to announce. Some of our asks were reflected in the G7 Statement on Global Food Security, including a statement saying, "We also commit to scaling up essential nutrition services in countries with the highest burden of malnutrition".

In 2022, we continued convening a dynamic cross-sector working group on the hunger situation in East Africa. We organised an event in Parliament with colleagues from the East Africa region, attended by nine parliamentarians; organised a supporter action to write to the Foreign Secretary calling for an improved humanitarian response; and sent a letter to the Foreign Secretary from a cross-party group of 17 MPs and Peers. The UK's aid commitment to the region remains far lower than during past hunger crises, so this was part of our focus for the year.




Image © Ellie Suttle / Action Against Hunger

## CAMPAIGNING TO HELP PREVENT FAMINE IN EAST AFRICA

Thanks to funds from players of People's Postcode Lottery, we were able to invest in advocacy and campaigning work to help prevent famine in East Africa.

East Africa has been grappling with drought and ongoing conflict as the region is buffeted by climate change, the impact of the conflict in Ukraine and soaring food and fuel prices. This is indicative of a global hunger crisis, where the number of people struggling to feed their families has more than doubled since 2021 and 345 million children and their families worldwide are reeling under the crushing weight of hunger.

In October, Action Against Hunger led the UK's leading aid agencies, diaspora groups, and youth activists in a campaign action in Parliament Square, urging the new PM to "wake up" to the looming famine in East Africa. The agencies sounded 80 alarm clocks to call the government to act on the food crisis gripping the region. It came as a new Integrated Food Security Phase Classification (IPC) report showed that Somalia was on the brink of widespread famine, and Abdirahman Abdishakur Warsame – the presidential envoy for Somalia's drought response – warned that more humanitarian aid must reach the region. In 2022, around 6.7 million people were projected to experience crisis levels of hunger and 1.8 million children under the age of five years faced acute malnutrition.

The demonstrators were joined by the Rt Hon Preet Gill MP, Shadow Secretary of State for International Development; the Rt Hon Lyn Brown MP, Shadow Minister for Foreign, Commonwealth, and Development Affairs; the Rt Hon Kerry McCarthy MP, Shadow Minister for Climate Change; and the Rt Hon Sarah Champion MP, Chair of the International Development Committee.

A petition of over 30,000 signatures and a letter from 12 leading UK aid agencies – including Action Against Hunger – was also handed in to No. 10 calling for urgent action on the hunger crisis.

# 6 BRING THE VOICES OF AFFECTED COMMUNITIES TO OUR SUPPORTERS AND ACTIVISTS

We believe it is important for our supporters and stakeholders to hear directly from the people we are helping, wherever they are in the world. But we also think it is important to give the people we help the space to share their own stories, rather than us speaking for them. For that reason, we ran a participatory photography project in Senegal, in which people were trained to use cameras, videos and to record their own experiences. They told us why they thought hunger existed in their community and what needed to be done about it (for further information, see the case study on page 32).

To bring the voices of affected communities to our supporters, we trained and supported in-country communications officers in Somalia and Kenya, who delivered photos, videos and case studies from our local projects. This included stories from a project funded by the Than Bin Abdullah Bin Thani Al-Thani Foundation in Somalia (see the case study on page 14).

We also trained 12 staff in content gathering and collected interviews, photos and video footage of our work from a range of countries, including Afghanistan, Colombia, Guatemala, Kenya, Somalia, South Sudan and the UK.

And we ensured the voices of communities were brought to our audiences in the UK by promoting their stories on the website and social media, in emails and newsletters, and in the press.

We had 135,688 unique page views of the website and 2,870 mentions in the press.

We launched on TikTok at the end of the year and achieved growth on all of our other social media channels, Facebook, Instagram, LinkedIn and Twitter, increasing our overall reach on social media channels to 151,909.





This image and facing image ©Gareth Benest/ Action Against Hunger



# WHAT DOES HUNGER MEAN TO YOU? VOICES FROM SENEGAL

What does hunger mean to you? That was the question we asked a community near Louga in Senegal as part of our new, innovative participatory photography project, funded by players of People's Postcode Lottery.

Ten community members were given cameras and encouraged to show us what hunger means to them. The stories told are from a community that has never had the chance to tell their story before. Where droughts ruin farmland. Where the closure of the town's only trainline means there are fewer job opportunities. And where mothers give birth to malnourished children without the family planning or awareness around nutrition to allow them to thrive.

The accounts show a community where people support each other and find solutions to the challenges they face. This includes female healthcare workers who spot the signs of malnutrition, women's cooperatives preparing nutritious cereal products, and grandmothers supporting entire families.

The project took place in a village called Touba Séras - a small community of around 4,000 people on the outskirts of Louga, a cattle market centre in northwestern Senegal. Established as an informal settlement in the 1990s, it is now a recognised village with schools and a health centre at its heart.

The climate in Touba Séras is unforgiving. Rains are few and far between and becoming increasingly unreliable. The heat is oppressive, and the winds are dry. The soil is little more than sand and dust, and hardly anything grows. There's no grass for livestock to graze, so people have to buy straw to feed their horses and goats. Growing cereals or vegetables is virtually impossible, and the few lemon and mango trees that grow among the houses do not produce much.

Instead of farming crops on the land surrounding the village, the community "harvests" metal and plastic from an ever-growing field of rubbish dumped by the authorities from nearby Louga town. An ocean of rubbish covers the landscape, lapping up against walls of the Islamic primary school and the small houses that sit along the community's outskirts. Women and children forage for recyclable materials among the disease-ridden waste, which they sell to buy food.

Dié is a grandmother and community health worker. She helps the head nurse to assess children for malnutrition, takes part in vaccination campaigns and raises awareness about the dangers of malnutrition in the community.

Aissatou sells medicine at the health centre. She's also a community health volunteer, helping children to gain weight, screening children for malnutrition and helping families to treat malnourished children through cookery demonstrations.

Mama Fall is the executive secretary at the health centre. He helps with administration and financial management in the community. He's also a PE and sports teacher. And Mame trains people how to grow cereals and raise poultry so they can make a living. In her role as a community health volunteer, she calls for the protection of children's rights and helps children whose parents experience mental health issues.

Dié, Aissatou, Mama Fall and Mame all have stories to tell – to view them, visit againsthunger.uk/community-photography

# OUR OBJECTIVES FOR 2023

1

Raise £32.5m to treat malnourished children and vulnerable people



2

Respond to the food poverty crisis in the UK






4

Digitalise our expertise and drive innovative approaches




3

Use evidence uptake and data to inform and influence positions and policies

5

Expand our technical expertise



6

Bring the voices of affected communities to our supporters and activists





©Williams Rivera/ Action Against Hunger

# STRUCTURE, GOVERNANCE AND MANAGEMENT

Action Against Hunger UK is a company limited by guarantee (company number 3069468) and a registered charity in England and Wales (1047501) and in Scotland (SC048317). The Charity's objects and powers are set out in its Articles of Association. The Articles of Association provide that the Trustees are the only members of the charity.

## TRUSTEES

**Paul Wilson**
(Chair of Board and Chair of the Remuneration, Compensation & Governance Committee)

**Sanjay Dhiri**

**Frances Pasteur**
(Safeguarding Trustee)

**Nicolas Sarkis**
(Chair of the Fundraising, Engagement and Ethics Committee)

**Eleanor White**

**Jordan Winokur**
(appointed as Chair of the Audit, Risk and Compliance Committee from December 2022)

**Timothy Wright**
(resigned in December 2022)

## SOLICITORS

**Reed Smith Corporate Services Ltd**
Minerva House, 5 Montague Close,
London SE1 9BB

**Bates Wells Braithwaite**
10 Queen Street Place,
London EC4R 1BE

## COMPANY SECRETARY

**Jean-Michel Grand**
(Chief Executive)

## EXECUTIVE COMMITTEE

The Executive Committee was formerly referred to as the Senior Management Team (SMT). It consists of the executive directors of the organisation, who are:

**Jean-Michel Grand**
(Chief Executive)

**Jenna Allcock**
(interim co-Director of Fundraising & Communications) – appointed to the Executive Committee in December 2022

**Judith Escribano**
(interim co-Director of Fundraising & Communications) – appointed to the Executive Committee in December 2022

**Maria Franklin**
(Director of Human Resources)

**Charlotte Matier**
(Director of Fundraising & Communications)
– resigned in November 2022

**Alison McNulty**
(Director of Operations)

**Steve Notman**
(Director of Finance and Administration)
– retired in September 2022

**Jamal Uddin**
(Director of Finance and Administration)
– appointed from September 2022

## AUDITORS

**Haysmacintyre LLP**
10 Queen Street Place
London EC4R 1AG

# TRUSTEES

Action Against Hunger UK is governed by its Board of Trustees who are also the directors under company law. The Trustees have overall responsibility for overseeing the management of the Charity and delegate day-to-day management to the Chief Executive and the Executive Committee.

Trustees are appointed in accordance with the Articles of Association. Trustees are elected by the Board for a three-year term after which time they must retire from office and may be reappointed (no more than twice) for a further period of three years by a decision of the Board.

Three members of the Board have served as Trustees for longer than three terms of three years. The Articles of Association provide that the limitation on the period of appointment does not apply to the current Chair, although he is required to stand for re-election every three years. The Board has determined that the directors who have served for longer than nine years brought particular skills and experience that were necessary to the Board for the development of the charity. Two of these directors are currently serving their last term.

The Trustees are required to declare any conflicts of interest and reaffirm their commitment to Action Against Hunger's Global Code of Conduct upon appointment and every year thereafter. Governance reviews are carried out on a regular basis and Trustee self-assessments are carried out annually (including questions on the performance of the Chair). Board members receive no remuneration for their work as a Trustee. All Trustees are required to undertake a comprehensive induction programme covering the running of the Charity and their role as a Trustee.

Action Against Hunger UK's Board of Trustees meets on a quarterly basis and may hold other ad hoc meetings to discuss specific issues as appropriate. The Chief Executive and members of the Executive Committee attend board meetings to respond to questions and ensure informed decisions are made. Decisions are taken by a majority vote in accordance with the Articles of Association. The decisions and business of Board meetings are recorded in through minutes of the meetings that are circulated and approved by the Trustees.

The Board delegates certain powers related to the administration and day-to-day management of the Charity's affairs (up to certain financial thresholds) to the Chief Executive and Executive Committee under a Scheme of Delegation. Any decisions above these financial thresholds or relating to key matters such as major initiatives, appointment of the Chief Executive and/or approval of long-term objectives and strategy must be examined and ratified by the Board.

The Chief Executive leads the Executive Committee, which is responsible for defining and proposing the following to the Board for approval:

- Strategies (five-year plan)
- Annual action plan
- Policies
- Investment plans
- Budgets

The Chief Executive is responsible for implementing the charity's strategy, annual plans and policies identifies and manages risk and reports to the Board on a regular basis to ensure full accountability and transparency of the organisation's accounts and reports.

# COMMITTEES OF THE BOARD

The Board has delegated specific responsibilities to three Committees as set out in the Committees' Terms of Reference approved by the Trustees. Members of the Committees are appointed by the Board. Each Committee meets regularly and the Chair of the Committee reports back to the full board at each quarterly Board meeting.

- The Audit, Risk and Compliance Committee ensures the organisation's key risks are adequately managed through financial and non-financial internal controls. This committee also provides oversight to the development of Action Against Hunger UK's safeguarding culture and reviews all significant serious incidents that are reported to Action Against Hunger UK. In 2022 this Committee met each quarter.
- The Fundraising, Engagement and Ethics Committee oversees and advises on Action Against Hunger's UK fundraising and marketing activities and considers whether relationships meet specific ethical criteria. In 2022 the Committee met three times.
- The Remuneration, Compensation and Governance Committee ensures good governance practices for the organisation and reviews financial and non-financial remuneration, including pension arrangements and annual cost-of-living awards for employees. It also reviews and promotes the implementation of continuous development of the Board as set out in the Code of Good Governance. The Committee meets every December and have additional meetings whenever necessary.



© Vivek Rawat / Action Against Hunger

# ARRANGEMENTS FOR SETTING THE PAY AND REMUNERATION OF THE CHARITY'S KEY MANAGEMENT PERSONNEL

Action Against Hunger operates an incremental pay structure for all roles, including senior management roles. Grades are established by assessing the job description against the organisation's job evaluation tool. Where appropriate, roles are also periodically benchmarked against the annual Croner Charity Rewards Survey and comparable roles in similar organisations. Incremental increases are service related and awarded annually up to a maximum level of the top of the designated grade. All staff receive a discretionary inflation increase.

The Remuneration, Compensation and Governance Committee meets in December, to review financial and non-financial remuneration, including pension arrangements and annual cost of living awards, which are applied to uplift the salary scales. The Remuneration, Compensation and Governance Committee recommendations are ratified by the full Board of Trustees.

# INTERNAL CONTROL AND RISK MANAGEMENT

Action Against Hunger works to ensure that the identification, assessment and mitigation of key risks is an integral part of the Charity's decision-making and management processes. We aim to embed a risk management culture across the organisation as a critical measure in today's ever-evolving risk landscape.

Action Against Hunger operates an annual planning and budgeting process with reference to the five-year Strategic Plan, and with start-of-year and mid-year revised budgets approved by the Board of Trustees. Significant changes during the year are subject to specific approval. The financial reporting systems provide monthly comparison of actual results with budget. Forecasts of expected results for the year are undertaken on a regular basis.

The Charity's risk management framework ensures that all significant risks are identified, assessed and, where necessary, treated and reported to the Board in a timely manner through the Audit, Risk and Compliance Committee. The Charity maintains a comprehensive Risk Register which sets out the major strategic and operational risks facing the organisation, along with clear mitigation measures and plans. The Risk Register is updated by the Executive Committee on a monthly basis and reviewed by the Audit, Risk and Compliance Committee every quarter. The Risk Register is reviewed by the full Board every year.

The Trustees are satisfied that systems are in place to monitor, manage and mitigate Action Against Hunger's exposure to major risks. The most significant risks identified in 2022 are set out on page 44.

The Trustees consider that maintaining Action Against Hunger's general reserves at the levels stated on page 41, and reviewing internal controls and risks will provide Action Against Hunger with adequate risk assurance and sufficient resources in the event of adverse conditions. They also recognise that the nature of some of Action Against Hunger's work requires active acceptance and management of some risks when undertaking activities to achieve the objectives of the Charity.

# THE GLOBAL NETWORK

Action Against Hunger International is a global humanitarian organisation committed to saving the lives of malnourished children and supporting their families to beat hunger.

In 2022, the Action Against Hunger global network was made up of seven separate legal entities (and their branches and subsidiaries) which were active in 55 countries around the world. The entities that make up the Action Against Hunger International network share the same objectives and operate under common International Co-Operation Protocols, including an International Charter of Principles and a number of common policies agreed by the International Committee of Chairs and the International Executive Committee.

In 2022 the entities that made up the Action Against Hunger International network were:

- Action Against Hunger UK
- Action Contre La Faim (a registered charity in France)
- Action Against Hunger USA (a registered s501(c)(3) organisation in the USA)
- Accion Contra el Hambre (a registered foundation in Spain)
- Action Against Hunger Canada (a registered charity in Canada)
- Fight Hunger Foundation/Action Against Hunger (a registered foundation in India)
- Aktion Gegen Den Hunger (a registered charity in Germany)

Expenses are recharged between the connected charities where staff and other resources are used on projects run by the other charity. This gives rise to the balances at the year end referred to in Notes 11 and 12.

# RELATED PARTIES/SUBSIDIARIES

Action Against Hunger UK has a subsidiary trading company called Action Against Hunger Enterprises Limited (company no: 6569439).

It is a private limited company and a wholly owned trading subsidiary of Action Against Hunger UK. The Company's principal activity is to raise funds for the Charity. The company was incorporated in 2008 and it donates all profits to the Charity.

Action Against Hunger UK is one of the seven members of the trading company ACFIN Licensing Ltd, a company incorporated in England and Wales (Company No. 06672034). The company's main objective is to license the Action Against Hunger trademarks to the entities that make up the Action Against Hunger International network. The Action Against Hunger UK Chief Executive is one of the Directors of the company.

## APPROVAL

This Annual Report is signed by the Chair on behalf of the Board of Trustees.

The Trustees also approve the Strategic Report, which is contained within this report, in their capacity as company directors.



**Mr Paul Wilson**
Chair of Trustees



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# FINANCIAL PERFORMANCE

After a very difficult year for our institutional funding in 2021, we are pleased to report that the situation significantly improved in 2022. Action Against Hunger's income for the year ended 31 December 2022 increased from £11.2 million in 2021 to £41 million in 2022. This was as a result of hard work by colleagues in the Institutional Funding team, the Fundraising & Communications department and professional services being outsourced by the MEAL team and the Nutrition team.

As in prior years, total income includes the full amount of multi-year grants, accounted for in accordance with the Charities SORP and Accounting Standards, which require us to recognise the full amount of income on most such grants when agreements are signed.

The accounts show that in 2022, 94 per cent of total annual expenditure was allocated to charitable projects and services, with the remaining spend mostly used to support fundraising and, to a lesser extent, indirect support costs.

We ended the year with a net unrestricted funds surplus of £558,000, which has been added to accumulated general reserves. We created a Designated Fund of £300,000 for future investments to develop individual fundraising and organisational infrastructure.

**Reserves Policy**

The Board of Trustees have reviewed the reserves policy of the Charity and considers it appropriate to seek to maintain unrestricted free reserves equivalent to six months of general expenditure, to cover eventual risks including property liabilities and staff redundancies, as well as the closure of the Charity; to provide a security against seasonal variations in income and expenditure; to costs; and to fund strategic research, investment and innovations.

Unrestricted reserves as of 31 December 2022 were £2.3 million (which represents around 6 months of general expenditure) and a designated fund of £300,000. The Charity's Memorandum of Association provides the Trustees with the authority to invest in such assets as they see fit, in order to benefit the Charity and its continued financial wellbeing.

The Charity is committed to utilising any surplus cash funds in the most effective way possible. However, the Charity is occasionally required to react quickly to particular emergencies and has a policy of investing any surplus funds in relatively short-term deposits, ranging from one month to immediate access.

Action Against Hunger's Board of Trustees review the investment policy annually. The objective of the current policy is to maintain high liquidity while ensuring maximum security. To achieve this, the Charity invests with institutions with a high security rating in instant access, fixed-term or call cash deposits.

# RISK STATEMENT

Action Against Hunger UK considers effective risk management to be fundamental to good management practice and to provide an essential contribution towards the achievement of the Charity's strategic and operational objectives. The Trustees are satisfied that appropriate internal control systems are in place to identify and mitigate the Charity's key strategic and operational risks.

While the Charity operates necessarily in high-risk contexts to save the lives of children and provide them and their families with opportunities for a better life, at Action Against Hunger we remain prudent on how we identify, manage and mitigate these risks.

Action Against Hunger is a forward-looking organisation driven by impact and cost-effectiveness, therefore it embraces higher risk approaches on innovation, complex programming, leading consortiums, creative fundraising, new ways of working, embracing digital technologies, exploring new technical approaches that challenge existing ones and any other activities that support the achievement of our objectives and the strategic priorities of the Action Against Hunger International network.

The Charity's risk appetite reflects the need to take risks in order to achieve our objectives, provided always that these risks do not breach our principles, values, policies, legal obligations or our duty of care to staff, donors and the populations we support.

Action Against Hunger UK's Risk Management Policy sets out the Charity's approach to risk management, and uses a risk management framework to support the identification, assessment and management of key risks, including the implementation of comprehensive mitigation plans and risk management strategies. This includes a thorough risk identification process; prioritisation of key risks based on an assessment of impact and likelihood; regular review of mitigation measures and controls; evaluation of risks against the Charity's risk appetite; and, where appropriate, the development of mitigation plans. Action Against Hunger regularly monitors its key risks with a view to embedding a strong risk-management culture across the Charity.

The Board is responsible for appointing members of the Charity's Audit, Risk and Compliance Committee, of which four Trustees were members in 2022. The main functions of the Committee are to:

- review and monitor the key risks and mitigation measures identified in the Charity's Risk Register
- oversee, support and advise the Executive Committee on the assessment, management and mitigation of key risks and to inform the board of any new major risks or key changes in the risk environment;
- monitor the implementation of existing mitigation measures and proposed mitigation action plans;
- review serious incident reports reported by the Executive Committee and confirm authority for these to be reported to the Charity Commission;
- ensure that risk management is mainstreamed and embedded within the culture of the Charity.

# KEY RISKS

The Risk Register is updated monthly by the Executive Committee and reviewed quarterly by the Audit, Risk and Compliance Committee and annually by the full Board of Trustees. The following major risks to the Charity were identified in 2022:

| Risk | Key mitigation measures |
|---|---|
| Field security incidents<br><br>We recognise the safety and security risks to staff working in complex environments to deliver our programmes | • Detailed security plans and guidelines are frequently updated in every country where work is carried out, to take account of changing conditions on the ground<br>• All staff travelling to high-risk locations receive comprehensive security training before any assignment<br>• Critical-incident management procedures and training are in place and are regularly reviewed/updated<br>• Country Security Plans are continually updated and global risk security mapping is carried out regularly |
| Safeguarding incidents at field level<br><br>We recognise the risk of harm to the people who come into contact with our charity through our work if appropriate safeguards are not in place | • International Safeguarding Policy applied across the Action Against Hunger network to ensure zero tolerance towards all forms of harm and abuse<br>• Pre-engagement checks, a robust Code of Conduct and mandatory safeguarding training for all staff<br>• Robust incident and complaints reporting processes and procedures<br>• Communication, due diligence and monitoring of safeguarding policies and procedures across all partners and suppliers in programme countries<br>• Regular testing to ensure the effectiveness of complaints and whistleblowing mechanisms<br>• Regular review of safeguarding incidents and mitigation measures by senior executive team and designated Safeguarding Trustee |
| Fraud, corruption and bribery<br><br>We recognise the operational risks inherent in working in challenging environments | • Zero tolerance policy towards fraud, corruption and bribery across the Action Against Hunger network<br>• Continued work to increase harmonisation of anti-fraud policies and procedures across all Action Against Hunger programmes (which was approved in April 2023)<br>• Robust incident reporting processes and training for all staff and downstream partners<br>• Global investment in network digitalisation of incident-management procedures<br>• Regular reporting and review by the Audit, Risk and Compliance Committee |

| | |
|---|---|
| Reduction of income<br><br>Risks to our income due to the reduction in ODA funding and increased cost of living in the UK | • Diversification of fundraising strategy to strengthen income portfolio<br>• Regular review of income strategies and identification of new income sources<br>• Continued work with key corporate supporters including significant events and campaigns<br>• Maximising opportunities to bid for new institutional and consortium funding opportunities<br>• Advocacy work to focused on increasing the ODA budget and prioritisation of global hunger |
| Staff recruitment, retention and engagement<br><br>We recognise the need to recruit, engage and retain talented and passionate people in order to fulfil our vision and objectives | • Staff surveys and close engagement with staff on workplace engagement and morale<br>• Development of a new 12-point Working Environment Action Plan to be rolled out in 2023<br>• Review and update of key Human Resources policies, including flexible working and annual leave |
| Cyber Attack or other significant IT issue<br><br>Risks of business interruption, loss of data, regulatory action and financial loss in the event of a breach | • Review of cyber protections and working from home practices to ensure sufficient protections in place<br>• Application of IT security measure, which are reviewed periodically |
| Non compliance with data protection legislation<br><br>A data breach could lead to regulatory action, fines and penalties and loss of trust and confidence from key stakeholders | • External report commissioned to assess the current level of compliance with data protection and privacy requirements and to provide recommendations for improvements<br>• Stage 1 of the external report led to an action plan, particularly in relation to supporters' data<br>• Ongoing work to implement the actions and improvements identified, including new policies and procedures and training |

# SERIOUS INCIDENTS

In 2022, we were notified of 45 allegations relating to fraud, abuse of power, sexual exploitation or harassment, terrorism or security across our programmes. Nine of these incidents met the Charity Commission's criteria for reporting serious incidents and were duly reported. All cases were thoroughly investigated and appropriate actions were taken. There were no serious incidents during 2022 that should have been reported to the Charity Commission but were not.

# ENERGY USE AND GREENHOUSE GAS EMISSIONS

In the year ended 31 December 2022, Action Against Hunger UK consumed less than 40,000 kWh of energy and therefore is exempt from the requirements to publish information regarding its annual emissions and energy consumption.

# STAKEHOLDER ENGAGEMENT

The Trustees are required to explain how they consider the interests of key stakeholders and the broader matters set out in Section 172 of the Companies Act 2006 in promoting the success of the company for the achievement of its charitable purposes. This statement focuses on matters of strategic importance and the level of information disclosed in this statement is consistent with the size and complexity of the business.

# FUNDRAISING STATEMENT

This statement sets out the Charity's approach to Fundraising as required by the Charities (Protection and Social Investment) Act 2016.

In 2022, Action Against Hunger UK raised £6 million through its fundraising activities. As described on pages 12 to 18 our Fundraising team pursued many approaches, including campaigns, corporate donations, fundraising events, grants from trusts and foundations, legacy gifts, regular giving and the People's Postcode Lottery. The Charity benefits from a number of commercial participator arrangements, mainly in the food sector, and used professional fundraisers to support its work. Due diligence is carried out on all third parties who we work with, to ensure appropriate compliance and a good return on investment.

The Charity complies with current regulations and best practice set out by regulatory bodies such as the Fundraising Regulator and monitors the activities of donors and professional fundraisers to manage the risk of non-compliance. Our complaints policy is available on the Charity's website; in 2022 we received five complaints about fundraising, all of which were responded to and resolved in accordance with our policy.

All of our giving pages and all direct marketing includes information about how a supporter can opt out of receiving further communications from us, information which is also included in our Supporter Promise, available on our website. We have signed up to the Fundraising Preference Service and received and actioned four requests in 2022.

# GENERAL CONFIRMATION OF TRUSTEES' DUTIES

Action Against Hunger UK's Board has a clear framework for determining the matters within its remit and has approved Terms of Reference for the matters delegated to its Committees. An explanation of the roles and responsibilities of the Board Committees can be found on page 30. When making decisions, each Trustee ensures that they act in good faith to best promote the company's success for the achievement of its charitable purposes, and in doing so will have regard (among other matters) to:

- **S172(1) (a) 'The likely consequences of any decision in the long-term'**

  The Charity is guided by a five-year strategic plan, at both UK and international level through the Action Against Hunger global network. In order to meet this, the Board of Trustees has to pay due regard to the long-term consequences of all its decisions. Throughout the life of the strategy its implementation is regularly monitored through annual progress reports, which help inform the long-term decision-making that is required to achieve the objectives set out in our strategy.

- **S172(1) (b) 'The interests of the Company's employees'**

  The Trustees recognise that Action Against Hunger UK employees are our most important asset and are fundamental to the delivery of our strategic plan. Our success depends on attracting, retaining, motivating and developing them, wherever they are located. The annual staff survey is one of the Board's principal tools to measure employee engagement, motivation and commitment to Action Against Hunger. It enables the Board to understand how we are learning from survey findings to strengthen Action Against Hunger's culture and values, and informs decision-making from pay and benefits to health, safety and wellbeing. The Staff Forum operates throughout the year as a mechanism for bringing any issues or suggestions for improvements to the Executive Committee, as well as being an important vehicle for staff consultation on any significant changes or restructuring.

- **S172(1) (c) 'The need to foster the Company's business relationships with suppliers, customers and others'**

  Action Against Hunger UK's key business relationships are with other members of the Action Against Hunger International network; the communities with whom we work; our suppliers; and our donors and supporters. Our engagement with these stakeholders is described within this report. In order to deliver our mission and strategy, and to create impact at scale, we need to work with others. We will continue to work primarily through the implementing members within the Action Against Hunger global network and also build our capacity to work through other partnerships, alliances and networks.

- **S172(1) (d) 'The impact of the Company's operations on the community and the environment'**

  The Board of Trustees has fully committed the organisation to the Core Humanitarian Standards on Quality and Accountability. These standards "put communities and people affected by crisis at the centre of humanitarian action". The charity fully subscribes to this ethos, which we enact in all of our programme delivery. Recognising that climate change is currently one of the main drivers of food insecurity and hunger, we advocate on this and ensure that within our programme work and in the UK, due attention is paid to the environmental impact of everything we do.

- **S172(1) (e) 'The desirability of the Company maintaining a reputation for high standards of business conduct'**

It is important that Action Against Hunger UK continues to maintain its reputation for high standards of conduct in all its work. As part of the Action Against Hunger global network, all employees and trustees are required to sign and abide by a Global Code of Conduct. We also ensure compliance at all times with the high standards of business conduct attached to receiving funding from many important institutional and private donors, including the FCDO/UK Aid. Currently, the Remuneration, Compensation and Governance Committee promotes the implementation of recommended practices set out in the Charity Code of Good Governance.

- **S172(1) (f) 'The need to act fairly as between members of the Company'**

  This is not applicable to Action Against Hunger UK's organisational structure, as the Trustees are the only members of the Charity and the Charity is run in the interests of its charitable objectives rather than in the interests of its members.



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# STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Strategic Report, the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounts Standards (United Kingdom Generally Accepted Accounting Practice). The Trustees confirm they comply with the Companies Act 2006 and the Charities Statement of Recommended Practice (FRS 102) 2019.

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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity 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 accounting 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 the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the directors at the time the report is approved are aware:

a) there is no relevant audit information of which the auditors are unaware and,

b) that they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.



**Mr Paul Wilson**

Chair of Trustees
Approved by the Board on 3 October 2023



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# INDEPENDENT AUDITOR'S REPORT

To the members of Action Against Hunger UK

## OPINION ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Action Against Hunger UK for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Statements of Financial Position, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2022 and of the group's and parent charitable company's net movement in funds, including the 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 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 group 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. 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 the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' 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 the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report). We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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 FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustees' responsibilities statement set out on page 48 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 group's and the parent 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 group or the parent 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales and Scotland, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, fundraising regulations and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to income and grant expenditure recognition. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with

unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 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.



Vikram Sandhu (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
Date: 27 October 2023

10 Queen Street Place
London
EC4R 1AG

# FINANCIAL STATEMENTS

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
**FOR THE YEAR ENDED 31 DECEMBER 2022**

| | Note | 2022 Unrestricted £ | 2022 Restricted £ | 2022 Total £ | 2021 Total £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2a | 3,232,388 | 2,791,835 | **6,024,223** | **3,981,320** |
| Charitable activities | 2b | 4,021,385 | 31,068,158 | **35,089,543** | **(2,046,371)** |
| Investment and other income | 2c | 10,666 | - | **10,666** | **66,374** |
| Total income | | 7,264,439 | 33,859,993 | **41,124,432** | **2,001,323** |
| **Expenditure on:** | | | | | |
| Raising funds | 3 | 1,796,239 | 544,529 | **2,340,768** | **1,436,857** |
| Charitable activities | 4 | 4,910,130 | 31,892,957 | **36,803,087** | **(265,866)** |
| Total expenditure | | 6,706,369 | 32,437,486 | **39,143,855** | **1,170,991** |
| **Net income** | | **558,070** | **1,422,507** | **1,980,577** | **830,332** |
| **Net movement in funds** | | 558,070 | 1,422,507 | **1,980,577** | **830,332** |
| **Reconciliation of funds:** | | | | | |
| Total funds brought | | 2,027,929 | 766,469 | **2 ,794,398** | **1,964,066** |
| **Total funds carried forward** | | 2,585,999 | 2,188,976 | **4,774,975** | **2,794,398** |

The results for the year shown above all derive from continuing operations. There are no recognised gains or losses for the year other than those show above. There are no material differences between the results for the year as stated above and those calculated on a historical cost basis.

The accompanying notes on pages 57 to 70 form an integral part of these Financial Statements.

(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

# CONSOLIDATED AND CHARITY STATEMENTS OF FINANCIAL POSITION

## FOR THE YEAR ENDED 31 DECEMBER 2022

**COMPANY NUMBER: 3069468**

| | Notes | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 9 | 51,906 | 65,356 | 51,906 | 65,356 |
| Investment in subsidiary | 10 | - | - | 1 | 1 |
| **Current assets** | | | | | |
| Debtors and prepayments | 11 | 12,619,865 | 11,693,631 | 12,619,866 | 11,693,631 |
| Cash at bank and in hand | | 7,879,971 | 4,031,115 | 7,809,285 | 4,031,115 |
| | | 20,499,836 | 15,724,746 | 20,429,151 | 15,724,746 |
| **Creditors** | | | | | |
| Amounts falling due within one year | 12 | (15,776,767) | (12,995,704) | (15,924,765) | (12,995,705) |
| **Net current assets** | | 4,723,069 | 2,729,042 | 4,504,386 | 2,729,041 |
| **NET ASSETS** | | **4,774,975** | 2,794,398 | **4,556,293** | **2,794,398** |
| **FUNDS** | | | | | |
| Unrestricted funds | 13 | 2,285,999 | 2,027,929 | 2,067,317 | 2,027,929 |
| Designated funds | 13 | 300,000 | - | 300,000 | - |
| Restricted funds | 13 | 2,188,976 | 766,469 | 2,188,976 | 766,469 |
| | | **4,774,975** | 2,794,398 | **4,556,293** | **2,794,398** |

The surplus for the financial year dealt with in the financial statements of the parent Company was £339,386 (2021: surplus of £655,857).

Approved and authorised for issue by the Board on 3 October 2023, and signed on their behalf by:



**Mr Paul Wilson (Chair of Trustees)**

(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

# CONSOLIDATED STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 DECEMBER 2022

| | Note | 2022 | 2021 |
|---|---|---|---|
| | | £ | £ |
| **Net cash used in operating activities** | 1 | 3,839,403 | (2,940,210) |
| **Cash flows from investing activities** | | | |
| Investment income received | | 10,666 | 684 |
| Purchase of fixed assets | | (9,870) | (20,199) |
| **Net cash (used in)/provided by investing activities** | | **796** | **(19,515)** |
| Change in cash and cash equivalents in the year | | 3,840,199 | (2,959,724) |
| Cash and cash equivalents at 1 January | | 4,039,772 | 6,990,839 |
| **Increase in cash equivalents in the year** | | **7,879,971** | **4,031,115** |
| **1. Reconciliation of net income/(expenditure) to net cash flow from operating activities** | | | |
| Net income/(expenditure) | | 1,980,577 | 830,332 |
| Depreciation of tangible fixed assets | | 23,321 | 23,077 |
| Decrease/(Increase) in debtors | | (919,490) | 25,401,329 |
| (Decrease)/Increase in creditors | | 2,765,661 | (29,194,264) |
| Investment income receivable | | (10,666) | (684) |
| **Net cash used in activities** | | **3,839,403** | **(2,940,210)** |

A reconciliation of net debt has not been presented as the group does not hold any debt balances.

# ACTION AGAINST HUNGER UK
# NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 ACCOUNTING POLICIES

**(a) Basis of accounting**

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006, Charities Act 2011, Charities Accounts (Scotland) Regulations 2006, Charities and Trustee Investment (Scotland) Act 2005, Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities effective from 1 January 2019, FRS102, and applicable United Kingdom accounting standards. The Charity has adapted the Companies Act formats to reflect the Charities SORP and the special nature of the Charity's activities.

In assessing whether it is appropriate to prepare the accounts on a going concern basis, the Trustees (who are the Directors of Action Against Hunger UK for the purposes of company law and the trustees of Action Against Hunger UK for the purposes of charity law) have taken account of the current levels of unrestricted reserves and cash and the current and future expected funding environment.

The Trustees continue to review the Charity's financial performance, business plans and budgets on a quarterly basis and are content that the 2022 accounts should be prepared on a going concern basis. The going concern assumption is based on the result achieved in 2022, financial performance against budget to date, forecast to the end of 2023 and budget assumptions for 2024 financial year.

The financial year 2023 is predicted to end in a break-even position for unrestricted funds and maintain the level of general reserves achieved at the end of 2022.

In 2024, unrestricted income is expected to rise slightly to match unrestricted expenditure with new investments in income generation from the designated fund.

Our overseas operations, which historically have been funded largely by FCDO through restricted grants, is expected to continue at the level achieved in 2022 and 2023.

Having considered all these matters, the Trustees do not believe there is a material uncertainty and so have prepared the accounts on a going concern basis.

**(b) Basis of consolidation**

The consolidated accounts include the accounts of the charitable company, Action Against Hunger (UK) Limited and its 100 per cent owned trading subsidiary Action Against Hunger Enterprises Limited, which is consolidated on a line-by-line basis. No separate Statement of Financial Activities (SoFA) has been presented for the charity as permitted by Section 408 of the Companies Act 2006.

**(c) Income**

Income is included in the SoFA when the charity is entitled to it, the receipt is probable and the amount can be quantified with reasonable accuracy. For restricted grants from institutional donors (e.g. charitable entities, governments

or other non-governmental organisations), where receipt of funding is conditional only on administrative requirements such as the submission of a claim, it has been recognised. Where there are restrictions on the time period in which funding received can be spent, or where there are other conditions that specify the services to be performed under the grant agreement or contract, the income has not been recognised. Occasionally, a grant maker may reduce the value of their grant sometime after the initial agreement is signed. This happened in 2021 with 2 grants signed with FCDO – 'Nigeria SUNNY' and 'Afghanistan R3'. A further FCDO grant signed in 2020 – 'Nigeria LAFIYA-HeRON' was terminated in 2022. In such cases, the decrease to the grant and income that has been recorded in prior periods will be adjusted in the period in which the grant reduction is made. See note 2(b) (i) below for further details.

**(d) Expenditure recognition**

Expenditure is included in the financial statements on an accruals basis.

Subcontracted grants to other members of the Action Against Hunger network or third parties are charged to the Statement of Financial Activities when they have been approved and where a binding commitment has been made to the other organisation. Subcontracted grants that have been approved but not yet disbursed at the balance sheet date are carried forward as creditors in the balance sheet. In situations where grants from public funders are reduced subsequent to the signing of the initial grant agreement (see note 1(c) above), the liability to the subcontracted partner will be reduced by the same amount under the terms of the subcontract agreement.

**(e) Basis of allocation or apportionment of expenditure**

Expenditure during the year is analysed into raising funds and charitable activities.

Notes 3 and 4 provide an analysis of these categories. All costs are directly charged against the appropriate category. The basis of apportionment of support costs is stated in Note 5.

**(f) Tangible fixed assets**

Tangible fixed assets costing more than £500 are capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures, fittings and equipment – 25% on cost
Leasehold property improvements – over the term of the lease

**(g) Operating leases**

Rentals under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income as incurred.

**(h) Foreign currencies**

Foreign currency transactions are recorded at the average exchange rate for the month in which the transaction arose. Year end balances held in foreign currencies

are converted at the closing rate. All differences on conversion are charged to the SoFA.

**(i) Fund accounting**

Restricted funds are monies provided by grant or donation for specific projects. Unrestricted funds consist of funds or gifts in kind provided for general charitable activities or monies raised from appeals for specific emergency responses.

**(j) Pension**

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered scheme. The pension cost charge payable by the Charity in the year amounted to £84,509 (2021: £76,719). At the end of the financial year there were no contributions (employee and employer) still to be paid over to the scheme (2021: £Nil).

**(k) Gifts in kind**

Action Against Hunger accepts gifts in kind (goods and services) that are in line with the charities mandate from individuals, corporates, foundations and government agencies. Gifts in kind are defined by Action Against Hunger UK as goods and services received for the purpose of carrying out the activities of the charity and also for fundraising and awareness of the organisation. These are non-monetary items that are valued at fair market price.

**(l) Accounting estimates and key judgements**

In the application of the charity's accounting policies the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and 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 revision and future periods if the revision affects the current and future periods. The significant judgements and estimates that could impact the carrying amounts of assets and liabilities are as follows:

**Revenue Recognition**

Revenue Recognition requires judgement to appropriately apply the income accounting policies across the different funding streams the Charity has. Note 1(c) above details the accounting principle adopted and its application in particular to restricted grants received from institutional funders, such as FCDO (UK Aid).- the judgements made in recording such income are continually reassessed including in cases where the grant agreement wording and conditions are changed from year to year, and where appropriate provision is made for contingencies or deferrals to account for conditions yet to be fulfilled.

# ACTION AGAINST HUNGER UK

(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2022

## 2 INCOMING RESOURCES

### 2 (a) Donations and legacies

| | 2022 Unrestricted £ | 2022 Restricted £ | 2022 Total £ | 2021 Unrestricted £ | 2021 Restricted £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| **Donations and legacies** | | | | | | |
| Individuals (including legacies and events) | 1,559,260 | 152,690 | **1,711,950** | 1,212,589 | 72,754 | **1,285,343** |
| Corporate donors | 1,192,566 | 561,209 | **1,753,775** | 861,255 | 409,010 | **1,270,265** |
| Trusts & Foundations | 480,562 | 2,077,936 | **2,558,498** | 538,098 | 846,370 | **1,384,468** |
| Gifts in kind | - | - | **-** | 41,244 | - | **41,244** |
| **Total** | **3,232,388** | **2,791,835** | **6,024,223** | **2,653,186** | **1,328,134** | **3,981,320** |

### 2 (b) Charitable activities

| | 2022 Unrestricted £ | 2022 Restricted £ | 2022 Total £ | 2021 Unrestricted £ | 2021 Restricted £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| **Grant-based activities** | | | | | | |
| UK Government – Start fund | - | 9,404,103 | **9,404,103** | - | 1,011,894 | **1,011,894** |
| UK Government – FCDO | - | 3,104,413 | **3,104,413** | - | 1,259,174 | **1,259,174** |
| Al-Thani Humanitarian fund | - | 4,597,491 | **4,597,491** | - | - | **-** |
| Disasters Emergency Committee | 95,426 | 12,706,534 | **12,801,960** | - | 250,317 | **250,317** |
| Others | 11,126 | - | **11,126** | - | 699,423 | **699,423** |
| FCDO grant reductions (note i) | - | - | **-** | - | (10,383,609) | **(10,383,609)** |
| **Total** | **106,552** | **29,812,541** | **29,919,093** | **-** | **(7,162,801)** | **(7,162,801)** |

Note (i) – During 2021, we agreed with FCDO reductions to 2 grants that had been signed in prior year, – 'Nigeria SUNNY' and 'Afghanistan R3'. In addition, in 2022 a FCDO funded programme of which Action Against Hunger was a consortium member 'LAFIYA – HeRON', was terminated early by FCDO. These reductions were an exceptional occurrence and made as a consequence of FCDO seeking budget savings related to the reduction in the UK aid budget from 0.7 per cent to 0.5 per cent of GDP. As noted above at note 1(c) the decrease to the grant and income that has been recorded in prior periods is adjusted in 2021.

## 2 (b) Charitable activities (continued)

| | 2022 Unrestricted £ | 2022 Restricted £ | 2022 Total £ | 2021 Unrestricted £ | 2021 Restricted £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| **Monitoring and evaluation services** | | | | | | |
| UK Government – FCDO | - | - | **-** | - | 1,760,568 | **1,760,568** |
| UN agencies | - | 51,702 | **5 1,702** | - | 276,402 | **276,402** |
| Others | - | 756,785 | **756,785** | (121,147) | 466,450 | **345,303** |
| | **-** | **808,487** | **808,487** | **(121,147)** | **2,503,420** | **2,382,273** |

| | 2022 Unrestricted £ | 2022 Restricted £ | 2022 Total £ | 2021 Unrestricted £ | 2021 Restricted £ | 2021 Total £ |
|---|---|---|---|---|---|---|
| Provision of employees to Action Against Hunger programme | 3,914,833 | - | **3 ,914,833** | 2,573,344 | - | 2,573,344 |
| Other services for Action Against Hunger network partners | - | 447,130 | **447,130** | 157,563 | 3,250 | 160,813 |
| | 3 ,914,833 | 447,130 | **4,361,963** | 2,730,907 | 3,250 | 2,734,157 |
| **Total charitable activities** | **4,021,385** | 31,068,158 | **35,089,543** | **2,609,760** | **(4,656,131)** | **(2,046,371)** |

## 2 (c) Investment and other income

| | | | | | | |
|---|---|---|---|---|---|---|
| UN agencies | | | **-** | 684 | - | 684 |
| Others | 10,666 | - | **10,666** | 65,690 | - | 65,690 |
| **Total investment and other income** | 10,666 | - | **10,666** | 66,374 | - | 66,374 |

## 3 EXPENDITURE ON RAISING FUNDS

| | Direct Costs 2022 | Support Costs 2022 | Total 2022 | Total 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Fundraising events | 102,549 | - | **102,549** | **263,133** |
| Other fundraising activities | 1,832,086 | 406,133 | **2,238,219** | **1,173,724** |
| | **1,934,635** | **406,133** | **2,340,768** | **1,436,857** |

All fundraising events expenditure in 2022 and 2021 relates to unrestricted expenditure. Within other fundraising activity costs, £544,529 relates to restricted expenditure (2021: £193,918).

## 4 CHARITABLE ACTIVITIES

| | Direct | Support Costs | Total 2022 | Total 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Overseas projects | 31,526,476 | 444,812 | **31,971,288** | **(3,271,054)** |
| Supply of aid workers | 3,835,164 | - | **3,835,164** | **2,462,567** |
| Advocacy/ awareness raising | 192,496 | 58,019 | **250,515** | **173,327** |
| MEAL and Nutrition services | 668,761 | 77,359 | **746,120** | **369,294** |
| | **36,222,897** | **580,190** | **36,803,087** | **(265,866)** |

Of total charitable activities, £4,910,130 relates to unrestricted expenditure (2021: £3,797,840) and (£31,892,957) relates to restricted expenditure (2021: £4,063,705).

## 5 SUPPORT COSTS

| | Executive Office | Admin | Finance and IT | HR | Total 2022 | Total 2021 |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Allocated to Project costs** | | | | | | |
| Overseas projects | 67,999 | 169,081 | 88,412 | 119,320 | **444,812** | **332,967** |
| Recruitment of aid workers | | | | | **-** | **55,494** |
| Advocacy/ awareness raising | 8 ,870 | 22,054 | 11,532 | 15,563 | **58,019** | **27,747** |
| MEAL and Nutrition services | 11,826 | 29,405 | 15,376 | 20,752 | **77,359** | **138,736** |
| | 88,695 | 220,540 | 115,320 | 155,635 | **580,190** | **554,944** |
| **Allocated to Fundraising** | 62,086 | 154,378 | 80,724 | 108,945 | **406,133** | **177,922** |
| | **1 50,781** | **374,918** | **196,044** | **264,580** | **986,323** | **732,866** |

**Basis for support cost allocation**
Staff costs have been allocated on a basis consistent with the time spent on each activity. Office and administration costs are allocated based on number of staff. Direct support costs are allocated directly to project costs. Increase in support cost is primarily due to a decision to allocate HR cost to support cost in 2022 rather than to direct charitable activities.

## 6 STAFF COSTS

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Staff costs for employees on UK contracts** | | |
| Wages and salaries | **6,337,617** | **4,992,144** |
| Employer pension conributions | **84,509** | **76,719** |
| Social security costs | **341,664** | **306,540** |
| | **6,763,790** | **5,375,403** |

The above amounts represent costs for the parent charity and the group (the parent charity's subsidiary does not employ any staff). The total emoluments earned and paid to the Chief Executive Jean-Michael Grand, for the year, including pension contributions, was £119,036 (2021: £112,432). The number of other employees whose remuneration amounted to over £60,000 in the year was as follows:

| | 2022 | 2021 |
|---|---|---|
| £80,001 to £90,000 | **2** | 2 |
| £70,001 to £80,000 | **4** | 4 |
| £60,001 to £70,000 | **7** | 5 |

Remuneration includes salaries and benefits in kind but excludes employer pension scheme contributions. No contributions were made to defined benefit schemes for employees whose remuneration was greater than £60,000.

Excluding the Chief Executive, total emoluments paid to other members of the Senior Management Team totaled £979,915 (2021: £867,340) in the year.

The average number of staff working overseas employed by Action Against Hunger under UK contracts during the year was 87 (2021: 74). At the year-end, staff numbers overseas were 95 (2021: 79). These amounts include staff that worked overseas on projects run by both Action Against Hunger and other members of the Action Against Hunger International network. The average number of staff employed by Action Against Hunger and working in the UK in 2022 was 61 (2021: 62). At the year-end, UK staff numbers were 61 (2021: 62).

**Trustees' expenses and remuneration and related party transactions**
Trustees are not remunerated and no expenses were claimed in 2022 (2021: £Nil).

## 7 NET INCOME

| | 2022 | 2021 |
|---|---|---|
| **Net Income/(Expenditure) is stated after charging:** | £ | £ |
| Depreciation of tangible fixed assets | **23,321** | **23,077** |
| Operating lease payments – property | **230,644** | **192,512** |
| Auditor's remuneration: Charity | **35,000** | **35,000** |
| Trading subsidiary | **5,000** | **2,500** |

## 8 TAXATION

The charitable company meets the definition of a charity in Schedule 6 Finance Act 2010 and accordingly is entitled to exemptions set out in Part II Corporation Tax Act 2010 and section 256 Taxation of Chargeable Gains Act 1992 to the extent that its income and gains are applied for charitable purposes.

## 9 TANGIBLE FIXED ASSETS

| Group and Charity | Leasehold property improvements | Fixtures fittings & equipment | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost** | | | |
| At 1 January 2022 | 248,626 | 99,968 | 348,594 |
| Additions | - | 9,870 | 9,870 |
| At 31 December 2022 | 248,626 | 109,838 | 358,464 |
| **Depreciation** | | | |
| At 1 January 2022 | 208,390 | 74,848 | 283,238 |
| Charge for the year | 11,824 | 11,496 | 23,320 |
| At 31 December 2022 | 220,214 | 86,344 | 306,558 |
| **Net book value** | | | |
| At 31 December 2022 | **28,412** | **23,494** | **51,906** |
| At 31 December 2021 | 40,236 | 25,120 | 65,356 |

## 10 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Action Against Hunger Enterprises Limited (Company number 6569439) is a wholly owned subsidiary and is a company incorporated in England & Wales. The principal activity is conducting trading fundraising activities for the charity.

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Share capital** | | |
| Authorised | **100** | 100 |
| Called up | **1** | 1 |

A summary of the company's trading results and statement of financial position is shown below.

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Statement of income and retained earnings** | | |
| Turnover | **218,745** | **12,775** |
| Cost of sales | **(61)** | **(177)** |
| Net profit before taxation | **218,684** | **12,598** |
| Taxation | **-** | - |
| Retained profit for the year | **218,684** | **12,598** |
| **Statement of financial position** | | |
| Current assets | **252,225** | **15,402** |
| Current liabilities | **( 33,540)** | **(3,027)** |
| Net current assets | **218,685** | **12,375** |
| Total assets less current liabilities | **218,685** | **12,375** |
| **Capital and Reserves** | | |
| Called up share capital | **1** | **1** |
| Retained profit | **218,684** | **12,374** |
| Equity shareholders' funds | **218,685** | **12,375** |

## 11 DEBTORS

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|---|---|---|---|---|
| Institutional donors | 11,691,078 | 9,525,186 | 11,691,078 | 9,525,186 |
| Action Against Hunger – Canada | 3 ,598 | 25,688 | 3,598 | 25,688 |
| Action Against Hunger – Spain | - | 1,570,079 | - | 1,570,079 |
| Action Against Hunger – India | 485,806 | 67,682 | 485,806 | 67,682 |
| Accrued income | 317,916 | 400,878 | 317,916 | 400,878 |
| Sundry debtors | 82,394 | 70,091 | 82,394 | 70,091 |
| Prepayments | 39,073 | 34,027 | 39,074 | 34,027 |
| Total | 12,619,865 | 11,693,631 | 12,619,866 | 11,693,631 |

Institutional debtors are related to grant agreements signed with FCDO, directly or via a consortium lead or managing agent. As noted above, our accounting policy recognises the full amount of the grant at the time the agreement is signed and therefore the full grant amount is treated as a current debtor rather than as a debtor due after more than one year.

## 12 CREDITORS

| Amounts falling due within one year: | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|---|---|---|---|---|
| Action Against Hunger – France | 14,287,525 | 11,579,964 | 14,287,525 | 11,579,964 |
| Action Against Hunger – Spain | 192,757 | 101,149 | 192,757 | 101,149 |
| Action Against Hunger – USA | 526,521 | 189,963 | 526,521 | 189,963 |
| Deferred income | 202,787 | 254,790 | 202,787 | 254,790 |
| Other creditors | 412,196 | 669,645 | 593,735 | 672,672 |
| Tax Payable | 33,540 | 3,027 | - | - |
| Accruals | 121,441 | 197,166 | 121,441 | 197,167 |
| Total | 15,776,767 | 12,995,704 | 15,924,765 | 12,995,705 |

The deferred income relates to our Advocacy project for which the income was received in 2021 from AECID (Agencia Espanola de Coopercion international de Desarrollo). In 2022, a total of £52,003 was expended and £202,787 is being carried forward for use in 2023.

## 13 STATEMENT OF FUNDS

| | As at 1 Jan 2022 | Income 2022 | Expenditure 2022 | 31 Dec 2022 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| DEC Afghanistan appeal | - | 1 ,473,064 | ( 1,366,977) | 106,087 |
| DEC Ukraine emergency appeal 2022 | - | 11,358,668 | (10,564,880) | 793,788 |
| People's Postcode Lottery | 12,177 | 903,197 | (752,361) | 163,013 |
| Evaluation, learning and accountability (ELA) | - | 165,384 | (145,316) | 20,068 |
| Al-Thani Foundation | - | 4 ,597,491 | ( 4,597,491) | - |
| FCDO START Fund | - | 92,343 | (92,343) | - |
| BRCiS HARBS Emergency Programme | - | 740,000 | (740,000) | - |
| FCDO IRF Drought Scale-up | - | 2 ,020,678 | ( 2,020,678) | - |
| Darwin Initiative Innovation – Farming-Zimbabwe | - | 188,841 | (188,841) | - |
| AECID Advocacy 2022 | - | 52,003 | (52,003) | - |
| Senegal Start Ready Drought Activation 2022 | - | 330,000 | (323,333) | 6,667 |
| Spain Food Poverty Programme | - | 10,000 | - | 10,000 |
| Punch year 2 | - | 9,404,103 | ( 9,390,664) | 13,439 |
| International Executive Secretariat | - | 18,752 | (2,248) | 16,504 |
| WHH Forecast-Based Action | - | 19,483 | - | 19,483 |
| Madagascar coverage survey | - | 37,678 | (14,996) | 22,682 |
| DEC Pakistan flood appeal | - | 208,200 | (840) | 207,360 |
| innocent Foundation | - | 399,939 | - | 399,939 |
| Power of Nutrition Gujarat | 306,134 | 87,827 | ( 21,229) | 372,732 |
| Other | 448,158 | 1 ,752,342 | ( 2,163,286) | 37,214 |
| Total restricted funds | 766,469 | 33,859,993 | (32,437,486) | 2,188,976 |
| Unrestricted funds | 2,027,929 | 7 ,264,439 | ( 6,706,369) | 2,585,999 |
| **TOTAL FUNDS** | **2,794,398** | **41,124,432** | **(39,143,855)** | **4,774,975** |

The unrestricted fund above consists of £300,000 designated fund and £2,285,999 unretsricted fund. Please see the Consolidated and Charity Statement of Financial Position on page 55 for more information.

## 13 STATEMENT OF FUNDS

| | As at 1 Jan 2021 | Income 2021 | Expenditure 2021 | 31 Dec 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| FCDO Shine Somalia | - | 1,441,352 | (1,441,352) | - |
| Start Fund alerts | - | 579,110 | (579,110) | - |
| Start Fund Bangladesh hosting | - | 399,576 | (355,000) | 44,576 |
| FCDO Integrated Reponse Rohingya Crisis in Cox's Bazaar Bangladesh | - | 378,500 | (378,500) | - |
| People's Postcode Lottery | - | 425,000 | (412,823) | 12,177 |
| FCDO MERIAM | - | 319,216 | (319,216) | - |
| Power of Nutrition Gujarat | - | 325,328 | (19,194) | 306,134 |
| DEC Afghanistan appeal | - | 380,716 | (380,716) | - |
| DEC Covid-19 appeal | - | 250,317 | (250,317) | - |
| CIFF SAM 2.0 Project | 103,628 | - | - | 103,628 |
| UN projects | - | 276,402 | (276,402) | - |
| Alborada Trust | - | 317,800 | (227,800) | 90,000 |
| Soneva Foundation | - | 19,800 | (19,800) | - |
| Barclay's UK project | 100,000 | - | (100,000) | - |
| Bloom Foundation | - | 20,000 | (20,000) | - |
| Action Against Hunger Network | - | 3,250 | (3,250) | - |
| FCDO SHARP Somalia | - | 880,674 | (880,674) | - |
| Others | 21,051 | 1,038,571 | (849,668) | 209,954 |
| FCDO prior year grant reduction | - | (10,383,609) | 10,383,609 | - |
| Total restricted funds | 224,679 | (3,327,997) | 3,869,787 | 766,469 |
| Unrestricted funds | 1,739,387 | 5,329,320 | (5,040,778) | 2,027,929 |
| **TOTAL FUNDS** | **1,964,066** | **2,001,323** | **(1,170,991)** | **2,794,398** |

## 14 ACCOUNTING ESTIMATES AND KEY JUDGEMENTS

Significant estimates within the financial statements are those grants income and expenditure in line with the accounting policy stated in note 1 (page 56-57). These are multi-year grants which have been recognised at the value assessed at the time of signing the contract.

## 15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

| Fund balances at 31 December 2022 are represented by: | Unrestricted funds | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Tangible fixed assets | 51,906 | - | 51,906 |
| Net current assets | 2,534,093 | 2,188,976 | 4,723,069 |
| **Total net assets** | **2,585,999** | **2,188,976** | **4,774,975** |

| Fund balances at 31 December 2021 were: | Unrestricted funds | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Tangible fixed assets | 65,356 | - | 65,356 |
| Net current assets | 1,962,573 | 766,469 | 2,729,042 |
| **Total net assets** | **2,027,929** | **766,469** | **2,794,398** |

## 16 OPERATING LEASE COMMITMENTS

The company and the group have total outstanding operating lease commitments relating to the lease of its London office of £552,506 (2021: £768,160).

## 17 CONNECTED CHARITIES

The directors consider Action Contre la Faim ('Action Against Hunger'), a charity registered in France, to be a connected charity. Action Against Hunger has the same objectives to that of the Company and works closely with it. Its business address is 14/16 Boulevard Douaumont – CS 80060, 75854 Paris CEDEX, France, from which accounts can be obtained. Other connected charities are Action Against Hunger USA, a charity registered in the US, and Action Contra el Hambre, a charity registered in Spain, Action Against Hunger Canada, a charity registered in Canada and Fight Hunger Foundation, a charity registered in India. Expenses are recharged between the connected charities where staff and other resources are used on projects run by the other charity. This gives rise to the balances at the year-end referred to in Notes 11 and 12.

## 18 RELATED PARTIES

Action Against Hunger is one of the five members of the trading company Action Against Hunger Licensing Ltd, a company based in the UK (Company No. 06672034). One of its main roles is to license its Action Against Hunger members the right to use trademarks. The Action Against Hunger UK Executive Director is a Director of that company. During the year UK license expenses totaling £536 were charged to Action Against Hunger UK by Action Against Hunger Licensing Ltd. At the year end an amount of £16,181 was due from Action Against Hunger Licensing Ltd to Action Against Hunger UK.

Action Against Hunger UK is also a member of Action Against Hunger Development, a foundation registered in France and an organisation that pools resources and expertise to support the development of Action Against Hunger International Network. One of Action Against Hunger's Trustees is a Executive Director of that organisation.



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# THANK YOU

Action Against Hunger could not fulfil its mission without the support of our donors and stakeholders. Thank you to all our fantastic supporters and partners for your generosity in 2022. We would like to thank the following donors and partners for supporting us this year:

Bakkavor Limited
Boparan Restaurant Group
C B & H H Taylor 1984 Trust
D&D Limited
Department for Environment Food and Rural Affairs (DEFRA)
Disasters Emergency Committee (DEC)
ELRHA
Ethnic Brand Marketing
Foreign, Commonwealth & Development Office (FCDO)
Google
Hawksmoor Limited
Kelly Deli Company Limited
Klarent Hospitality
Mowgli
North Brewing Company Limited
People's Postcode Lottery
Pizza Pilgrims
Power of Nutrition
Punch
Revolut
Schroders
Somerset County Council
Soneva Foundation
Starbucks
Start Network
Tao Group London (including Hakkasan and Yauatcha restaurants)
Tenderstem® Broccoli
Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund
The ALBORADA Trust
The Dr Martens Foundation
the innocent foundation
The Pig
The Grace Trust
The Souter Charitable Trust
The Waterloo Foundation
Unearthed®
WOLF
YO! Sushi

We thank all our Love Food Give Food partners and all those who supported our emergency appeals and our long-term development programmes. And we thank our chef, celebrity and committee supporters:

Angela Hartnett, OBE, MBE
Asma Khan
Atul Kouchar
Bill Knott
Candice Brown
Ed Wilson
Florence Knight
Giles Duley
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Sam Hainsworth
Sanjay Gour
Soren Jessen
Tom Best MBE
Tom Kerridge
Tomos Parry OBE
Vivek Singh
Will Beckett OBE

You have all helped us to achieve our mission of tackling hunger and malnutrition around the world: thank you!

# WAYS TO GET INVOLVED

## SIGN UP TO RECEIVE AN E-NEWSLETTER

If you'd like to receive regular emails about our work, please sign up via our website. You can unsubscribe at any time, although we'd love you to stay!

## RAISE FUNDS FOR US

You could organise a fundraising event, carry out a challenge or set up a Just Giving page. For ideas, please visit the Fundraise for Us page on the website or email Amy at publicfundraising@actionagainsthunger.org.uk

## CAMPAIGN WITH US

Please support our campaign to prevent famine in East Africa by calling on the UK government to step up and act now to provide life-saving support that can stop the current hunger crisis becoming a catastrophe for millions. Visit our 'Campaign With Us' page for actions including writing to your MP, or for further information please write to theadvocacyteam@actionagainsthunger.org.uk.

## TELL OTHERS ABOUT OUR WORK

Please like us on Facebook (Action Against Hunger UK) and follow us on Instagram (actionagainsthungeruk), TikTok (actionagainsthungeruk), Twitter (@AAH_UK) and LinkedIn (Action Against Hunger UK). Engage with our posts and tell your friends, family and colleagues about what we do.

## BECOME OUR PARTNER

If you're a company looking for a Charity of the Year partnership, a trust looking to make a difference, or a philanthropist who would like to support our life-saving work, we would love to hear from you. If you are a company, write to us at partnerships@actionagainsthunger.org.uk and if you're a trust, foundation or philanthropist, please write to us at philanthropy@actionagainsthunger.org.uk

## DONATE TO US

If you'd like to make a one-off donation or become a regular donor to our work, if you'd like to play the Lottery, or if you'd like to leave a gift in your will, please contact Amy at support@actionagainsthunger.org.uk. Alternatively, you can make a donation on our website or here by scanning the QR code.





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ACTION AGAINST HUNGER

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Action Against Hunger UK

The company is registered in England No. 3069468 and was incorporated on 16 June 1995. The company is a registered charity No. 1047501 (England and Wales) and from April 2018 in Scotland, SC048317

**Action Against Hunger UK**

England & Wales - Charity number 1047501

# Accounts

ACTION AGAINST HUNGER



# ANNUAL REPORT AND FINANCIAL STATEMENTS

**Action Against Hunger (UK)**
**Company 03069468**
**Year ended 31 December 2021**

**2021**

# ABOUT ACTION AGAINST HUNGER

Action Against Hunger is building a world where no one dies from hunger. Life-threatening hunger is predictable, preventable and treatable, so a world without it is possible. We tackle it where it hits and lead research to stop it. We work relentlessly to save lives and create a world free from hunger.

## OUR MISSION

No one needs to die from hunger. We predict and prevent it. Where it exists, we treat it.

We stop life-threatening hunger in its tracks. By training parents and healthcare workers to spot the signs, we get life-saving care to people who need it. Our research drives forward understanding of how to predict, prevent and treat life-threatening hunger. With unbeatable knowledge and unstoppable determination, we're taking action against hunger.

## A GLOBAL NETWORK

Action Against Hunger UK is part of an international network that operates under the name of Action Against Hunger, with head offices in Canada, France, Germany, India, Spain, the UK and the USA. It also has a fundraising office in Italy. Each Action Against Hunger member is legally independent but shares a common mandate, values, operating principles, quality standards and strategy.

The narrative sections of this report refer to those activities for which Action Against Hunger UK has management responsibility, unless otherwise stated.

The company is a registered charity No. 1047501 (England and Wales) and SC048317 (Scotland). The company is registered in England No. 03069468 and was incorporated on 16 June 1995.

Cover image: © Peter Caton for Action Against Hunger

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# WHY WE DO WHAT WE DO

## 1 in 10

Globally, one in ten people are hungry or undernourished

## 828 million

Around the world, we produce more than enough food to feed the global population – but 828 million people still go to bed hungry every night

## 30 million

In 2021, 30 million more people were affected by hunger as a result of the Covid-19 pandemic

## 2 million

More than 2 million children die from malnutrition every year

## 3/4

Three-quarters of malnourished children under five years do not get the treatment they need

## 43 million

Over 43 million people in 38 countries are now at risk of famine or a food crisis

# WELCOME

At the time of writing, Europe is witnessing its first state vs state conflict since World War II, and the continent's fastest-growing refugee crisis in history as millions of Ukrainians flee their country. Action Against Hunger is responding to the crisis, alongside the many other ongoing crises where populations are on the brink of starvation, such as in Afghanistan, Madagascar, Mali, Somalia, and Yemen. Action Against Hunger has been supporting Afghan populations since 1979, and we continued our work in 2021 – a year in which the Taliban came to power.

We took part in the DEC's Afghanistan appeal, which was launched in December 2021, and raised over £400,000 in just three weeks. This amount is included in the 2021 Accounts. Our work in Afghanistan reached over 78,000 people with life-saving health and nutrition services, targeting children under the age of five years, and meeting the needs of pregnant or breastfeeding women.

In sharp contrast to the generosity of the UK public for our life-saving work in crisis-hit countries, we sadly experienced a massive reduction in funding from the Foreign, Commonwealth & Development Office (FCDO), whose support for our work fell 90 per cent compared to 2020 levels. This is a direct consequence of the cut in the UK aid budget in the year from 0.7 per cent to 0.5 per cent of GDP. In addition to a lack of new agreements signed in 2021, FCDO also reduced the funding for two grants (in Somalia and Nigeria) that we had signed in prior years and, in 2022, stopped funding a third grant that we were in the process of implementing in Nigeria. The cuts to these grants totalled over £5.7 million and we have accounted for this as a one-off reduction in our total income in 2021. More importantly, this reduced funding meant that we were not able to treat as many malnourished children as we had expected to in the relevant programmes.

Our technical expertise, especially on the treatment and prevention of undernutrition, continued to strengthen. We developed our nutrition strategy, signing long-term agreements with UNICEF and the World Food Programme to help them tackle undernutrition at national level. As Co-chair of the International Coalition for Advocacy on Nutrition (ICAN UK) we played a leading role in advocacy efforts to promote UK aid for nutrition. We briefed MPs and engaged our supporters, including a number of high-profile chefs, in writing to the Prime Minister, Foreign Secretary and MPs on the topic. As a result we convinced the FCDO to commit £1.5 billion to nutrition programmes until 2030.

We also benefited from extraordinary support from the food and hospitality industry. Despite a very difficult year for the hospitality industry because of the Covid-19 pandemic, our annual restaurant fundraising campaign, Love Food Give Food (LFGF), raised £404,000 – a huge £211,000 of which was raised by YO! Sushi, a new partner for 2021 and our biggest LFGF partner ever. In 2020, for the first time in our history, we took the decision to address food poverty in the UK. This was the result of food insecurity rates in the UK rising to become among the highest in Europe. This was a regrettable but necessary step, as we remain a charity driven by needs wherever they are. Given the ongoing food crisis here in the UK, we continued to address food poverty at home in 2021. We are proud to present this report, which gives a snapshot of just some of the successes and challenges of our year.



**Paul Wilson**
**Chair of Trustees**



**Jean-Michel Grand**
**Executive Director and Company Secretary**


© Carlos Zaparolli

# A SUMMARY OF OUR ACHIEVEMENTS IN 2021

**As a network, we worked in 51 countries**

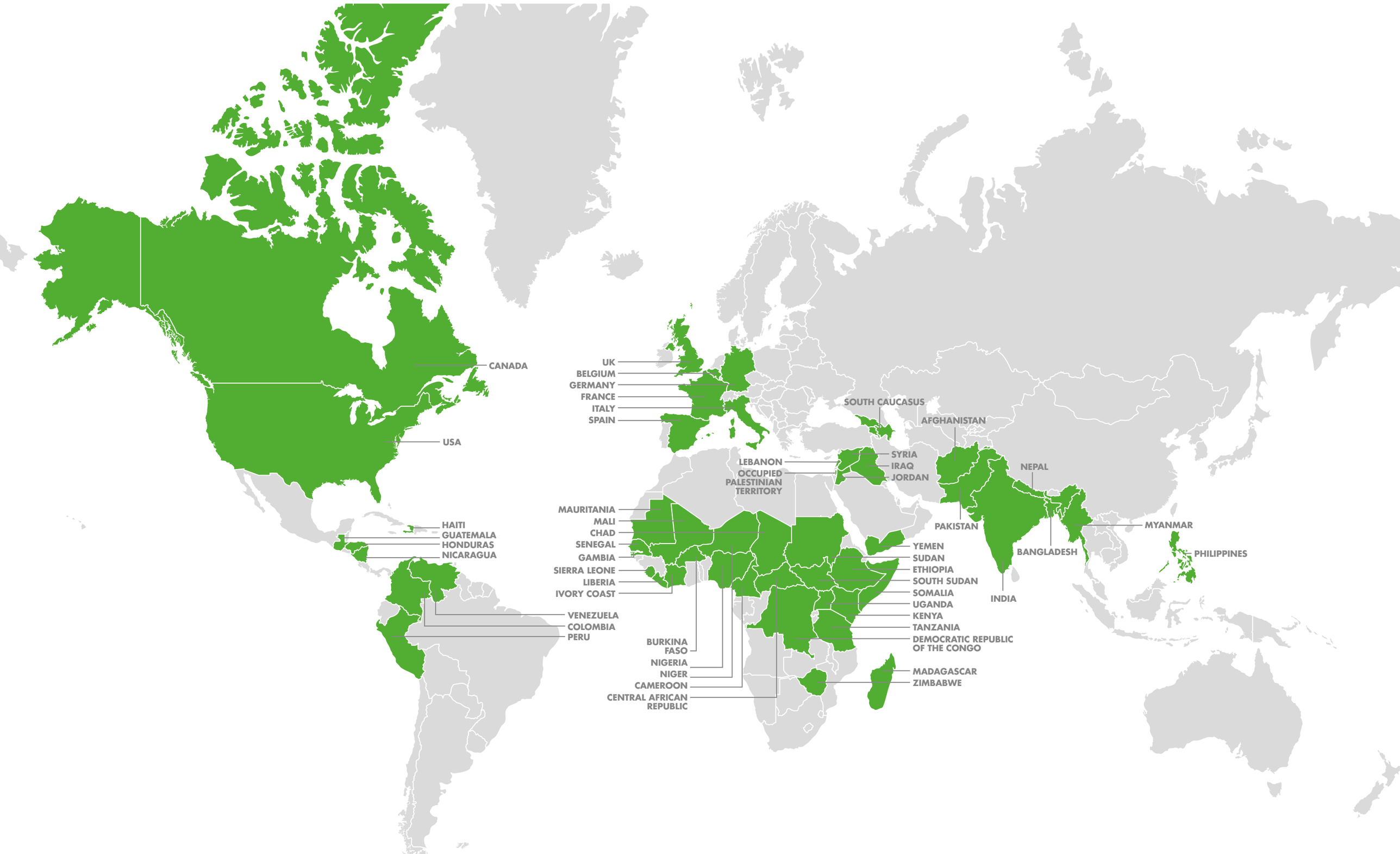
**Together, we assisted 26.3 million people**

**Collectively, we ran 686 projects**

**We helped persuade the UK Government to commit to spending £1.5 billion on nutrition, despite deep aid cuts**

**We carried out nutrition surveys in Bangladesh, Madagascar, Mali, Myanmar, Niger, Pakistan, Somalia and South Sudan**

# OUR WORK AROUND THE WORLD



# DIRECTOR'S REPORT

For more than 40 years, across 51 countries, Action Against Hunger has led the global fight against hunger. We save the lives of malnourished children. We ensure people in need can access clean water, food, healthcare and training. And we enable entire communities to be free from hunger.

The directors of Action Against Hunger UK – hereafter referred to as Action Against Hunger – present their annual report and audited accounts for the year ended 31 December 2021, and confirm they comply with the Companies Act 2006 and the Charities Statement of Recommended Practice (FRS 102) 2019.

## PUBLIC BENEFIT

The trustees of Action Against Hunger have a duty to ensure that the charity provides public benefit and achieves its objectives as set out in its governing document. The Trustees' Annual Report provides a detailed account of the significant activities undertaken by the charity to carry out its purposes for the public benefit. These activities have been carried out in line with the charity's objects, these being to relieve poverty, deprivation and distress throughout the world, and to relieve hunger, whether chronic or temporary, by way of emergency intervention and/or establishing rehabilitation programmes.

The trustees have reviewed the charity's strategies to ensure these are consistent with its objects and to consider how its activities contribute to these. The trustees have referred to the Charity Commission's guidance on public benefit, when reviewing its aims, objectives and activities and are confident that they have complied with their duty to have due regard to the guidance when exercising their powers and duties.


© Sandra Calligaro

# STRATEGIC REPORT

Action Against Hunger is a humanitarian and development network that has been at the forefront of the fight against hunger for over 40 years. We are a needs-driven and rights-based organisation with a primary focus on assisting the most at-risk populations.

We are focused on reducing and eliminating hunger and malnutrition. Each year, our international network provides treatment to over 600,000 acutely malnourished children, making us the leading international non-governmental organisation (NGO) in treating acute malnutrition.

Our technical expertise, based on research, mass data analysis and collaboration with scientists and government ministries is internationally recognised and respected.

We create innovative responses to treat life-threatening malnutrition. We protect livelihoods and improve long-term food security. We do this by constantly investing in research and innovative nutrition products and field-testing treatment protocols. These have become international best practices in treating and preventing undernutrition of adolescents, pregnant and breastfeeding women, new-borns and young children.

# OUR PRIORITIES

At our core, we respond to hunger crises.

This is our starting point and where our expertise is grounded. Our strategy is to build from this core strength, continually broadening our technical capabilities on issues central to our mission.

We will use the growing recognition of our reliable and expert technical services to expand our offer to partner with more civil society organisations, scientists, funders and decision-makers in the fight against hunger.

Our increasing evidence-based knowledge and expertise gives us a powerful voice to engage the public and influence government to deliver more action on hunger.

A strong voice and a high profile will drive more support from individuals and partners as we seek to grow more diverse and sustainable income streams.



© Lys Arango

# OUR OBJECTIVES IN 2021

**In 2021, our objectives were to:**



OBJECTIVE 1

**Raise over £44 million to provide treatment to at least 40,000 acutely malnourished children and help a further 760,000 vulnerable people**



OBJECTIVE 2

**Share our expertise in addressing malnutrition and in monitoring, evaluation and learning**



OBJECTIVE 3

**Respond to the food poverty crisis in the UK**



OBJECTIVE 4

**Bring the voices of affected communities to our supporters and activists**

# OBJECTIVE 1

## RAISING FUNDS TO TREAT MALNOURISHED CHILDREN AND VULNERABLE PEOPLE

Several factors made it a hugely challenging year for raising funds, including: the cutting of the international aid budget from 0.7 per cent to 0.5 per cent of GDP by the UK government; the Covid-19 pandemic that meant many of our fundraising events were cancelled; and a squeeze on the public's personal donations due to the economic crisis in the UK.

Drastic cuts to the UK aid budget – impacting both ongoing and new projects – and the decision to channel what remained through organisations such as the UN resulted in a loss of contracts for almost all charities in the humanitarian sector, including Action Against Hunger.

While we had 24 ongoing grants with a total value of £45.3 million in 2021 from UK Aid grants, only 15 new contracts totalling £2.2 million were signed in 2021. This was a huge blow to our ability to support programmes around the world.

Players of People's Postcode Lottery continued to support our work, with two separate grants totalling £850,000. This strategic funding allowed us to continue to build a strong, sustainable charity, able to do more in the fight against hunger.

The innocent foundation approved a grant to treat malnutrition through community health workers in Mali; and the ALBORADA Trust provided over £300,000 to help us respond to humanitarian crises in Afghanistan, Haiti and Uganda.

Despite a very difficult year for the hospitality industry due to the Covid pandemic, our annual restaurant fundraising campaign, Love Food Give Food (LFGF), raised £404,000. A huge £211,000 of that total was raised by YO! Sushi, a new partner for 2021 and our biggest LFGF partner ever.

This year's Fine Wine and Art Dinner was our most successful gala yet, raising over £400,000 for our life-saving work. Over the past 15 years this event has raised over £4 million. It simply would not be possible without the support of our dedicated organising committee, chaired by Robin Hutson, Chairman and CEO of Lime Wood Group Limited and Home Grown Hotels Limited, ensuring a spectacular and seamless event year after year.

Recognising the need to diversify how we raise funds, and in order to reduce reliance on grants from the UK government, at the end of 2021 we committed to growing our bank of regular givers. This is also useful because it provides an invaluable method of growing unrestricted income.

By the end of 2021 we had built a five-year regular giving recruitment strategy and secured long-term investment to recruit 10,000 regular givers by the end of 2025.

Despite these challenges, we still managed to raise £12.4 million. And, working with our partners in the international network, we ran 686 projects in 51 countries, assisting over 26.3 million people.

## CASE STUDY – THE DISASTERS EMERGENCY COMMITTEE

As a member of the Disasters Emergency Committee (DEC), we participated in two appeals in 2021 – one to address the Covid crisis around the world, and the other to address the hunger crisis in Afghanistan.

In July 2020, the DEC had launched a Covid appeal to raise funds for work in Afghanistan, Bangladesh, the Democratic Republic of Congo, India, Somalia, South Sudan, Syria and Yemen.

Following a huge spike in cases in India in spring 2021, they took the unusual step of re-launching the appeal. Due to India's population volume and density, it has been particularly challenging to limit the spread of Covid in affected states and cities.

We provided medical kits and supplies to government healthcare facilities and provided training for health workers. We also distributed hygiene kits; supported counselling projects; ran a Covid prevention ad campaign; and distributed food baskets to those in need. By the end of 2021, we had reached 21,410 people.

In Afghanistan, 3.1m children and 720,000 pregnant or breastfeeding women were suffering acute malnutrition in 2021. The situation worsened when the Taliban took power and some governments and international financial institutions withdrew funding and support.

As the situation deteriorated, the DEC launched an appeal for Afghanistan in December 2021. We provided life-saving health and nutrition services to children under the age of five years and to pregnant or breastfeeding women; and provided counselling to those experiencing trauma, reaching 78,500 people.


© Sudharak Olwe

# OBJECTIVE 2

## SHARING OUR EXPERTISE IN ADDRESSING MALNUTRITION AND IN MONITORING, EVALUATION AND LEARNING

Action Against Hunger UK houses technical expertise on both nutrition and monitoring, evaluation and learning (MEAL), not just for our international Action Against Hunger network, but for the wider sector as well. In 2021 we challenged ourselves on how to best review and leverage our credibility and knowledge.

We developed our nutrition strategy, focusing on improving equitable and sustainable access to effective nutrition services; identifying the causes of malnutrition and the effectiveness of prevention activities; and improving early warning systems, preparedness and response to nutrition emergencies through more effective data collection and analysis.

Our Nutrition team signed two long-term agreements with UNICEF, allowing us to influence how it tackles under nutrition. And our MEAL team signed a long-term agreement with the World Food Programme, thus consolidating and improving our experience and knowledge as an expert on nutrition and MEAL.

We carried out a range of studies and surveys in 2021, including two Link Nutrition Causal Analysis (Link NCA) surveys in Madagascar and Myanmar. A Link NCA survey is a research method at community level which allows us to identify the main causes of malnutrition in children in a specific area through rigorous quantitative and qualitative research methods.

We also carried out Community-based Management of Acute Malnutrition Coverage (CMAM Coverage) surveys in Bangladesh, Mali and Pakistan. CMAM Coverage surveys are surveys conducted in communities which help us to understand what percentage of malnourished children are accessing life-saving treatment and for those that are not, what challenges they face in reaching treatment.

We strengthened our nutrition analysis tools and expertise by starting to develop a new, simplified methodology for nutrition assessments that can allow scale-up and ownership by Ministries of Health around the world. We co-chaired the European NGO Forum; organised webinars and training sessions at a range of universities in the UK and around the world; and participated in the Strategy Advisory Group of the Global Nutrition Cluster.

We worked with our colleagues in the international network to develop the “SAM Photo App”, which helps to identify secure acute malnutrition through photography and could also help to increase diagnostic coverage of the condition. It could also strengthen community-based management of acute malnutrition, and presents a great opportunity for governments and local health systems to revolutionise nutrition assessments and surveillance, and improve the impact and coverage of nutrition programmes.

Collating data for the international network is key to work of the MEAL team, but what this data tells us needs to be in the hands of those taking decisions in our operations every day. So in 2021 we explored ways of collating, analysing and packaging data and insights to make them accessible, understandable and – importantly – used.

### CASE STUDY – MITIGATING HUNGER IN MADAGASCAR

In the midst of famine in Madagascar – the f|irst famine in the world to be attributed to climate change – we carried out three wide-reaching nutrition assessments in order to reformulate new programme approaches to tackling malnutrition. This work was high-lighted by ITV News.

Lenka Blanárová, a Senior Nutrition Assessment Coordinator at Action Against Hunger UK, spent four months in the country. She reports:

“Madagascar is in the grip of the worst drought in 40 years, with as many as 500,000 people marching towards starvation. I spent four months in Madagascar visiting communities, where families were surviving solely on leaves. Droughts and sandstorms have destroyed crops and turned land to desert. When you add to this Covid-19 you have a perfect storm of humanitarian needs. Families have little choice but to consume whatever water they can find, leading to a spike in waterborne diseases. These increase the likelihood of a child becoming malnourished, which remains the biggest killer of children under five.

Between October and March, our teams handled 8,727 child severe acute malnutrition cases, 8,582 moderate acute malnutrition cases, and 9,611 with other diseases.

The situation has since got worse. Madagascar is teetering on the brink of a famine it has played no part in creating. If governments genuinely care about reversing the impact of climate change, then they must stop looking to the future.”



© Stephane Rakotomalala

# OBJECTIVE 3

## RESPONDING TO THE FOOD POVERTY CRISIS IN THE UK

In recent years, food insecurity rates in the UK have been among the highest in Europe. The Covid pandemic exacerbated the situation, and as result we decided (for the first time in our history) to address the food poverty crisis in the UK in 2020. We continued this work in 2021.

We are experts in emergency response. When a crisis happens, our rapid response teams evaluate immediate needs in order to launch the appropriate response. We do this by teaming up with local government agencies, partners and community leaders.

By integrating our programmes with local and national systems, we aim to ensure that short-term interventions become long-term solutions. We assessed the situation in the UK and felt we could have greater impact by supporting partners to go beyond providing immediate emergency needs.

We supported our partners to rapidly adapt and expand their programmes at a time of crisis to meet the growing food poverty needs in areas of the country with some of the highest rates of child poverty.

Many food banks, community kitchens, food pantries and social supermarkets are seeing record levels of demand for their help. Some are being overwhelmed – unable to keep up with increasing demand.

Two years since the onset of the pandemic, nearly one in 10 UK households are now having problems getting hold of enough, nutritious food. Many are skipping meals, going hungry or not eating for a whole day – because they can't afford food.

We are supporting food projects including community kitchens, food pantries and social supermarkets.

A social supermarket is a shop that sells food to people on a lower income at a huge discount. It's like a normal supermarket with a lot of choice but goods are available at a fraction of the price of high street stores.

Food pantries are similar, but members pay a small fee to join and in return they get to choose their own discounted food at a fraction of the high street cost. They both buy up high-quality, surplus food. So it's cheaper and so nothing goes to waste.

Community kitchens are different. They provide hot meals to hungry guests – including the homeless, families living with food poverty and people who are isolated and lonely. Guests can simply come along without booking and enjoy great food and company in a welcoming community setting.

So far, we've partnered with groups in Manchester, south east London, and the West Midlands in order to help support social supermarkets, food pantries and community kitchens in areas of high deprivation and where hunger levels are rising.

We also provided training to our UK partners on nutrition and healthy living and conducted an impact evaluation of the food pantry model (see "Lewisham Homes" case study).

While the evidence needed to decide if this will be a long-term strategy in the UK is not yet available, we nevertheless employed the existing principles underpinning our ways of work to ensure we: supported pantries as opposed to food banks, to allow for a sustainable future, plus agency and choice for the consumer; worked in areas of highest need, as we would in all our work; and used our added value of Monitoring, Evaluation and Learning (MEAL) and Nutrition teams to build the capacity of our partner organisations.




## CASE STUDY – LEWISHAM HOMES

Our partner, Lewisham Homes Limited, operates four community food stores in the south London borough of Lewisham, which enable low-income families to buy food for a weekly voluntary membership fee of £3.50.

Each community food store acts as its own "local community hub", offering a range of services and initiatives to tackle food poverty and its underlying causes. These include community gardens, debt advice, employment support, digital training, financial education, and counselling during the pandemic.

Working with Lewisham Homes, we implemented the "Healthy Meals, Healthy Lives" project, in addition to providing financial support for its work. We also supported them to carry out an impact evaluation of their community food store concept. This evaluation found improvements in people's sense of dignity, financial stability, nutrition and health.

Members said paying a membership fee gave them a sense of "fairness" and lessened the feeling of receiving "charity". They also said they saved money when visiting the store, which allowed them to avoid falling into debt and to release money for other needs such as transport or clothing. Members also said they now eat healthier and more varied diets, as the stores offer healthy food at a lower cost.

The evaluation shows how each store also helps tackle social exclusion and loneliness, and enables members' needs and struggles to be identified and linked to the wider support network available in the borough.

# OBJECTIVE 4

## BRINGING THE VOICES OF AFFECTED COMMUNITIES TO OUR SUPPORTERS AND ACTIVISTS

We believe it is important for our supporters and stakeholders to hear from the people we are helping in the countries in which we work. But we think it is also important to give the people we assist the space to share their own voice, rather than speaking for them.

To bring the voices of affected communities to our supporters, we recruited, trained and supported an in-country communications officer in Yemen, who delivered photos, videos and case studies from our local projects.

We also gathered interviews, photos and video footage of our work from a range of countries, including Ethiopia, Guatemala and the UK. And we ensured the voices of communities were brought to our audiences in the UK by promoting their stories on the website and social media, in emails and newsletters, and by promoting their stories in the press.

As well as sharing stories from the countries where we work in the field with our supporters, we continued to advocate for political action on the underlying causes of hunger and malnutrition, as well as effective responses. In 2021 our UK advocacy focused on the leading drivers of malnutrition: conflict and climate change, prevention of malnutrition through aid for nutrition, and effective humanitarian response to crises. To this end, we organised meetings, produced numerous reports and briefings for decision makers, media outputs, and engaged our activist supporters in public campaign actions.

We focused on promoting effective implementation of UN Security Council Resolution 2417 on conflict and hunger, briefing UN member states on setting up a new UN Group of Friends to champion the agenda within the UN system.

With the UK Government hosting the G7 Summit, we also led an advocacy campaign on the development of a new G7 Humanitarian Crises and Famine Prevention Compact, that was endorsed by World Leaders at the Summit. We invited 120 NGOs globally to sign a public letter calling for action on emerging hunger crises.

The UK Government also hosted the UN Climate Change Conference in Glasgow, for which we produced a report examining the relationship between climate change and hunger. The report contained data on how climate change is having an inequitable impact on those who are already the most food insecure in the world. This report was presented at several official side events and at a stand at the Conference in Glasgow.

As Co-chair of the international coalition for advocacy on Nutrition (ICAN UK) we played a leading role in advocacy efforts to promote UK Aid for nutrition. We briefed MPs and engaged our supporters in writing to the Prime Minister, Foreign Secretary and MPs. We met with Ministers and held online briefings for MPs.

Several of our chef supporters, including Tom Kerridge and Angela Hartnett, wrote a public letter to The Times calling for nutrition to be a UK Aid priority. Recently the Foreign, Commonwealth & Development Office (FCDO) announced a £1.5 billion commitment to aid for nutrition by 2030, despite deep aid cuts. The FCDO informed us that our advocacy played an instrumental role in achieving this.


© Peter Caton

### CASE STUDY – MOTHERS ON THE FRONTLINE APPEAL

In autumn and winter 2021 we ran a direct marketing campaign focusing on the incredible lengths to which mothers will go to protect their children from hunger. When Medina's 18-month-old daughter Munira became sick, Medina did everything she could to get her the treatment she needed.

Munira had started losing weight and rejecting her food. Medina tried to treat Munira with traditional remedies, but they didn't help. She went to neighbours and hospitals seeking help.

"Everybody was worried, my whole family was worried. I stopped eating because I was so worried she would die," says Medina.

One day, Action Against Hunger's health and nutrition staff visited Medina's community to spread awareness about malnutrition.

Medina immediately took Munira to one of our mobile clinics. Our nurses checked her symptoms, her weight and evidence of any other complications such as swelling or peeling of the skin. Munira was admitted to a life-saving programme where she was treated with medicine and given ready-to-use therapeutic food – a peanut-based paste used to treat children suffering from malnutrition.

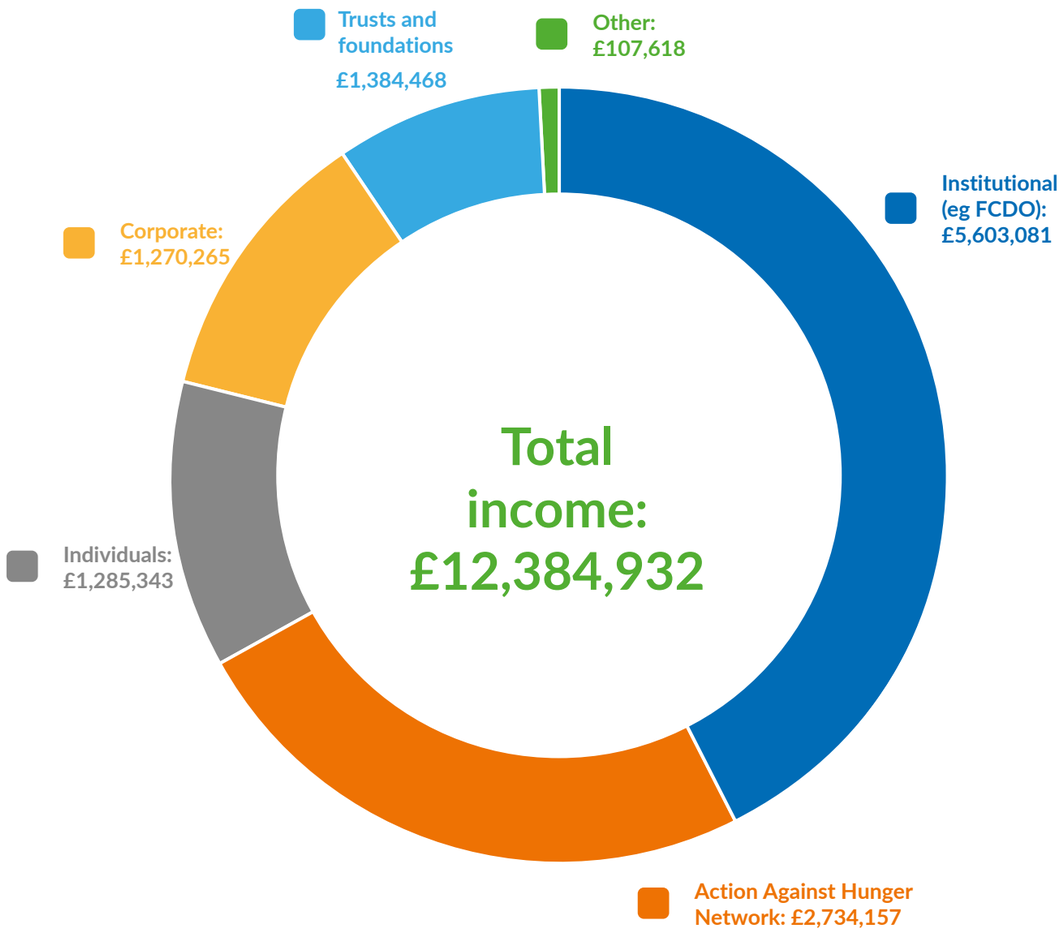
After receiving treatment, our teams discharged Munira and then visited Medina at home to check on Munira's progress and make sure she was eating her therapeutic food.

"They come and check Munira," says Medina, "They make sure that we are following the instructions and eating the therapeutic food properly by checking her weight." Medina has made a full recovery.

# OUR INCOME AND EXPENDITURE IN 2021

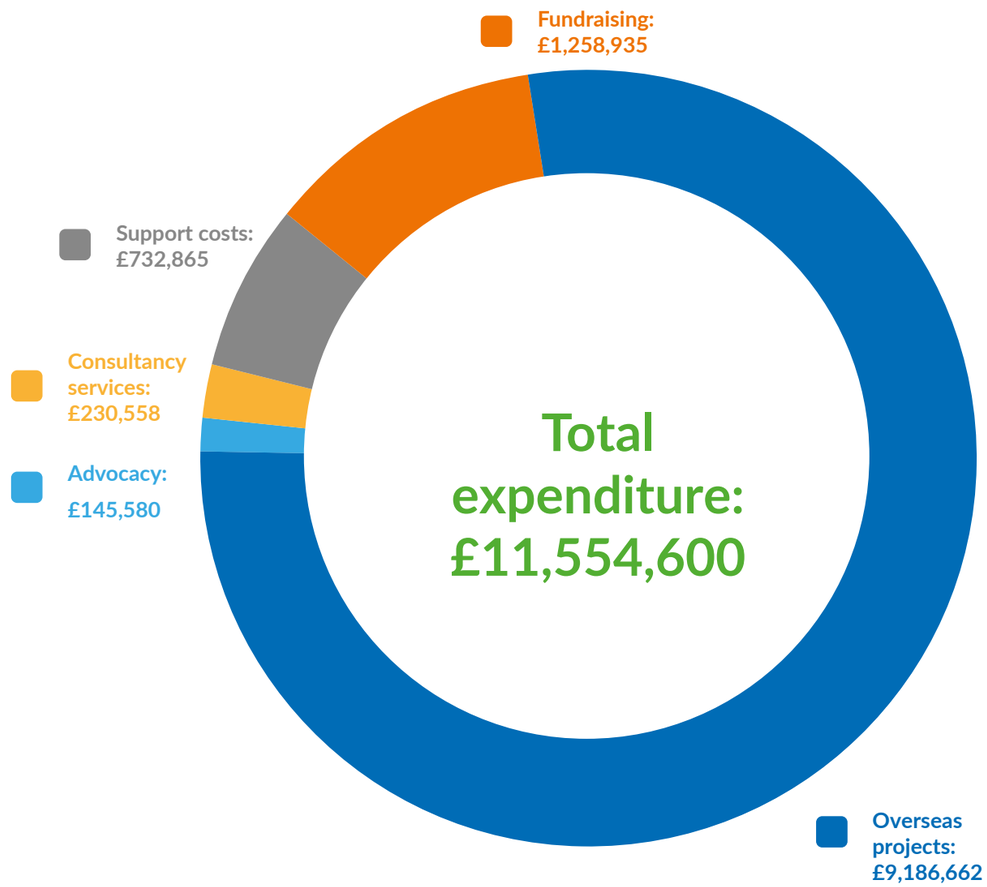
## HOW WE RAISED OUR MONEY

Action Against Hunger receives grants and donations from UK individuals, institutional donors, trusts and foundations, and corporate partners. See the details of all donors page 57. But in 2021 our principal grant funder, the FCDO, amended three grant agreements for work in Afghanistan and Nigeria. We also recalculated some income recognised in prior years . This resulted in a total reduction of income and expenditure by £10.4 million.  In order to comply with UK accounting rules, we recorded these grant adjustments in 2021 even if the grants were recognised in prior years as noted in the Financial Statements, note 2(b) on page 49. The diagrams below represent income and expenditure before the reduction in FCDO grants.




## HOW WE SPENT OUR MONEY

Most of our income is spent on emergency relief, disaster risk-reduction work and long-term development projects.





© Fabeha Monir

# OUR OBJECTIVES FOR 2022

**In 2022, we aim to build on our achievements in 2021 and to:**

### OBJECTIVE 1

**Raise over £32.5m to provide treatment to at least 60,000 acutely malnourished children and help a further 1.1 million vulnerable people**

### OBJECTIVE 2

**Continue to respond to the poverty food crisis in the UK**

### OBJECTIVE 3

**Continue to expand our technical expertise**

### OBJECTIVE 4

**Continue to digitalise expertise and drive innovative approaches**

### OBJECTIVE 5

**Continue to use evidence uptake and data to inform and influence positions and policies**

### OBJECTIVE 6

**Continue to bring the voices of affected communities to our audiences**

# THANK YOU

Action Against Hunger could not fulfil its mission without the support of our donors and stakeholders. Thank you to all our fantastic supporters and partners for your generosity in 2021. We would like to thank the following donors and partners for supporting us in 2021.

**The ALBORADA Trust**
**Bakkavor Limited**
**D&D Limited**
**Disasters Emergency Committee (DEC)**
**ELRHA**
**Foreign, Commonwealth & Development Office (FCDO)**
**Hakkasan- Limited**
**Hawksmoor Limited**
**Kelly Deli Company Limited**
**Mowgli**
**North Brewing Company Limited**
**People's Postcode Lottery Limited**
**Schroders**
**Soneva Foundation**
**Starbucks**
**Start Network**
**The Innocent Foundation**
**The Pig**
**The Waterloo Foundation**
**unearthed®**
**WOLF**

We thank all our Love Food Give Food partners and all those who supported our emergency appeals and our long-term development programmes. And we thank our chef, celebrity and committee supporters.

**Adam Gahlin**
**Angela Hartnett**
**Asma Khan**
**Bill Knott**
**Calum Franklin**
**Candice Brown**
**Carl Clarke**
**Chris Whitney**
**Cyrus Todiwala**
**David Gleave**
**Ed Wilson**
**Elly Curshen**
**Hugh Bonneville**
**Huw Gott**
**Isaac McHale**
**James Chase**
**James Holden**
**James Knappett**
**Kar-Shing Tong**
**Ken Hom**
**Lee Tiernan**
**Mariella Frostrup**
**Mark Hix**
**Michel Roux Jr**
**Mitch Tonks**
**Neil Rankin**
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**Nick Gibson**
**Nieves Barragán Mohacho**
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**Peter Nagle**
**Raymond Blanc**
**Richard Hodsden**
**Rick Stein**
**Robin Hutson**
**Sam Buckley**
**Sam Hainsworth**
**Shaun Searley**
**Soren Jessen**
**Tom Best**
**Tom Hunt**
**Tom Kerridge**
**Vivek Singh**
**Will Beckett**

You have all helped us to achieve our mission of tackling hunger and malnutrition around the world: thank you!



# STRUCTURE, GOVERNANCE AND MANAGEMENT

**Action Against Hunger UK is a registered charity (number 1047501 in England and Wales and SC048317 in Scotland) and is constituted as a private company limited by guarantee (registered in England number 03069468). Its objectives and powers are set out in its Memorandum and Articles of Association.**

## DIRECTORS

**Paul Wilson**
Chair of Board and Chair of the Governance and Remuneration Committee

**Frances Pasteur**
Safeguarding Trustee

**Tim Wright**
Chair of the Audit, Risk and Compliance Committee (resigned on 12 December 2022)

**Nicolas Sarkis**
Chair of the Fundraising, Engagement & Ethics Committee

**Sanjay Dhiri**

**Eleanor White**

**Jordan Winokur**

## EXECUTIVE COMMITTEE

**Jean-Michel Grand**
Executive Director

**Maria Franklin**
Director of Human Resources

**Steve Notman**
Director of Finance and Administration

**Matthew White**
Director of Fundraising and Communications, resigned June 2021

**Charlotte Matier**
Director of Fundraising and Communications, from October 2021 to November 2022

**Alison McNulty**
Director of Operations

## AUDITORS

**BDO LLP**
2 City Place
Beehive Ring Road
Gatwick RH6 0PA

## SOLICITORS

**Reed Smith Corporate Services Ltd**
Third Floor, The Broadgate Tower
20 Primrose Street
London EC2A 2RS

## TRUSTEES

The Directors of Action Against Hunger UK are the Trustees. The Memorandum and Articles of the Association of the Company set out the way in which trustees may be appointed.

Trustees are elected for a three-year term and can serve a maximum of three successive terms. The Code of Conduct and conflict of interest forms are signed by the Trustees every year. Trustees' self-assessments are carried out annually. The assessment also includes some questions on the performance of the Chair. The outcomes of the assessments are discussed at the subsequent Board meeting.

Action Against Hunger's Board of Trustees meet on a quarterly basis. The Board delegates the use of certain powers related to the management and administration of the Charity to Mr Jean-Michel Grand, the Executive Director.

The Executive Director is responsible for the day-to-day management of the Charity's affairs, and for implementing the Charity's strategy, annual plans and policies agreed by the Board. The Executive Director also ensures full accountability and transparency of the organisation's accounts and reports to the Board on a regular basis.

He leads the Executive Committee. The Executive Committee defines and proposes the following to the Board for approval:

- Strategies (five-year plan)
- Annual action plan
- A risk register
- Policies
- Investment plans
- Budgets.

Board sub-committees meet quarterly to oversee the following areas:

- Audit, Risk and Compliance: ensures the organisation's key risks are adequately managed through financial and non-financial internal controls. This committee also provides oversight to the development of Action Against Hunger UK's safeguarding culture and handles and reviews all reported safeguarding incidents across Action Against Hunger UK and its partners.
- Fundraising, Engagement and Ethics: oversees and advises on Action Against Hunger UK fundraising and marketing activities and considers whether relationships meet specific ethical criteria.
- Governance and Remuneration Committee: ensures good governance practices for the organisation and reviews financial and non-financial remuneration, including pension arrangements and annual cost-of-living awards for employees.

The Board has delegated approval for day-to-day operational decisions up to certain financial thresholds to the Executive Director and other Executive team members under a Scheme of Delegation to enable them to coordinate and direct Action Against Hunger UK's work worldwide. All decisions above this financial threshold must be approved by the Board. The Board has also reserved to itself certain important decisions, such as major initiatives, appointment of the Executive Director and approval of the long-term objectives and strategy.

In order for informed decisions to be made, members of the Executive Committee and the Executive Director respond to the Board's questions at meetings. The Board takes a majority vote on decisions (simple majority), communicating them through minutes. A quorum of three is necessary. Any change in strategy, action plan, policy or procedure proposed by the Executive Director is examined and ratified by the Board. The Board approves the delegation of financial authority through the Executive Director to the Charity, within specific limits.

The Trustee Governance and Remuneration Committee supervises implementation of the Charity Governance Code.

## ARRANGEMENTS FOR SETTING THE PAY AND REMUNERATION OF THE CHARITY'S KEY MANAGEMENT PERSONNEL

Action Against Hunger operates an incremental pay structure for all roles, including senior management. Grades are established by assessing the job description against the organisation's job evaluation tool. Where appropriate, roles are also periodically benchmarked against the annual Croner Charity Rewards Survey and comparable roles in similar organisations. Incremental increases are service related and awarded annually to the top of the designated grade.

The Trustee Governance and Remuneration Committee meets in December, to review financial and non-financial remuneration, including pension arrangements and annual cost of living awards, which are applied to uplift the salary scales. The Governance and Remuneration Committee recommendations are ratified by the full Board of Trustees.

## INTERNAL CONTROL AND RISK MANAGEMENT

"The Trustee Directors have overall responsibility for Action Against Hunger's system of internal control. Such a system can provide only reasonable, and not absolute, assurance against errors or fraud. They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

The systems of internal control are designed to provide assurance against material misstatement or loss. They include:

- strategic plan and budgets approved by the Board;
- regular monitoring of Key Performance Indicators (KPIs) and progress against the strategic plan;
- quarterly consideration by the Board of financial performance and variance from budgets;
- the use of committees in meeting their duties and delegating certain functions of the Board;
- appropriate identification, management and reporting of risks;
- implementation of key policies and procedures;
- structured delegated and financial authorities which are signed off by the Board and
- significant matters carried out by the internal audit functions of our implementing network partners.

Trustees continue to review the adequacy of the Charity's internal control systems with the Senior Management Team. This is carried out quarterly as part of the Risk and Ethics committee meetings (see below).

Action Against Hunger operates an annual planning and budgeting process with reference to the five-year Strategic Plan, and with start-of-year and mid-year revised budgets approved by the Board of Trustee Directors. Significant changes during the year are subject to specific approval.

The financial reporting systems provide monthly comparison of actual results with budget. Forecasts of the expected results for the year are undertaken regularly. Action Against Hunger maintains a comprehensive register of risks, the most significant of which are stated on page 34. The register identifies the major strategic and operational risks faced and how they are being managed.

As part of the annual three-year planning process, the key risks are considered by the Trustee Directors and the risks Action Against Hunger faces are reviewed quarterly by the Executive team. The Trustee Directors are satisfied that systems are in place to monitor, manage and mitigate Action Against Hunger's exposure to major risks. They consider that maintaining Action Against Hunger's general reserves at the levels stated on page 57, and reviewing internal controls and risks through an internal audit programme, will provide Action Against Hunger with adequate risk assurance and sufficient resources in the event of adverse conditions. They also recognise that the nature of some of Action Against Hunger's work requires active acceptance and management of some risks when undertaking activities to achieve the objectives of the Charity.

## THE ACTION AGAINST HUNGER INTERNATIONAL NETWORK

International Action Against Hunger is a global humanitarian organisation committed to saving the lives of malnourished children and supporting their families to beat hunger. In 2021, the Action Against Hunger International network was made up of seven separate legal entities (and their branches and subsidiaries) which were active in 51 countries around the world. The entities that make up the Action Against Hunger international network share the same objectives and operate under common International Co-Operation Protocols, including an International Charter of Principles and a number of common policies agreed by the International Committee of Chairs and the International Executive Committee.

In 2021 the entities that made up the Action Against Hunger International network were:

- Action Against Hunger (UK)
- Action Contre La Faim (a registered charity in France)
- Action Against Hunger USA (a registered s501(c)(3) organisation in the USA)
- Accion Contra el Hambre (a registered charity in Spain)
- Action Against Hunger Canada (a registered charity in Canada)
- Fight Hunger Foundation/ Action Against Hunger (a registered charity in India)
- Aktion Gegen Den Hunger (a charity registered in Germany)

Expenses are recharged between the connected charities where staff and other resources are used on projects run by the other charity. This gives rise to the balances at the year end referred to in Notes 11 and 12.

## RELATED PARTIES/SUBSIDIARIES

Action Against Hunger UK has a subsidiary trading company called Action Against Hunger Enterprises Limited (company no: 06569439). This Company's principal activity is to raise funds for Action Against Hunger through various trading avenues.

Action Against Hunger UK is one of the seven members of the trading company ACFIN Licensing Ltd, a company incorporated in England and Wales (Company No. 06672034). The company's main objective is to license the Action Against Hunger trademarks to the entities that make up the Action Against Hunger International network. The Action Against Hunger UK Executive Director is a Director of the company.

## APPROVAL

This Annual Report is signed by the Chair on behalf of the Board of Trustees. The trustees also approve the Strategic Report, which is contained within this report, in their capacity as company directors.



Mr Paul Wilson
Chair of Trustees

Approved on 22 December 2022

# FINANCIAL PERFORMANCE

Action Against Hunger's income for the year ended 31 December 2021 decreased sharply, from £50.8 million in 2020 to just £2 million in 2021. This was mainly the result of significantly fewer new grants being signed with the Foreign, Commonwealth & Development Office (FCDO) – the principal donor to our humanitarian programmes, also because we had to make an exceptional accounting adjustment to reduce FCDO grant income by a total of £10.4 million, in respect of two grants where FCDO cut funding in 2021, one ongoing grant where FCDO terminated their funding in 2022 and recalculation of some income recognised in prior years. In these cases we had previously recorded the total amount of income stated in the original grant agreement when it was signed, in prior years, in anticipation that the full amount of the grant would be paid. Such cuts are highly unusual and relate directly to the pressure on FCDO to find budget savings.

In 2021, the UK government cut UK aid spending from 0.7 per cent to 0.5 per cent of GDP, despite this being a legal commitment. This meant that the FCDO's UK Aid budget decreased from £15 billion to £10 billion with most of that lower amount ringfenced for legally or contractually binding spending commitments to institutions such as the World Bank, the UN and the Climate Investment Funds. Discretionary spend by themes like Water, Sanitation and Hygiene (WASH) and Nutrition fell from around £7 billion to £2 billion. Existing programme budgets were cut and the FCDO was instructed not to produce new business cases for bilateral programmes. This had a major impact on our ability to raise new funds from the FCDO in 2021.

The UK government has stated that the reduction from 0.7 per cent to 0.5 per cent of GDP will be a temporary measure to release funds to address the Covid-19 pandemic. As the impact of the pandemic reduces, we would anticipate that the FCDO will review its position on bilateral collaboration and British charities will be able to bid for a much higher number of grants with the FCDO in 2022 and 2023.

As in prior years, total income includes the full amount of multi-year grants, accounted for in accordance with the Charities SORP and Accounting Standards, which require us to recognise the full amount of income on most such grants when agreements are signed.

We ended the year with a net unrestricted funds surplus of £288,542, which has been added to accumulated general reserves. The Board of Directors has reviewed the reserves policy of the Charity and considers it appropriate to seek to maintain unrestricted free reserves equivalent to six months of general expenditure, to cover eventual risks including property liabilities and staff redundancies, as well as the closure of the Charity; to provide a security against seasonal variations in income and expenditure; to costs; and to fund strategic research, investment and innovations.

Unrestricted reserves as of 31 December 2021 were £2.02 million (which represents around eight months of general expenditure). The Charity's Memorandum of Association provides the Trustees with the authority to invest in such assets as they see fit, in order to benefit the Charity and its continued financial wellbeing.

The Charity is committed to utilising any surplus cash funds in the most effective way possible. However, the Charity is occasionally required to react quickly to particular emergencies and has a policy of investing any surplus funds in relatively short-term deposits, ranging from one month to immediate access.

Action Against Hunger's Board reviews the investment policy annually. The objective of the current policy is to maintain high liquidity while ensuring maximum security. To achieve this, the Charity invests with institutions with a high security rating in instant access, fixed-term or call cash deposits.

# RISK STATEMENT

Action Against Hunger UK considers effective risk management to be fundamental to good management practice and to provide an essential contribution towards the achievement of the Charity's strategic and operational objectives. The Trustees are satisfied that appropriate internal control systems are in place to identify and mitigate the Charity's key strategic and operational risks.

Whilst the Charity operates necessarily in high-risk contexts to save the lives of children and provide them and their families with opportunities for a better life, at Action Against Hunger we remain prudent on how we mitigate these risks.

Action Against Hunger is a forward-looking organisation driven by impact and cost-effectiveness, therefore it embraces higher risk approaches on innovation, complex programming, leading consortiums, creative fundraising, new ways of working, embracing digital technologies, exploring new technical approaches that challenge existing ones and any other activities that support the achievement of our objectives and the strategic priorities of the International Action Against Hunger network.

The Charity's risk appetite reflects the need to take risks in order to achieve our objectives, provided always that these risks do not breach our principles, values, policies, legal obligations or our duty of care to staff, donors and the populations we support.

Action Against Hunger UK's Risk Management Policy sets out the Charity's approach to risk management, and uses a risk management framework to support the identification, assessment and management of key risks, including the implementation of comprehensive mitigation plans and risk management strategies. This includes a thorough risk identification process; prioritisation of key risks based on an assessment of impact and likelihood; regular review of mitigation measures and controls; evaluation of risks against the Charity's risk appetite; and, where appropriate, the development of mitigation plans. Action Against Hunger regularly monitors its key risks with a view to embedding a strong risk management culture across the Charity.

The Board is responsible for appointing members of the Charity's Audit, Risk and Compliance Committee, of which four trustees were members in 2021. The main functions of the Committee are to:

- Review and monitor the key risks and mitigation measures identified in the Charity's Risk Register (the Risk Register is reviewed by the Audit, Risk and Compliance Committee on a quarterly basis);
- Oversee, support and advise the executive team on the assessment, management and mitigation of key risks and to inform the board of any new major risks or key changes in the risk environment;
- Monitor the implementation of existing mitigation measures and proposed mitigation action plans;
- Review serious incident reports reported by the executive team and confirm authority for these to be reported to the Charity Commission and
- Ensure that risk management is mainstreamed and embedded within the culture of the Charity.

During 2020 and 2021, the Covid pandemic and consequential economic impacts presented significant challenges for international humanitarian organisations all over the world, including Action Against Hunger. This required a rapid and dynamic response and the Charity acted quickly to manage the situation and mitigate the risks arising from the crisis.

## KEY RISKS

A risk assessment exercise is undertaken and the Risk Register is reviewed annually. Most recently, the Trustees have identified the following major risks to which the Charity is exposed:

| Risks | Measures in place to manage the risk |
|---|---|
| Field security incidents | Detailed security plans and guidelines are updated on a frequent basis in every country where work is carried out, to take account of changing conditions on the ground. |
| | Staff receive comprehensive security training before their assignment. |
| | High security consciousness among staff. |
| | Critical incident management procedures and training are in place and are continually updated. |
| Safeguarding incidents at field level | Safeguarding policy that ensures zero tolerance of safeguarding transgressions. |
| | Safeguarding policies and measures are communicated to all employees, partners and suppliers and are implemented and monitored in all countries in which we work. |
| | Undertaking of awareness raising and related trainings. |
| | Complaints and whistleblowing mechanisms are in place and tested to ensure they are effective. |
| Fraud, corruption and bribery | Zero tolerance policy for fraud, corruption and bribery. |
| | Implementation of Action Against Hunger Risk Management Policies (anti-bribery, fraud, corruption, abuse of power, anti-terrorism and money laundering). |
| | Senior Management and Trustees sign Conflict of Interest forms annually. |
| | Whistleblowing and complaints mechanisms are in place. |
| Significant decrease in revenues | Diversify private fundraising activities. |
| | Investment in individual giving. |
| | Diversification of income streams and reduction in dependence on UK Aid funding. |
| Cyber security breach and/or significant data loss through IT failure | Conducted full assessment of risks relating to security breach / cybercrime / data breach in the context of all staff working from home. |
| | IT measures implemented to mitigate risks. |
| | Awareness and training of staff on risk identification and mitigation. |
| Increasing requirements on compliance with legal, regulatory or donor obligations in programme delivery | Network Due Diligence review and policy harmonisation project. |
| | Further strengthen / standardise UK compliance and due diligence processes and reviews. |
| | Strengthen serious and reportable incident processes. |
| | Arrange regular scheduled compliance workshops and training for staff. |

## SERIOUS INCIDENTS

In 2021 there were 15 allegations related to fraud, abuse of power, sexual exploitation, harassment, terrorism or bribery, mostly in four countries where we work. All cases were thoroughly investigated and decisive/ appropriate actions were taken. All cases meeting the Charity Commission's criteria for serious incidents were duly reported to the Charity Commission and all cases were reported to the Foreign, Commonwealth & Development Office (FCDO).

## ENERGY USE AND GREENHOUSE GAS EMISSIONS

In the year ended 31 December 2021, Action Against Hunger UK consumed less than 40,000 kWh of energy and therefore is exempt from the requirements to publish information regarding its annual emissions and energy consumption.

# STAKEHOLDER ENGAGEMENT

The Trustee Directors are required to explain how they consider the interests of key stakeholders and the broader matters set out in Section 172 of the Companies Act 2006 in promoting the success of the company for the achievement of its charitable purposes. This statement focuses on matters of strategic importance and the level of information disclosed in this statement is consistent with the size and complexity of the business.

## GENERAL CONFIRMATION OF TRUSTEE DIRECTORS' DUTIES

Action Against Hunger UK's Board has a clear framework for determining the matters within its remit and has approved Terms of Reference for the matters delegated to its Committees. Page 29 explains the roles and responsibilities of the Board Sub Committees. When making decisions, each Trustee Director ensures that they act in good faith to best promote the company's success for the achievement of its charitable purposes, and in doing so will have regard (among other matters) to:

### S172(1) (A) 'THE LIKELY CONSEQUENCES OF ANY DECISION IN THE LONG-TERM'

The Charity is guided by a five-year strategic plan, at both UK and international level through the Action Against Hunger network.

In order to meet this, the Board of Trustees has to pay due regard to the long-term consequences of all its decisions. Throughout the life of the strategy its implementation is regularly monitored through annual progress reports, which help inform the long-term decision-making that is required to achieve the objectives set out in our strategy.

### S172(1) (B) 'THE INTERESTS OF THE COMPANY'S EMPLOYEES'

The Trustees recognise that Action Against Hunger UK employees are our most important asset and are fundamental to the delivery of our strategic plan. Our success depends on attracting, retaining, motivating and developing them, wherever they are located. The annual staff survey is one of the Board's principal tools to measure employee engagement, motivation and commitment to Action Against Hunger. It enables the Board to understand how we are learning from survey findings to strengthen Action Against Hunger's culture and values, and informs decision-making from pay and benefits to health, safety and wellbeing. The Staff Forum operates throughout the year as a mechanism for bringing an issues or suggestions for improvements to the Senior Management Team, as well as being an important vehicle for staff consultation on any significant changes or restructuring.

## STAKEHOLDER ENGAGEMENT (continud)

### S172(1) (C) 'THE NEED TO FOSTER THE COMPANY'S BUSINESS RELATIONSHIPS WITH SUPPLIERS, CUSTOMERS AND OTHERS'

Action Against Hunger UK's key business relationships are with other members of the Action Against Hunger international network; the communities with whom we work; our suppliers; and our donors and supporters. Our engagement with these stakeholders is referenced within this report. In order to deliver our mission and strategy, and to create impact at scale, we need to work with others. We will continue to work primarily through the implementing members within the Action Against Hunger network and also build our capacity to work through other partnerships, alliances, and networks.

### S172(1) (D) 'THE IMPACT OF THE COMPANY'S OPERATIONS ON THE COMMUNITY AND THE ENVIRONMENT'

The Board of Trustees has fully committed the organisation to the Core Humanitarian Standards. These standards "put communities and people affected by crisis at the centre of humanitarian action". The charity fully subscribes to this ethos, which we enact in all of our programme delivery. Recognising that climate change is currently one of the main drivers of food insecurity and hunger, we advocate on this and ensure that within our programme work and in the UK, due attention is paid to the environmental impact of everything we do.

### S172(1) (E) 'THE DESIRABILITY OF THE COMPANY MAINTAINING A REPUTATION FOR HIGH STANDARDS OF BUSINESS CONDUCT'

It is important that Action Against Hunger UK continues to maintain its reputation for high standards of conduct in all its work. As part of the Action Against Hunger network, all employees and trustees are required to sign and abide by a Global Code of Conduct. We also ensure compliance at all times with the high standards of business conduct attached to receiving funding from many important in institutional and private donors, including the FCDO/UK Aid. Reputational risk is addressed within our Corporate Risk Register and informs all key decision-making. Currently, the Trustee Governance and Remuneration Committee is supervising the implementation of the Code of Good Governance to ensure that recommended practices set out in the Code are in place.

### S172(1) (F) 'THE NEED TO ACT FAIRLY AS BETWEEN MEMBERS OF THE COMPANY'

This is not relevant to Action Against Hunger's organisational structure, as the charity is run in the interests of its charitable objects rather than in the interests of its members.

# STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Strategic Report, the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing the financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Mr Paul Wilson
Chair of Trustees

Approved by the Board on 22 December 2022

# INDEPENDENT AUDITOR'S REPORT

**To the members of Action Against Hunger UK**

## OPINION ON THE FINANCIAL STATEMENTS

In our opinion, the financial statements:

- give a true and fair view view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2021 and of the Group's incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of Action Against Hunger UK ("the Parent Charitable Company") and its subsidiary ("the Group") for the year ended 31 December 2021 which comprise the Consolidated statement of financial activities, the Consolidated and Charity Statement of financial position, the Consolidated cash flow 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).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## INDEPENDENCE

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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.

## CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Directors' (who are the Trustees) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

## Conclusion relating to going concern (continued)

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## OTH.ER INFORMATION

The Directors 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. The other information comprises the Directors' report, the Strategic report, the Structure, Governance, and Management, and the Directors' responsibility statements. 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. 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.

## OTHER COMPANIES ACT 2006 REPORTING

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

- the information given in 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, which are included have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report or Strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006requires us to report to you if, in our opinion:

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

## RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities, 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 determines 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 the Parent 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 Group or the Parent 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

## EXTENT TO WHICH THE AUDIT WAS CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and charity and the sector in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be relevant charities acts in the UK and Ireland. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition, the group and charity are subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

Audit procedures performed by the engagement team included:

- We agreed the financial statement disclosures to applicable financial reporting standards – FRS 102 , Companies Act 2006, and the Charities SORP.
- We determined that the most significant laws and regulations which are directly relevant to specific assertions in the financial statements are those related to the financial reporting framework including but not limited to United Kingdom Generally Accepted Accounting Practice and the Charities Act 2011, Statement of Recommended Practice for Accounting Reporting by Charities (SORP FRS 102) and tax legislation.
- We reviewed Serious Incident Reports submitted to the Charity Commission .
- We understood how the charity is complying with those legal and regulatory frameworks that are significant to their activities by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes and correspondence with HMRC and the various regulators.
- Challenging assumptions made by management in their significant accounting estimates in particular in relation to recognition of grants and cash flow forecasts used in going concern assessments.
- In addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments; testing the application of cut-off and revenue recognition, particularly around grant income, donations and legacies, and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Performed audit procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

https://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, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees 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, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Fiona Condron
BC8C15A11E97446...

**Fiona Condron (Senior Statutory Auditor)**
For and on behalf of BDO LLP, Statutory Auditor
London, UK

**Date:** 23 December 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# FINANCIAL STATEMENTS

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
**FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Note | 2021 Unrestricted £ | 2021 Restricted £ | 2021 Total £ | 2020 Total £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2a | 2,653,186 | 1,328,134 | **3,981,320** | 3,573,871 |
| Charitable activities | 2b | 2,609,760 | (4,656,131) | **(2,046,371)** | 46,945,504 |
| Investment and other income | 2c | 66,374 | | **66,374** | 271,226 |
| Total income | | 5,329,320 | (3,327,997) | **2,001,323** | 50,790,601 |
| **Expenditure on:** | | | | | |
| Raising funds | 3 | 1,242,939 | 193,918 | **1,436,857** | 1,644,428 |
| Charitable activities | 4 | 3,797,839 | (4,063,705) | **(265,866)** | 49,624,298 |
| Total expenditure | | 5,040,778 | (3,869,787) | **1,170,991** | 51,268,726 |
| **Net income/(expenditure)** | 7 | **288,542** | **541,790** | **830,332** | (478,125) |
| **Net movement in funds** | | 288,542 | 541,790 | **830,332** | (478,125) |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | 13 | 1,739,387 | 224,679 | **1,964,066** | 2,442,191 |
| **Total funds carried forward** | 13 | 2,027,929 | 766,469 | **2,794,398** | 1,964,066 |

The results for the year shown above all derive from continuing operations. There are no recognised gains or losses for the year other than those shown above. There are no material differences between the results for the year as stated above and those calculated on a historical cost basis.

The accompanying notes on pages 45 to 59 form an integral part of these Financial Statements.

(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)
## STATEMENTS OF FINANCIAL POSITION
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**COMPANY NUMBER: 0306946[illegible]**

| | Notes | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 9 | 65,356 | 68,236 | 65,356 | 68,236 |
| Investment in subsidiary | 10 | - | - | 1 | 1 |
| **Current assets** | | | | | |
| Debtors | 11 | 11,693,631 | 37,094,959 | 11,693,631 | 37,094,959 |
| Cash at bank and in hand | | 4,031,115 | 6,990,839 | 4,031,115 | 6,990,839 |
| | | 15,724,746 | 44,085,798 | 15,724,746 | 44,085,798 |
| **Creditors** | | | | | |
| Amounts falling due within one year | 12 | (12,995,704) | (42,189,968) | (12,995,705) | (42,189,969) |
| **Net current assets** | | 2,729,042 | 1,895,830 | 2,729,041 | 1,895,829 |
| **NET ASSETS** | | **2,794,398** | 1,964,066 | **2,794,398** | 1,964,066 |
| **FUNDS** | | | | | |
| Unrestricted funds | 13 | 2,027,929 | 1,739,387 | 2,027,929 | 1,739,387 |
| Restricted funds | 13 | 766,469 | 224,679 | 766,469 | 224,679 |
| | | **2,794,398** | 1,964,066 | **2,794,398** | 1,964,066 |

The surplus for the financial year dealt with in the financial statements of the parent Company was £655,857 (2020: surplus of £141,062).

Approved and authorised for issue by the Board on 7 December 2022, and signed on their behalf by:



**Mr Paul Wilson (Chair of Trustees)**

**Date: 22 December 2022**

(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

# STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 DECEMBER 2021

| | Note | 2021 | 2020 |
|---|---|---|---|
| | | £ | £ |
| **Net cash used in operating activities** | 1 | (2,940,210) | (1,625,106) |
| **Cash flows from investing activities** | | | |
| Investment income received | | 684 | 5,025 |
| Purchase of fixed assets | | (20,199) | (718) |
| **Net cash (used in)/provided by investing activities** | | **(19,515)** | **4,307** |
| Change in cash and cash equivalents in the year | | (2,959,724) | (1,620,799) |
| Cash and cash equivalents at 1 January | | 6,990,839 | 8,611,638 |
| **Cash and cash equivalents carried forward** | | **4,031,115** | **6,990,839** |

| **1. Reconciliation of net income/(expenditure) to net cash flow from operating activities** | | |
|---|---|---|
| Net income/(expenditure) | 830,332 | (478,125) |
| Depreciation of tangible fixed assets | 23,077 | 20,428 |
| Decrease/(Increase) in debtors | 25,401,329 | (12,180,929) |
| (Decrease)/Increase in creditors | (29,194,264) | 11,018,545 |
| Investment income receivable | (684) | (5,025) |
| **Net cash used in activities** | **(2,940,210)** | **(1,625,106)** |

# ACTION AGAINST HUNGER UK
# NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 ACCOUNTING POLICIES

### (a) Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006, Charities Act 2011, Charities Accounts (Scotland) Regulations 2006, Charities and Trustee Investment (Scotland) Act 2005, Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities effective from 1 January 2019, FRS102, and applicable United Kingdom accounting standards. The Charity has adapted the Companies Act formats to reflect the Charities SORP and the special nature of the Charity's activities.

Implications of the Covid 19 pandemic have had a significant impact on the income of the Charity in 2021. Over the last few years FCDO and UK Aid have been the major institutional donor funding Action Against Hunger UK's overseas programme work. UK Aid budgets awarded to many INGO's such as the Charity were suspended or cut in 2021 as a consequence of the decision by the UK government to reduce the aid budget from 0.7 per cent to 0.5 per cent of GDP. For us, this meant that no new agreements were signed in 2021 and budgets relating to three agreements that have been signed in previous years were reduced. The fall in our income in 2021 as a consequence has been extreme, but in 2022 we expect to see our programmatic funding levels bounce back considerably due to new multi million pound grants having been signed with FCDO and other funders in the first half of the year.

In assessing whether it is appropriate to prepare the accounts on a going concern basis, the Trustee Directors (who are the Directors of Action Against Hunger UK for the purposes of company law and the trustees of Action Against Hunger UK for the purposes of charity law) have taken account of the current levels of unrestricted reserves and cash and the current and future expected funding environment.

The Trustee Directors continue to review the Charity's financial performance, business plans and budgets on a quarterly basis and are content that the 2021 accounts should be prepared on a going concern basis. As explained in last year's accounts, during 2020 and the early part of 2021 the impact of the Covid-19 pandemic and its financial effects on the Charity was significant, primarily due to the impact that the pandemic had on the food and hospitality industry in the UK upon which Action Against Hunger has a close relationship in respect of its private fundraising. In response to this, the executive team and trustees prepared revised budgets in 2020 and 2021 to ensure that Action Against Hunger would be able to continue its core activities and remain a going concern. In 2020 a range of cost reductions to mitigate the impact of reduced income levels were carried out including a reduction in our UK office staffing by about 20%. The 2021 unrestricted budget was held at the same level as the prior year revised budget and only modest affordable growth built in the 2022 budget. Poor economic conditions and the impact of Covid on fundraising have continued into 2022 and are now being compounded by steep rises in inflation, a fall in the value of Sterling.

# ACTION AGAINST HUNGER UK
# NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

**(a) Basis of accounting (continued)**

Our overseas operations, which are funded largely by FCDO and trusts and foundations through restricted grants are being impacted, although the UK financial position, centred around our unrestricted reserves and funding, remains stable.

Having considered all these matters, the Trustee Directors do not believe there is a material uncertainty and so have prepared the accounts on a going concern basis.

**(b) Basis of consolidation**

The consolidated accounts include the accounts of the charitable company, Action Against Hunger UK Limited and its trading subsidiary Action Against Hunger Enterprises Limited, which is consolidated on a line-by-line basis. No separate Statement of Financial Activities (SoFA) has been presented for the charity as permitted by Section 408 of the Companies Act 2006.

**(c) Income**

Income is included in the SoFA when the charity is entitled to it, the receipt is probable and the amount can be quantified with reasonable accuracy. For restricted grants from institutional donors (e.g. charitable entities, governments or other non-governmental organisations), where receipt of funding is conditional only on administrative requirements such as the submission of a claim, it has been recognised. Where there are restrictions on the time period in which funding received can be spent, or where there are other conditions that specify the services to be performed under the grant agreement or contract, the income has not been recognised. Occasionally, a grant maker may reduce the value of their grant sometime after the initial agreement is signed. This happened in 2021 with 2 grants signed with FCDO – 'Nigeria SUNNY' and 'Afghanistan R3'. A further FCDO grant signed in 2020 – 'Nigeria LAFIYA-HeRON' was terminated in 2022. In such cases, the decrease to the grant and income that has been recorded in prior periods will be adjusted in the period in which the grant reduction is made. See note 2(b) below for further details.

**(d) Expenditure recognition**

Expenditure is included in the financial statements on an accruals basis.

**Sub contracted grants**

Subcontracted grants to other members of the Action Against Hunger network or third parties are charged to the Statement of Financial Activities when they have been approved and where a binding commitment has been made to the other organisation. Subcontracted grants that have been approved but not yet disbursed at the balance sheet date are carried forward as creditors in the balance sheet. In situations where grants from public funders are reduced subsequent to the signing of the initial grant agreement (see note 1(c) above), the liability to the subcontracted partner will be reduced by the same amount under the terms of the subcontract agreement.

**(e) Basis of allocation or apportionment of expenditure**

Expenditure during the year is analysed into raising funds and charitable activities. Notes 3 and 4 provide an analysis of these categories. All costs are directly charged against the appropriate category. The basis of apportionment of support costs is stated in Note 5.

**(f) Tangible fixed assets**

Tangible fixed assets costing more than £500 are capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

| | |
|---|---|
| Fixtures, fittings and equipment | – 25% on cost |
| Leasehold property improvements | – over the term of the lease |

**(g) Operating leases**

Rentals under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income as incurred.

**(h) Foreign currencies**

Foreign currency transactions are recorded at the average exchange rate for the month in which the transaction arose. Year end balances held in foreign currencies are converted at the closing rate. All differences on conversion are charged to the SoFA.

**(i) Fund accounting**

Restricted funds are monies provided by grant or donation for specific projects. Unrestricted funds consist of funds or gifts in kind provided for general charitable activities or monies raised from appeals for specific emergency responses.

**(j) Pension**

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered scheme. The pension cost charge payable by the Charity in the year amounted to £76,719 (2020: £82,874). At the end of the financial year there were no contributions (employee and employer) still to be paid over to the scheme (2020: £Nil).

# ACTION AGAINST HUNGER UK
# NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

**(k) Gifts in kind**

Action Against Hunger accepts gifts in kind (goods and services) that are in line with the charities mandate from individuals, corporates, foundations and government agencies. Gifts in kind are defined by Action Against Hunger UK as goods and services received for the purpose of carrying out the activities of the charity and also for fundraising and awareness of the organisation. These are non-monetary items that are valued at fair market price.

**(l) Accounting estimates and key judgements**

In the application of the charity's accounting policies the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and 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 revision and future periods if the revision affects the current and future periods.

The significant judgements and estimates that could impact the carrying amounts of assets and liabilities are as follows:

**Revenue Recognition**

Revenue Recognition requires judgement to appropriately apply the income accounting policies across the different funding streams the Charity has. Note 1(c) above details the accounting principle adopted and its application in particular to restricted grants received from institutional funders, such as FCDO (UK Aid).- the judgements made in recording such income are continually reassessed including in cases where the grant agreement wording and conditions are changed from year to year, and where appropriate provision is made for contingencies or deferrals to account for conditions yet to be fulfilled.



# ACTION AGAINST HUNGER UK
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)
# NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 31 DECEMBER 2021

## 2 INCOMING RESOURCES

### 2 (a) Donations and legacies

| | 2021 Unrestricted £ | 2021 Restricted £ | 2021 Total £ | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| **Donations and legacies** | | | | | | |
| Individuals (including legacies and events) | 1,212,589 | 72,754 | **1,285,343** | 1,013,415 | 54,513 | 1,067,928 |
| Corporate donors | 861,255 | 409,010 | **1,270,265** | 648,438 | 42,883 | 691,321 |
| Trusts & Foundations | 538,098 | 846,370 | **1,384,468** | 842,892 | 898,329 | 1,741,221 |
| International partners | - | - | **-** | 34,864 | - | 34,864 |
| Gifts in kind | 41,244 | - | **41,244** | 38,537 | - | 38,537 |
| **Total** | **2,653,186** | **1,328,134** | **3,981,320** | **2,578,146** | **995,725** | **3,573,871** |

### 2 (b) Charitable activities

| | 2021 Unrestricted £ | 2021 Restricted £ | 2021 Total £ | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| **Grant-based activities** | | | | | | |
| UK Government – Start fund | - | 1,011,894 | **1,011,894** | - | 600,633 | 600,633 |
| UK Government – FCDO | - | 1259,174 | **1,259,174** | - | 33,960,028 | 33,960,028 |
| Al-Thani Humanitarian fund | - | - | **-** | - | 5,373,317 | 5,373,317 |
| Disasters Emergency Committee | **-** | 250,317 | **250,317** | - | 570,000 | 570,000 |
| Others | **-** | 699,423 | **699,423** | - | 362,956 | 362,956 |
| FCDO grant reductions (note i) | **-** | (10,383,609) | **(10,383,609)** | - | - | - |
| **Total** | **-** | **(7,162,801)** | **(7,162,801)** | **-** | **40,866,934** | **40,866,934** |

Note (i) – During 2021, we agreed with FCDO reductions to 2 grants that had been signed in prior year, – 'Nigeria SUNNY' and 'Afghanistan R3'. In addition, in 2022 a FCDO funded programme of which Action Against Hunger was a consortium member 'LAFIYA – HeRON', was terminated early by FCDO. These reductions were an exceptional occurrence and made as a consequence of FCDO seeking budget savings related to the reduction in the UK aid budget from 0.7 per cent to 0.5 per cent of GDP. As noted above at note 1(c) the decrease to the grant and income that has been recorded in prior periods is adjusted in 2021.

# ACTION AGAINST HUNGER UK

(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

### 2 (b) Charitable activities (continued)

| | 2021 Unrestricted £ | 2021 Restricted £ | 2021 Total £ | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| **Monitoring and evaluation services** | | | | | | |
| UK Government – FCDO | - | 1,760,568 | **1,760,568** | - | 2,776,775 | 2,776,775 |
| UN agencies | - | 276,402 | **276,402** | - | 259,115 | 259,115 |
| Others | (121,147) | 466,450 | **345,303** | - | 222,056 | 222,056 |
| | **(121,147)** | **2,503,420** | **2,382,273** | **-** | **3,257,946** | **3,257,946** |

| | 2021 Unrestricted £ | 2021 Restricted £ | 2021 Total £ | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| Provision of employees to Action Against Hunger programme | 2,573,344 | - | **2,573,344** | 2,496,129 | - | 2,496,129 |
| Other services for Action Against Hunger network partners | 157,563 | 3,250 | **160,813** | - | 324,495 | 324,495 |
| | 2,730,907 | 3,250 | **2,734,157** | 2,496,129 | 324,495 | 2,820,624 |
| **Total charitable activities** | **2,609,760** | **(4,656,131)** | **(2,046,371)** | **2,496,129** | **44,449,375** | **46,945,504** |

### 2 (c) Investment and other income

| | 2021 Unrestricted £ | 2021 Restricted £ | 2021 Total £ | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ |
|---|---|---|---|---|---|---|
| UN agencies | 684 | - | **684** | - | 5,025 | 5,025 |
| Others | 65,690 | - | **65,690** | - | 266,201 | 266,201 |
| **Investment and other income** | 66,374 | - | **66,374** | - | 271,226 | 271,226 |

### 2 (c) Investment and other income (continued)

Other income in 2021 and 2020 is related to payments from HMRC as part of the Coronavirus Job Retention Scheme, in which organisations were able to claim for 80% of employees' wages plus any employer National Insurance and pension contributions for staff put on furlough or flexible furlough because of coronavirus.

## 3 EXPENDITURE ON RAISING FUNDS

| | Direct £ | Support Costs £ | Total 2021 £ | Total 2020 £ |
|---|---|---|---|---|
| Fundraising events | 263,133 | - | **263,133** | 163,126 |
| Other fundraising activities | 995,802 | 177,922 | **1,173,724** | 1,481,302 |
| | **1,258,935** | **177,922** | **1,436,857** | **1,644,428** |

All fundraising events expenditure in 2021 and 2020 relates to unrestricted expenditure. Within other fundraising activity costs, £193,918 relates to restricted expenditure (2020: £139,687).

## 4 CHARITABLE ACTIVITIES

| | Direct £ | Support Costs £ | Total 2021 £ | Total 2020 £ |
|---|---|---|---|---|
| Overseas projects | (3,072,289) | 332,967 | **(2,739,322)** | 46,927,476 |
| Supply of aid workers | 2,407,073 | 55,494 | **2,462,567** | 2,229,893 |
| Advocacy/ awareness raising | 145,580 | 27,747 | **173,327** | 253,308 |
| MEAL and Nutrition services | 230,558 | 138,736 | **369,294** | 213,621 |
| | **(289,078)** | **554,942** | **265,866** | **49,624,298** |

Of total charitable activities, £3,797,839 relates to unrestricted expenditure (2020: £3,688,986) and £4,063,705 relates to restricted expenditure (2020: £45,935,312).

# ACTION AGAINST HUNGER UK

(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

## 5 SUPPORT COSTS

| | Executive Office | Admin | Finance and IT | Total 2021 | Total 2020 |
|---|---|---|---|---|---|
| | £ | £ | | £ | £ |
| **Allocated to Project costs** | | | | | |
| Overseas projects | 54,945 | 162,220 | 115,802 | **332,967** | 273,003 |
| Recruitment of aid workers | 9,157 | 27,037 | 19,300 | **55,494** | 45,501 |
| Advocacy/ awareness raising | 4,579 | 13,518 | 9,650 | **27,747** | 22,750 |
| MEAL and Nutrition services | 22,894 | 67,592 | 48,250 | **138,736** | 113,751 |
| | 91,575 | 270,367 | 193,002 | **554,943** | 455,005 |
| **Allocated to Fundraising** | 23,458 | 102,882 | 51,582 | **177,922** | 217,746 |
| | **115,033** | **373,249** | **244,584** | **732,866** | 672,751 |

**Basis for support cost allocation**

Staff costs have been allocated on a basis consistent with the time spent on each activity. Office and administration costs are allocated based on number of staff. Direct support costs are allocated directly to project costs.

## 6 STAFF COSTS

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| **Staff costs for employees on UK contracts** | | |
| Wages and salaries | **4,992,144** | 4,920,661 |
| Employer pension contributions | **76,719** | 82,874 |
| Social security costs | **306,540** | 287,543 |
| | **5,375,403** | 5,291,078 |

The above amounts represent costs for the parent charity and the group (the parent charity's subsidiary does not employ any staff). The total emoluments earned and paid to the Executive Director, Jean-Michel Grand, for the year, including pension contributions, was £112,432 (2020: £102,072). The number of other employees whose remuneration amounted to over £60,000 in the year was as follows:

| | 2021 | 2020 |
|---|---|---|
| £80,001 to £90,000 | **1** | - |
| £70,001 to £80,000 | **3** | 2 |
| £60,001 to £70,000 | **-** | 4 |

Remuneration includes salaries and benefits in kind but excludes employer pension scheme contributions. No contributions were made to defined benefit schemes for employees whose remuneration was greater than £60,000.

Excluding the Executive Director, total emoluments paid to other members of the Senior Management Team totalled £309,561 (2020: £284,721) in the year.

The average number of staff working overseas employed by Action Against Hunger under UK contracts during the year was 74 (2020: 68). At the year-end, staff numbers overseas were 79 (2020: 64). These amounts include staff that worked overseas on projects run by both Action Against Hunger and other members of the Action Against Hunger International network. The average number of staff employed by Action Against Hunger and working in the UK in 2021 was 62 (2020: 70). At the year-end, UK staff numbers were 62 (2020: 59).

**Trustees' expenses and remuneration and related party transactions**

Trustees are not remunerated and no expenses were claimed in 2021 (2020: £Nil).

# ACTION AGAINST HUNGER UK

(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

## 7 NET INCOME / (EXPENDITURE)

| | 2021 | 2020 |
|---|---|---|
| **Net Income/(Expenditure) is stated after charging:** | **£** | **£** |
| Depreciation of tangible fixed assets | **23,077** | 20,428 |
| Operating lease payments – property | **192,512** | 192,512 |
| Auditor's remuneration: Charity | **35,000** | 33,000 |
| Trading subsidiary | **2,500** | 2,500 |

## 8 TAXATION

The charitable company meets the definition of a charity in Schedule 6 Finance Act 2010 and accordingly is entitled to exemptions set out in Part II Corporation Tax Act 2010 and section 256 Taxation of Chargeable Gains Act 1992 to the extent that its income and gains are applied for charitable purposes.

## 9 TANGIBLE FIXED ASSETS

| Group and Charity | Leasehold property improvements | Fixtures fittings & equipment | Total |
|---|---|---|---|
| | **£** | **£** | **£** |
| **Cost** | | | |
| At 1 January 2021 | 248,626 | 79,769 | 328,395 |
| Additions | - | 20,199 | 20,199 |
| At 31 December 2021 | 248,626 | 99,970 | 348,594 |
| **Depreciation** | | | |
| At 1 January 2021 | 196,565 | 63,596 | 260,161 |
| Charge for the year | 11,825 | 11,252 | 23,077 |
| At 31 December 2021 | 208,390 | 74,851 | 283,238 |
| **Net book value** | | | |
| At 31 December 2021 | **40,236** | **25,120** | **65,356** |
| At 31 December 2020 | 52,061 | 16,175 | 68,236 |

## 10 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Action Against Hunger Enterprises Limited (Company number 6569439) is a wholly owned subsidiary and is a company incorporated in England & Wales. The principal activity is conducting trading fundraising activities for the charity.

| | 2021 | 2020 |
|---|---|---|
| | **£** | **£** |
| **Share capital** | | |
| Authorised | **100** | 100 |
| Called up | **1** | 1 |

A summary of the company's trading results and statement of financial position is shown below.

| | 2021 | 2020 |
|---|---|---|
| | **£** | **£** |
| **Statement of income and retained earnings** | | |
| Turnover | **12,775** | 10,795 |
| Cost of sales | **(177)** | (64) |
| Net profit before taxation | **12,598** | 10,731 |
| Taxation | **-** | - |
| Retained profit for the year | **12,598** | 10,731 |
| **Statement of financial position** | | |
| Current assets | **15,402** | 10,732 |
| Current liabilities | **(3,027)** | - |
| Net current assets | **12,375** | 10,732 |
| Total assets less current liabilities | **12,375** | 10,732 |
| **Capital and Reserves** | | |
| Called up share capital | **1** | 1 |
| Retained profit | **12,374** | 10,731 |
| Equity shareholders' funds | **12,375** | 10,732 |

# ACTION AGAINST HUNGER UK

(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

## 11 DEBTORS

| | Group 2021 | Group 2020 | Charity 2021 | Charity 2020 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Institutional donors | **9,525,186** | 36,597,285 | **9,525,186** | 36,597,285 |
| Action Against Hunger – Canada | **25,688** | 20,458 | **25,688** | 20,458 |
| Action Against Hunger – Spain | **1,570,079** | - | **1,570,079** | - |
| Action Against Hunger – India | **67,682** | 168,603 | **67,682** | 168,603 |
| Accrued income | **400,878** | 191,041 | **400,878** | 191,041 |
| Sundry debtors | **70,091** | 29,716 | **70,091** | 29,716 |
| Prepayments | **34,027** | 87,856 | **34,027** | 87,856 |
| | **11,693,631** | 37,094,959 | **11,693,631** | 37,094,959 |

Institutional debtors are related to grant agreements signed with FCDO, directly or via a consortium lead or managing agent. As noted above, our accounting policy recognises the full amount of the grant at the time the agreement is signed and therefore the full grant amount is treated as a current debtor rather than as a debtor due after more than one year. Included in the amounts due from Institutional donors are amounts due after more than one year of £1,653,117 (2020: £4,294,303).

## 12 CREDITORS

| | Group 2021 | Group 2020 | Charity 2021 | Charity 2020 |
|---|---|---|---|---|
| **Amounts falling due within one year:** | £ | £ | £ | £ |
| Action Against Hunger – France | **11,579,964** | 34,345,632 | **11,579,964** | 34,345,633 |
| Action Against Hunger – Spain | **101,149** | **3,839,093** | **101,149** | **3,839,093** |
| Action Against Hunger – USA | **189,963** | 2,218,658 | **189,963** | 2,218,658 |
| Deferred income | **254,790** | 629,411 | **254,790** | 629,411 |
| Other creditors | **672,672** | 906,773 | **672,672** | 906,774 |
| Accruals | **197,166** | 250,401 | **197,167** | 250,401 |
| | **12,995,704** | 42,189,968 | **12,995,705** | 42,189,969 |

## 13 STATEMENT OF FUNDS

| | As at 01 Jan 21 | Income | Expenditure | 31 Dec 21 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| FCDO Shine Somalia | - | 1,441,352 | (1,441,352) | - |
| Start Fund alerts | - | 579,110 | (579,110) | - |
| Start Fund Bangladesh hosting | - | 399,576 | (355,000) | 44,576 |
| FCDO Integrated Reponse Rohingya Crisis in Cox's Bazaar Bangladesh | - | 378,500 | (378,500) | - |
| People's Postcode Lottery | - | 425,000 | (412,823) | 12,177 |
| FCDO MERIAM | - | 319,216 | (319,216) | - |
| Power of Nutrition Gujarat | - | 325,328 | (19,194) | 306,134 |
| DEC Afghanistan appeal | - | 380,716 | (380,716) | - |
| DEC Covid-19 appeal | - | 250,317 | (250,317) | - |
| CIFF SAM 2.0 Project | 103,628 | - | - | 103,628 |
| UN projects | - | 276,402 | (276,402) | - |
| Alborada Trust | - | 317,800 | (227,800) | 90,000 |
| Soneva Foundation | - | 19,800 | (19,800) | - |
| Barclay's UK project | 100,000 | - | (100,000) | - |
| Bloom Foundation | - | 20,000 | (20,000) | - |
| Action Against Hunger Network | - | 3,250 | (3,250) | - |
| FCDO prior year grant reduction | - | (10,383,609) | 10,383,609 | - |
| FCDO SHARP Somalia | - | 880,674 | (880,674) | - |
| Others | 21,051 | 1,038,571 | (849,668) | 209,954 |
| Total restricted funds | 224,679 | (3,327,997) | 3,869,787 | 766,469 |
| Unrestricted funds | 1,739,387 | 5,329,320 | (5,040,778) | 2,027,929 |
| **TOTAL FUNDS** | **1,964,066** | **2,001,323** | **(1,170,991)** | **2,794,398** |

# ACTION AGAINST HUNGER UK

(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

### As at 31 December 2020

| | 01 Jan 20 | Income | Expenditure | 31 Dec 20 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| FCDO DRC Punch | - | 10,914,876 | (10,914,876) | - |
| Health Resilience in North East (HeRoN) Nigeria | - | 6,104,709 | (6,104,709) | - |
| Al-Thani foundation | - | 5,373,317 | (5,373,317) | - |
| Recovery Reintegration Resilience Consortium Afghanistan | - | 4,904,962 | (4,904,962) | - |
| FCDO DRC PUNCH III | - | 4,000,000 | (4,000,000) | - |
| FCDO Rapid Response Fund Yemen | - | 3,000,000 | (3,000,000) | - |
| FCDO SHINE Somalia | - | 2,746,775 | (2,746,775) | - |
| FCDO Multisector Humanitarian Response Yemen | - | 1,894,079 | (1,894,079) | - |
| FCDO Strengthening National Response Plan for COV19 in DRC | - | 1,500,000 | (1,500,000) | - |
| FCDO Rapid Response Fund Activation Somalia | - | 891,402 | (891,402) | - |
| FCDO Ebola Emergency in DRC | - | 750,000 | (750,000) | - |
| CIFF SAM 2.0 Project | 447,459 | | (343,831) | 103,628 |
| Start Fund alerts | - | 596,001 | (596,001 | - |
| DEC Covid-19 appeal | - | 570,000 | (570,000) | - |
| People's Postcode Lottery | - | 450,000 | (450,000) | - |
| UN projects | 102,046 | 259,115 | (361,161) | - |
| Alborada Trust | - | 200,000 | (200,000 ) | - |
| Soneva foundation | - | 138,600 | (138,600) | - |
| Power of Nutrition Gujurat | - | 118,481 | (118,481) | - |
| Barclays UK project | - | 100,000 | - | 100,000 |
| ELRHA R2HC: Research to support Covid-19 | - | 101,834 | (101,834) | - |
| Action Against Hunger Network | - | 613,088 | (613,088) | - |
| Others | 305,072 | 217,860 | (501,881) | 21,051 |
| Total restricted funds | 854,577 | 45,445,100 | (46,074,998) | 224,679 |
| Unrestricted funds | 1,587,614 | 5,345,501 | (5,193,728) | 1,739,387 |
| **TOTAL FUNDS** | **2,442,191** | **50,790,601** | **(51,268,726)** | **1,964,066** |

## 14 ACCOUNTING ESTIMATES AND KEY JUDGEMENTS

Included in the income and expenditure for the year is an amount of £4.3 million relating to a FCDO grant funded programme: Recovery Reintegration Resilience Consortium Afghanistan (R3). Action Against Hunger is working on this project as part of a consortium led by the Norwegian Refugee Council (NRC). FCDO has an Accountable Grant Agreement with NRC for this project with the reference number: 300420-103. The Action Against Hunger component of the programme is subcontracted by Action Against Hunger UK to Action Against Hunger France. Immediately following the change of government in Afghanistan in August 2021, Action Against Hunger suspended its R3 programme activities, repatriated all expatriate staff from the country and withdrew all local staff from local field offices. Subsequently, following consultation with the R3 consortium members, the donor, and in-country stakeholders some activities resumed and our expectation is that the programme will be able to proceed, with some adjustments, in the coming months. If the programme were required to be terminated, there would be no material impact of the net funds or cash flows of the Charity.

## 15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

| Fund balances at 31 December 2021 are represented by: | Unrestricted funds | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Tangible fixed assets | 65,356 | - | 65,356 |
| Net current assets | 1,962,573 | 766,469 | 2,729,042 |
| **Total net assets** | **2,027,929** | **766,469** | **2,794,398** |

| Fund balances at 31 December 2020 were represented by: | Unrestricted funds | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Tangible fixed assets | 68,236 | - | 68,236 |
| Net current assets | 1,671,151 | 224,679 | 1,895,830 |
| **Total net assets** | **1,739,387** | **224,679** | **1,964,066** |

# ACTION AGAINST HUNGER UK

(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

### 16 OPERATING LEASE COMMITMENTS

The company and the group have total outstanding operating lease commitments relating to the lease of its London office of £786,160 (2020: £1,003,883).

### 17 CONNECTED CHARITIES

The directors consider Action Contre la Faim ('Action Against Hunger'), a charity registered in France, to be a connected charity. Action Against Hunger has the same objectives to that of the Company and works closely with it. Its business address is 14/16 Boulevard Douaumont – CS 80060, 75017 Paris CEDEX, France, from which accounts can be obtained. Other connected charities are Action Against Hunger USA, a charity registered in the US, and Action Contra el Hambre, a charity registered in Spain, Action Against Hunger Canada, a charity registered in Canada and Fight Hunger Foundation, a charity registered in India. Expenses are recharged between the connected charities where staff and other resources are used on projects run by the other charity. This gives rise to the balances at the year-end referred to in Notes 11 and 12.

### 18 RELATED PARTIES

Action Against Hunger is one of the five members of the trading company ACFIN Licensing Ltd, a company based in the UK (Company No. 06672034). One of its main roles is to license its Action Against Hunger members the right to use trademarks. The Action Against Hunger UK Executive Director is a Director of that company. During the year UK license expenses totalling £536 were charged to Action Against Hunger UK by Action Against Hunger Licensing Ltd. At the year end an amount of £16,256 was due from Action Against Hunger Licensing Ltd to Action Against Hunger UK.

Action Against Hunger UK is also a member of Action Against Hunger Development, a foundation registered in France and an organisation that pools resources and expertise to support the development of Action Against Hunger International Network. One of Action Against Hunger's Trustees is a Executive Director of that organisation.

"

"We are proud to support the excellent work Action Against Hunger does in Bangladesh to teach families business skills and to set up climate resilient home gardens. This allows the families in a sustainable way to access more nutritious food and improves disposable income. It is heartening to hear how Sabuda Begum and her family's situation is now transformed. They now eat healthy food and are able to send their children to school."

*The Soneva Foundation*

---

"Such a small act on my part. You're the hero."

*KS (Kar-Shing Tong, A Foodie Influencer) after we thanked him for supporting the DEC Appeal*

"Thank you for having us at this wonderful event. It was such an amazing night and for such a good cause. Both Hawksmoor staff and those there from Action Against Hunger were amazing. I cannot commend all the people involved putting this event together; it was absolutely seamless."

*Hawksmoor Dinner Guest*

---

"I chose to support Action Against Hunger because it doesn't just provide aid and disaster relief but makes lasting change by addressing the causes of hunger. It does this by sharing knowledge among communities, empowering the voices of individuals and advocating for policy change."

*Marianne*

"You guys are doing an amazing job. I would definitely chip in if there were any further fundraising events."

*Jyothi*

---

"I was proud to complete the London Marathon wearing my Action Against Hunger shirt – thanks for having me along for the ride."

*Dan*

---

"At YO! we believe in the power of good food, which is why we wanted to partner with Action Against Hunger to help more communities access the food they need to survive and thrive."

*Victoria, YO! Director of Marketing*

"

## Action Against Hunger

**Address:**
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London
SE10 0ER

**Telephone:**
+44 (0)20 8293 6190

**Email:**
contact@actionagainsthunger.org.uk

**Website:**
www.actionagainsthunger.org.uk

AAH_UK

actionagainsthungeruk

Action Against Hunger UK

Action Against Hunger UK



The company is a registered charity No. 1047501 (England and Wales) and Sc048317 (Scotland). The company is registered in England No. 3069468 and was incorporated on 16 June 1995.


ACTION AGAINST HUNGER

**Action Against Hunger UK**

England & Wales - Charity number 1047501

# Accounts



ACTION AGAINST HUNGER

# ANNUAL REPORT & FINANCIAL STATEMENTS

## ACTION AGAINST HUNGER (UK)

FORMERLY ACTION AGAINST HUNGER (UK) LIMITED
COMPANY 3069468

## YEAR ENDED 31 DECEMBER 2020

## FOR A WORLD FREE FROM HUNGER

FOR FOOD
AGAINST HUNGER AND MALNUTRITION.
FOR CLEAN WATER
AGAINST KILLER DISEASES.
FOR CHILDREN THAT GROW UP STRONG
AGAINST LIVES CUT SHORT.
FOR CROPS THIS YEAR, AND NEXT
AGAINST DROUGHT AND DISASTER.
FOR CHANGING MINDS
AGAINST IGNORANCE AND INDIFFERENCE.

FOR FREEDOM FROM HUNGER
FOR EVERYONE
FOR GOOD
FOR ACTION
AGAINST HUNGER.

*Cover: "We make a sacrifice to bring our children to safety using a bucket." Nyalong Wal, 36, carries her daughter to dry land after extreme flooding forced them to flee their home in South Sudan.*

© Peter Caton for Action Against Hunger

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**REGISTERED OFFICE: 6 MITRE PASSAGE, LONDON SE10 0ER**

THE COMPANY IS REGISTERED IN ENGLAND NO. 3069468 AND WAS INCORPORATED ON 16 JUNE 1995. THE COMPANY IS A REGISTERED CHARITY NO. 1047501 (ENGLAND AND WALES) AND FROM APRIL 2018 IN SCOTLAND, SC048317.


**SCOPE OF REPORT:** Action Against Hunger (UK) is part of an international network that operates under the name of Action Against Hunger, with head offices in Paris, Madrid, New York, Toronto, New Delhi and London. Each Action Against Hunger member is legally independent but shares a common mandate, values, operating principles, quality standards and strategy. **The narrative sections of this report refer to those activities for which Action Against Hunger in the UK has management responsibility.**

# WELCOME

Nobody has been left untouched by the pandemic. It has shaken the world to its core and it is difficult to put into words how different our lives have become, the hardships we have faced, and the damage Covid-19 has brought to our families, our friends and our society.

While Covid-19 has been our greatest challenge in decades, for many of the countries we support, it is only the latest crisis to afflict communities already struggling under the weight of conflict, climate change and growing hunger crises. Covid-19 has pushed health services in the poorest countries to breaking point. As a primary healthcare provider, we realised very quickly that we had an important role to play in responding to this crisis. From establishing track and trace in Cameroon to running quarantine hospitals in Somalia, I am incredibly proud of our teams for the roles they are playing in tackling this global pandemic.

In 2020, we supported the Disasters Emergency Committee (DEC) in their Covid-19 appeal, and with the funds raised we are strengthening our Covid-19 responses in Somalia, South Sudan and Yemen. Importantly, for the first time, we began programmes in the UK, partnering with the Antonio Carluccio Foundation, Barclays and local partners to provide support for families struggling due to Covid-19. This is a new venture for our organisation, but we are keen to explore how our expertise could be of benefit to people at home.

We know that at least 155 million people were acutely food insecure and in need of urgent assistance in 2020 – the highest levels in five years. The outlook for 2021 doesn't look any brighter, and our work has never felt more important or necessary. We remain at the coalface of a growing hunger crisis and are indebted to our partners and supporters who, despite the many challenges this pandemic has created, continue to share our mission; supporters like His Excellency Sheikh Thani bin Abdallah bin Thani Al Thani, who last year funded the treatment of 240,000 severely malnourished children across the Horn of Africa.

But despite the many successes we had in 2020, Action Against Hunger UK was not immune from the economic impact of Covid-19. The closure of hospitality and restrictions on fundraising seriously impacted our revenue in 2020 and we were forced to make incredibly difficult decisions. It was with great sadness that we had to make redundancies. Words cannot express the gratitude I feel for the tremendous work contributed over the years by the staff we lost. At this time of great personal difficulty for them, they showed passion for Action Against Hunger, kindness towards us and a commitment to our cause. Thank you.

Despite the drastic actions we took to control our costs, we couldn't have weathered the financial storm without the extraordinary support of our public donors, the innocent foundation, the People's Postcode Lottery, and all of our longstanding supporters in the food and hospitality industry. Your faith in us and your belief in our mission never wavered, and we are eternally grateful for the support you have shown us during these unprecedented times.

The pandemic is far from over, particularly in our countries of focus, and the humanitarian challenges ahead are large, but we are looking to the future with renewed ambition and an unflinching commitment to achieve a world that is free from hunger.

**THANK YOU**



**PAUL WILSON**
**CHAIR, ACTION AGAINST HUNGER UK**



# OUR GLOBAL REACH AND IMPACT IN 2020




**25M**
**PEOPLE**

**46**
**COUNTRIES**

**66**
**EMERGENCIES**

**12.4 MILLION PEOPLE REACHED WITH NUTRITION AND HEALTH**

**9.6 MILLION PEOPLE REACHED WITH WATER, SANITATION AND HYGIENE**

**2.2 MILLION PEOPLE SUPPORTED WITH FOOD SECURITY AND LIVELIHOODS**

**186 PROJECTS DELIVERING MENTAL HEALTH AND CARE PRACTICES**

# DIRECTORS' REPORT

**FOR MORE THAN 40 YEARS, ACROSS ALMOST 50 COUNTRIES, ACTION AGAINST HUNGER HAS LED THE GLOBAL FIGHT AGAINST HUNGER. WE SAVE THE LIVES OF MALNOURISHED CHILDREN. WE ENSURE PEOPLE IN NEED CAN ACCESS CLEAN WATER, FOOD, TRAINING AND HEALTHCARE. WE ENABLE ENTIRE COMMUNITIES TO BE FREE FROM HUNGER.**

The directors of Action Against Hunger UK – hereafter referred to as Action Against Hunger – present their annual report and audited accounts for the year ended 31 December 2020, and confirm they comply with the Companies Act 2006 and the Charities Statement of Recommended Practice (FRS 102) 2019.

The trustees of Action Against Hunger have a duty to ensure that the charity provides public benefit and achieves its objectives as set out in its governing document. The Trustees' Annual Report provides a detailed account of the significant activities undertaken by the charity to carry out its purposes for the public benefit. These activities have been carried out in line with the charity's objects, these being to relieve poverty, deprivation and distress throughout the world and to relieve hunger, whether chronic or temporary, by way of emergency intervention and/or establishing rehabilitation programmes.

The trustees have reviewed the charity's strategies to ensure these are consistent with its objects and to consider how its activities contribute to these. The trustees have referred to the Charity Commission's guidance on public benefit when reviewing its aims, objectives and activities and are confident that they have complied with their duty to have due regard to the guidance when exercising their powers and duties.



© Olivia Acland for Action Against Hunger

# OUR STRATEGIC PRIORITIES

We know that hunger and undernutrition are preventable. In a world in which conflict, natural disasters, pandemics, poverty and threats to natural resources present enormous challenges, our strategic plan has a bold vision to increase our impact and influence. We set out to relieve the consequences of hunger, tackle its causes and change the way it is addressed. In 2020, in unity with our global partners, we continued to work hard to further reduce and prevent hunger and undernutrition among the most vulnerable people in 46 countries.

**OUR FIVE GOALS, SET OUT IN OUR 2016-2020 STRATEGIC PLAN, ARE:**

| GOAL 1 | GOAL 2 | GOAL 3 | GOAL 4 | GOAL 5 |
|---|---|---|---|---|
| Reduce mortality in children under five years of age | Reduce the prevalence of chronic and acute undernutrition | Increase the coverage of programmes to treat severe acute malnutrition | In emergencies, ensure people's unmet humanitarian needs are covered, where they are within our areas of expertise | Provide reliable evidence and expertise to improve national and international strategies on undernutrition |

## OUR UK OBJECTIVES IN 2020

Our annual objectives set out what we need to achieve each year in the context of our five-year strategy. In setting these objectives and planning our activities, Action Against Hunger's directors give careful consideration to the Charity Commission's general guidance on public benefit. Our objectives in 2020 were:

- **TO RAISE £50M TO RESPOND, PREVENT AND MITIGATE FOOD AND NUTRITION CRISES**
- **TO INFORM AND INFLUENCE DECISIONS AND STRATEGIES THROUGH OUR EXPERTISE ON MONITORING & EVALUATIONS, NUTRITION CAUSAL ANALYSIS, COVERAGE STUDIES, LEARNING, FEASIBILITY STUDIES, AND COST OF DIET**
- **TO SCALE UP TREATMENT AND INVESTMENT FOR THE PREVENTION OF ACUTE MALNUTRITION**
- **TO INFLUENCE AND SHAPE THE FUTURE ROLE AND EFFECTIVENESS OF ACTION AGAINST HUNGER'S INTERNATIONAL NETWORK**
- **TO AMPLIFY THE VOICES OF AFFECTED COMMUNITIES SO AS TO INSPIRE ACTION AGAINST HUNGER**
- **TO IMPROVE THE ENGAGEMENT WITH OUR AUDIENCES THROUGH POSITIVE STORIES, A NEW WEBSITE, PUBLIC AWARENESS CAMPAIGNS AND COMMUNICATION ON EMERGENCIES**
- **TO IMPROVE OUR EFFICIENCY BY CONSOLIDATING THE FOUNDATION BLOCKS OF THE CHARITY: ITS PEOPLE, AUDIENCE, QUALITY STANDARDS AND FINANCES**

The Covid crisis seriously affected Action Against Hunger's capacity to deliver some of its objectives. A three-stage crisis management approach was developed in March 2020 to mitigate the impact of the crisis. An immediate 'Act now' survival phase to protect the charity was implemented between March and June 2020, followed by a 'Recovery' phase between June 2020 and June 2021.

Crises are accelerators of change. The Covid-19 crisis has been an opportunity to reshape Action Against Hunger's future and make the charity even more relevant and, importantly, more resilient. Therefore, a 'Retool' phase, looking forward, was initiated in June 2020, which should last until the end of December 2022.



© Peter Caton for Action Against Hunger

*Action Against Hunger volunteer Tondrua Ali visits the communities of Juba to teach about wearing masks to prevent the spread of Covid*

# STRATEGIC REPORT

## AGAINST HUNGER AND MALNUTRITION

### WHY FOCUS ON NUTRITION?

The 2020 'State of Food Security and Nutrition in the World' (SOFI) report from the UN confirmed that the number of people affected by hunger, globally, continues to rise. There has been progress in exclusive breastfeeding and in reducing low birthweight and child stunting, but indicators are that the world is not presently on track to meet global nutrition targets. In addition, the full ravages of the Covid-19 pandemic in 2020 have yet to be assessed, although it has already been estimated that there will be an additional 13.6 million wasted children due to Covid and more than 250 child deaths every day. Inevitably, food security has been affected and nutrition among vulnerable population groups deteriorated further, especially where health, food and social protection programmes are fragile or where it has not been possible to scale them up.

The social and economic impacts of the pandemic on hunger and malnutrition[i] have undoubtedly compounded the effects of inequality, poverty and climate chaos. A key cause of the failure to progress further with the global goals around hunger has been the growth in global conflict, with the large majority of food-insecure people living in conflict-affected countries.

According to the 2020 'Global Hunger Index', nearly 690 million people were suffering from undernutrition prior to the pandemic. In 2019, nearly 50 million children under the age of five were suffering from malnutrition and 16.6 million were affected by the most severe form of life-threatening malnutrition. Acute malnutrition is one of the greatest challenges to child survival in the world today. Every year, undernutrition kills 3 million children under the age of five, but it is also a contributing factor in nearly half of all deaths in children under five because malnutrition puts the vulnerable, especially babies and young children, at greater risk of dying from common infections and diseases. Children with the most severe form of acute malnutrition are nine times more likely to die from infections such as diarrhoea, dysentery, respiratory infections and measles.

i These impacts include: steep economic decline leading to lost jobs and livelihoods, meaning that people cannot afford food; temporary movement restrictions leading to food price rises; reduced access to health services or unwillingness to visit clinics so children go without both severe and moderate acute malnutrition (SAM & MAM) treatment; restrictions of movement on humanitarian aid workers; steep cuts to Overseas Development Aid, meaning reduced access to basic services for aid-dependent communities.

# LEADING AND INNOVATING IN NUTRITION

Our mission to fight hunger includes preventing malnutrition before it happens. Throughout 2020, we continued to position Action Against Hunger as a leader and innovator in nutrition programming, research, information and surveillance. We achieved this through several different initiatives.

In the context of Covid-19 guidance, we developed a multisectoral surveillance system with the Action Against Hunger network. This has provided an alert system to give early warning of emerging threats. The information helps with identifying priorities as well as informing quality interventions and programming. The Global Nutrition Cluster, whose aim is to improve the effectiveness of humanitarian response programmes, adopted this system.

We also supported the Global Nutrition Cluster in their quest to enable countries to achieve timely, appropriate and quality responses to emergencies, by providing support to a small NGO in Afghanistan, Action for Development (AfD), and helping them develop their Monitoring, Evaluation and Learning (MEAL) framework for their Family Mid-upper arm circumference (MUAC) programme.

We piloted an adapted methodology of 'Coverage survey' in Cameroon, which we are replicating in other contexts where remote support is more appropriate.

We continued to conduct Link Nutrition Causal Analyses (Link NCA) to help identify the causes of undernourishment, thereby contributing to our efforts to prevent undernutrition. In 2020, we finalised four Link NCAs, in Liberia, Bangladesh, Burkina Faso and Uganda. These can be found on the revived Link NCA website.

We evaluated the Community Management of Acute Malnutrition programmes supported by UNICEF Afghanistan to improve access and coverage.

We used our learning on best-programming to write two successful proposals. The first, for our country office in Liberia, seeking Irish Aid in a programme to reduce stunting (see case study below). The second, for our country office in the Democratic Republic of Congo, seeking development assistance from the Foreign, Commonwealth & Development Office (FCDO) in a multi-sectoral programme to reduce mortality and the prevalence of wasting in children under five.

We also supported the use of existing and new data to improve global estimates on burden, coverage, and programme impact:

- Through our roles on the Strategic Advisory Group of the Global Nutrition Cluster and Infant Feeding Core Group, and as Co-Chair of the Global Technical Mechanism Assistance for Nutrition on Nutrition Information System, we played a key part in adapting programmatic guidance to the context of Covid-19.
- With Tufts University, we co-organised a set of three webinars on the topic of revisiting the evidence of Kwashiorkor – a unique form of malnutrition that kills tens of thousands of children each year, but whose etiology is unclear.

- With UNICEF East Asia, we co-authored and published an article to determine the prevalence, predictors and levels of wasting and stunting in Southeast Asia (and drafted a second article for subsequent publication).
- We published a further article on the use of MUAC to detect childhood obesity in children under two-years-old in South Africa.
- We published five methodological articles on the Link NCA website, showcasing the use of new tools to further the understanding of the methodology and how it can help define the pathways leading to both wasting and stunting.

# CASE STUDY

## USING LINK NUTRITIONAL CAUSAL ANALYSIS TO INFORM PROGRAMME DESIGN

In 2020, the Liberian WASH Consortium (LWC) commissioned Action Against Hunger to conduct a Link Nutritional Causal Analysis (NCA) in five counties, as part of a series of formative research. The aim was to build a solid evidence base for future interventions, through an in-depth understanding of context and community priorities.

The Link NCA study was a critical part of this approach, allowing a better understanding of the underlying causes of stunting and the linkages between nutrition, food security and livelihoods, water, sanitation and hygiene, gender and other thematic areas.

The main objective was to identify the major risk factors and causal pathways leading to stunting in the five counties, which were grouped into three regions. Among the major risk factors, two were identified in the sector of water, sanitation and hygiene – namely, low access to water and non-optimal sanitation practices. The third major risk factor – low access to food – was identified in the sector of food security and livelihoods.

The LWC then contracted Action Against Hunger to lead the development of a proposal that subsequently led to the nutrition strategy of Irish Aid in Liberia. The team that was hired had also led the Link NCA, and they ensured, wherever possible, that the recommendations of the formative research were used (with its strong emphasis on community preferences). A strong component of the proposal was therefore to design community engagement strategies advancing access to basic sanitation, nutrition security and maternal health, including for adolescents.

During the four-week proposal-development process, Action Against Hunger - led by the Link NCA technical advisor for the study - coordinated inputs from the LWC. These inputs were gathered during several rounds of sectoral technical discussions with advisors, regional sectoral experts and sectoral programme managers. There were also regular multisectoral coordination calls including operational team members. All contributions were maintained in a collaborative online platform, so that inputs could be routinely reviewed, and the project was successfully awarded.

An emphasis was placed on a robust monitoring, evaluation and learning (MEL) framework, sensitive to the learnings gleaned during the Link NCA. The implementation of this is now led by Action Against Hunger's Monitoring Evaluation and Learning (MEAL) team. This project showcased how future projects aimed at reducing malnutrition should be based on findings of Link NCAs.

# WE USE OUR EXPERIENCE AND EXPERTISE TO INFLUENCE

Advocacy to address the underlying political drivers of hunger is now more important than ever. Action Against Hunger advocates both in countries with a high burden of malnutrition and in countries like the UK, where aid and foreign policy decisions can affect the vulnerability to, and recovery from, undernutrition of people all around the world. However, the pandemic has diverted political attention and priorities, making for a challenging environment.

In the UK, we work with our country programmes to deliver their evidence and advocacy demands to UK decision makers. In 2020, we began building a base of public supporters for our advocacy for the first time, now reaching 2,000 people. We also continued our advocacy on nutrition, co-chairing the International Coalition for Advocacy on Nutrition (ICAN UK), a coalition of NGOs advocating for nutrition as a UK aid priority. We have been able to engage our supporters in taking targeted actions to reach decision makers, such as writing directly to Prime Minister Boris Johnson and Foreign Secretary Dominic Raab on defending UK aid for hunger and nutrition. Supporter names were also included in a petition with over 20,000 signatories (developed in collaboration with ICAN UK allies), handed in to the Foreign Secretary in December.

We also undertook coordinated campaign actions on World Food Day, 16 October 2020, including leading on a letter signed by 65 global nutrition experts, published in The Telegraph, calling for nutrition to be a UK aid priority, and calling on our supporters to write to their MP asking them to back our asks, in alliance with ICAN UK members. 26 MPs shared our campaign ask on social media that day. Actions such as this contributed to a UK Ministerial Statement at the global launch event for the Nutrition for Growth Year of Action, expressing the UK's continued commitment to action on nutrition.

By working with the Action Against Hunger network to build the evidence base on the impact of the Covid-19 pandemic on global hunger, we have been able to establish ourselves as a leading voice on food security and nutrition in the UK. We are frequently briefing and meeting with MPs and officials to communicate the humanitarian situation in countries in hunger crises and the aid and policy responses we are calling for from the UK.

# CASE STUDY

Conflict is the leading driver of rising global hunger. It leads to the displacement of large populations and results in communities caught up in violence losing their homes and livelihoods, and too often being unable to access humanitarian aid.

Action Against Hunger has an ongoing global advocacy initiative aimed at breaking the cycle of conflict and hunger, and ensuring people have access to the food and basic services they need. In 2020, the merger of the UK's Department for International Development (DFID) and Foreign and Commonwealth Office (FCO) into the Foreign and Commonwealth Development Officer (FCDO) was an opportunity to advocate for improved diplomatic action to tackle conflict-induced hunger.

When a Special Envoy for Famine Prevention and Humanitarian Affairs was appointed by the new department, Action Against Hunger led on cross-sector efforts to brief the envoy and the ministerial team, with written and oral briefings and presentations on global food insecurity and on the political action the UK can take to reduce famine risk.

Through these briefings, drawing on evidence from Action Against Hunger's direct engagement with affected communities, we were able to help shape the FCDO strategy and priorities on famine prevention. This includes a commitment to advance UN Security Council Resolution 2417 on conflict and hunger, and ensure that the resolution has a more tangible impact on current crises.




*After walking three hours to reach a water point, two women fill their jerry cans in Borena, Ethiopia*

# RESPONDING IN EMERGENCIES

In 2020, Action Against Hunger successfully secured more than £37m of UK Government (UK aid) funding to support 23 projects across 13 countries.

These included funding Action Against Hunger's responses to emergencies across 10 countries – natural disasters, conflicts and health crises (such as Ebola and Covid-19). Examples include:

## DEMOCRATIC REPUBLIC OF CONGO – EMERGENCY AND PREPAREDNESS RESPONSE TO THE SPREAD OF THE EBOLA VIRUS EPIDEMIC

To mitigate the spread of the Ebola Virus Disease among vulnerable populations in Bikoro and Boende, Action Against Hunger took steps to strengthen their health systems. This included a focus on response and preparedness capacities within Infection Prevention and Control practices. The project, funded by the FCDO, was completed over five months. (£750,000)

## YEMEN – SUPPORTING THE PREPAREDNESS, MITIGATION AND RESPONSE TO THE PRIMARY AND SECONDARY IMPACTS OF COVID-19 ON THE INTERNALLY DISPLACED PEOPLE AND VULNERABLE POPULATIONS IN YEMEN

This nine-month project, funded through the FCDO's Rapid Response Facility (RRF), was focused on preventing, mitigating and responding to the Covid-19 pandemic, by providing life-saving assistance through targeted and coordinated activities in health, nutrition, Water Sanitation and Hygiene (WASH), protection and cash to IDPs and vulnerable populations. Action Against Hunger led a consortium of four international and national agencies and reached a total of 150,183 beneficiaries. (£3,000,000)

## PERU – RAPID RESPONSE TO URGENT UNMET NEEDS OF VENEZUELAN MIGRANT AND REFUGEE POPULATIONS IN THE CONTEXT OF COVID-19

In the context of the Covid-19 crisis, this rapid response programme, funded by the Start Fund, focused on supporting Peruvians and Venezuelan migrants and refugee populations in areas of Peru's capital city, Lima, between April and June 2020. Alongside Save the Children, World Vision and CARE International, Action Against Hunger assisted vulnerable populations in areas of the city with high infection rates, providing food support and Covid-19 transmission protection over 45 days. This provided crucial and timely support to those most in need. The project reached a total of 39,093 people. (£60,000)

## AFGHANISTAN – RECOVERY, REINTEGRATION AND RESILIENCE

Over four years, 2020–2024, Action Against Hunger will be working alongside the Norwegian Refugee Council and other NGOs to provide nutrition, mental health and psychosocial support for several regions in Afghanistan. The project will focus on promoting sustainable return and reintegration of internally displaced people (IDPs), through improved resilience capacity, risk reduction and protection. It will also help communities reduce negative coping strategies and strengthen resilience to future shocks. The consortium as a whole aims to support 400,000 IDPs. (£4,904,962).

# FOR A POWERFUL MOVEMENT IN THE UK

OVER 140
**RESTAURANTS**
TOOK PART IN 'LOVE FOOD GIVE FOOD'
RAISING OVER
**£100,000**

OUR **STUDENT SUPPORTERS**
RAISED NEARLY
**£318,000**
TAKING PART IN ACTIVE CHALLENGES

**40** OF OUR
**AMBASSADORS**
RAISED MORE THAN
**£192,000**
TREKKING IN JORDAN

**18 CORPORATE PARTNERS**
RAISED MORE THAN
**£705,000**
TO SUPPORT LIFE-SAVING WORK AROUND THE WORLD

*Volunteers shake their buckets at the Love Food Streat Feast event in London.*

© Connie Campbell for Action Against Hunger

# MOBILISING PUBLIC SUPPORT

Despite the many difficulties faced by our partners in the hospitality sector due to the pandemic, many of our chefs, street food traders and restaurants continued to support us: for which we are sincerely grateful. We humbly thank new members of the hospitality sector for coming on board during this challenging year.

We would also like to thank our corporate partners, private donors, supporters and volunteers who have continued to support our vital work and together contributed £4.7m to our income. This has allowed us to reach many more families in need in nearly 50 countries around the world.

## CORPORATE AND PHILANTHROPY PARTNERSHIPS

In 2020, we were thrilled to receive a grant of £568,000 from the innocent foundation's newly formed Partnership Fund. This grant brought much needed financial stability to our organisation, in a challenging year. It protected our ability to support thousands of vulnerable children in food crisis, while providing a catalyst for recovery and growth.

Thanks to players of the People's Postcode Lottery (PPL), we continued to increase access to vital health services for children suffering from life-threatening hunger in Tanzania. Closer to home, PPL funding enabled us to develop our new website, strength our advocacy activities and invest in new fundraising campaigns.

The ALBORADA Trust continues to provide vital funding so that we can respond to humanitarian crises across the world. In 2020, the trust generously supported our Covid-19 response in Haiti and South Sudan, as communities faced the crippling impact of the pandemic.

As part of our partnership with the Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund, Action Against Hunger received $6.7m to scale up our response to the escalating hunger crisis hitting West Africa and the Sahel region. We were able to support 554,345 of the most vulnerable people in Mauritania, Niger, Senegal and The Gambia.

Many of our hospitality partners continued their fantastic support through 2020, despite extremely challenging circumstances fort the industry as a whole. The steak restaurant Hawksmoor raised £34,000 through a 50p donation on a dessert in their restaurants, donating all profits from their cookbook and through the Love Food Give Food fundraising initiative.

We launched a new corporate partnership in March 2020 with Kelly Deli, owner of leading sushi franchise Sushi Daily, and through sales of zero-waste products and employee fundraising this raised over £60,000 in the year. This three-year partnership will also support our Power of Nutrition project, tackling child malnutrition in Gujarat, India.

The food brand Unearthed® raised £173,000 for us through a 1p donation from every product sold, and by doubling their donation in October as part of Love Food Give Food.

And thanks to the gaming app WOLF (formerly Palringo) we received an incredible £75,000 from their annual Ramadan charity campaign.

We are delighted that our food waste initiative in partnership with Starbucks raised £64,000. We also received a generous donation of £40,000 from Ooni Pizza Ovens. The Antonio Carluccio Foundation donated £25,000 to support our response to rising hunger in the UK as a result of the Coronavirus crisis, in addition to continuing their donation of 50p from every Penne Giardiniera dish sold at Carluccio's restaurants.

Following our initial UK response to the pandemic, Barclays generously donated a grant of £100,000 to help us continue scaling up our UK programmes.

## WORKING WITH THE HOSPITALITY INDUSTRY

We continue to be one of the hospitality industry's charities of choice. We have worked with the sector for two decades and are very proud to share with them our passion both for food and for building a world free from child hunger.

As in so many aspects of our work in 2020, we had to think creatively in the way we ran our usual fundraising events. To this end, the annual Fine Wine and Art Dinner turned virtual, with a live auction streamed direct from the restaurant 1 Lombard Street. Hosted by the TV presenter Mariella Frostrup, the event raised more than £260,000. Thank you to the committee for their continued commitment during these difficult times.

Huw Gott – co-founder of the restaurant Hawksmoor – and Libby Andrews - Marketing Director of Pho - rallied hospitality businesses from across the country to deliver an online charity auction, Today's Special, in July, raising over £225,000 for Action Against Hunger and Hospitality Action. At an incredibly difficult time for the industry, the generosity from restaurants, bars, chefs and hotels saw donations of more than 150 money-can't-(normally)-buy prizes. The best of these were auctioned off live on Zoom in an event hosted by Great British Menu judges Andi Oliver and Oliver Peyton, and comedian Tom Allen.

## LOVE FOOD GIVE FOOD

**Despite everything, we were able to continue our annual Love Food Give Food campaign. The campaign was supported by over 140 restaurants, raising over £100,000. Many of our long-standing restaurant, hotel and pub partners took part, including Hawksmoor, Hakkasan, Harts Group, Shake Shack and The Pig.**

**We welcomed new pub partner Brewdog and for the first time, we expanded the campaign to other companies from the wider food and hospitality industry. Long-term partners unearthed® took part and by doubling their 1p donation on every pack of food, for the month of October, raised £6,750. In addition, new partners Pasta Evangelists, Detox Kitchen, Jing Tea, Red Rickshaw and Feast Box turned their love for food into action by raising money in different ways during the two months, such as added donations at checkouts and donations from product sales.**

# PUBLIC ENGAGEMENT

We began 2020 with a focus on growing our public supporter numbers through digital recruitment and maximising return on our Challenge events. The pandemic meant that the majority of our community and Challenge events couldn't take place, so we had to react quickly and adjust our plans overnight. We kick-started our digital new-donor recruitment with our Facebook Coronavirus appeal. This was very successful and set the ground for further 'paid social' donor recruitment throughout the year, which is now our main donor acquisition channel.

## LEGACIES

In 2020 we received we received income from legacies of over £67,000 In addition, supporters are already making use of our online will-writing service Bequeathed and we received three pledges totalling £16,600.

## AMBASSADOR CHALLENGE

We ran two back-to-back Ambassador Challenge treks to Jordan, in February and March, with more than 40 of our high-profile supporters, including the chefs Angela Hartnett and Nieves Barragán Mohacho. In total, the treks raised over £192,000– one of our most financially successful Challenges to date.

## DATA AND SUPPORTER CARE

In March, we upgraded our Raiser's Edge Customer Relationship Management (CRM) system with RE:NXT API, which is more accessible and intuitive than our previous CRM. This important upgrade means we can more effectively analyse our supporter data to create seamless supporter journeys, create high-value donor pipelines and income reporting.

## FACEBOOK

At the end of March, we launched a Coronavirus appeal on Facebook, which ran for over six weeks. During the campaign, we saw an uplift of 100 per cent in the number of people making a regular gift via our website.

On our old website and with our old donation pages, our Facebook campaign used to have a conversion rate of only 3.56 per cent. Following changes to the website, our Facebook campaign then generated a conversion rate of 20 per cent.

## NEW DONATION PLATFORM

In May, we launched our new digital donation platform on our website. This was our first step in the journey to modernise our digital fundraising and communications. For the first time, we were able to take recurring donations via PayPal and ApplePay. These are now one of the most popular ways for our supporters to donate to Action Against Hunger.

## WINTER FUNDRAISING CAMPAIGN: SIX WEEKS TO SAVE A LIFE

At the beginning of November, we launched our Six Weeks to Save a Life campaign, featuring the story of Halima, in Somalia. Not yet two years old, Halima had severe acute malnutrition, the most life-threatening type of hunger. Without our support, she might well have died. Thanks to our donors, we put her on a six-week treatment programme, by the end of which, she had fully recovered. The winter campaign raised over £50,000, so that we could treat many other children suffering from malnutrition.

# GATHERING AND COMMUNICATING CONTENT

## NEW WEBSITE LAUNCH

At the beginning of November, we launched our new website. The site, with new landing pages, embedded donation forms and intuitive navigation, has been designed to optimize the fundraising journey.

For every lead generated from our Facebook ads, the conversion rate used to be 20 per cent. Our previous Facebook campaign, on our old website and with our old donation pages, generated a similar amount of traffic, but the conversion rate was only 3.56 per cent.

## TRAINING COLLEAGUES OVERSEAS

In 2020, we started a new initiative to train in-country comms staff so that they could carry out interviews, photograph and film people we support. We provided training and professional equipment to colleagues in Tanzania and Somalia, who both produced high-quality content which was used not only by Action Against Hunger in the UK, but also by other network members around the world. We also supported in-country programme staff to collect video footage and testimonies, which were used to create video content to help secure donor funding.

## GAINING COVERAGE IN THE MEDIA

We played a pivotal role in the launch of the DEC's Coronavirus Appeal and our spokespeople appeared across all major UK broadcast and print platforms.  Other highlights included hosting ITV News in Kenya for a report on Desert Locusts, and the coverage we secured for our Covid response in Somalia - which featured on BBC News as well as being the subject of a photo essay published in the Guardian.

# A HIGH PERFORMING ORGANISATION AND A FIRST-CHOICE EMPLOYER

## OUR PEOPLE

Action Against Hunger is proud to have such a committed and passionate team of people driving its mission to end world hunger. Despite the extreme challenges, and at times, very difficult decisions they have faced as a consequence of the global pandemic throughout 2020, this commitment has prevailed throughout, and our sincere gratitude and appreciation is extended to the whole team.

In 2020 the average number of staff employed by Action Against Hunger and working in the UK office was 70. The average number of staff contracted by Action Against Hunger UK and working overseas was 68. These included staff who worked overseas on projects run by both Action Against Hunger and other members of the Action Against Hunger International network in 13 countries.

Although Action Against Hunger employs fewer than 250 people in the UK – and is, therefore, not obliged by law to do so - we have committed to publishing our gender pay gap (GPG). In April 2018, there was no difference in the median pay gap between female and male employees. However, in April 2020 a negative gender pay gap in favour of women of -2.5% was reported. In April 2020 this negative gender pay gap in favour of women has decreased to -1%.

In 2020, we provided placements for 10 volunteers, each seeking to gain exposure and valuable experience through working in our HR, Fundraising and Operations departments. Our sincere thanks go to our volunteers for their support for our work.

## OUR COMMITMENTS

Action Against Hunger trustees, employees and volunteers are committed to respect the Charity Code of Conduct, which articulates the values the organisation wishes to foster in leaders and employees.

We are committed to ensuring that those working for and on behalf of Action Against Hunger are clear, confident and equipped to understand their obligations to uphold the six founding principles of independence, neutrality, non-discrimination, free and direct access to victims, professionalism, and transparency.

Our policies in relation to the protection against sexual abuse, sexual exploitation and sexual harassment, and those relating to the prevention of financial mismanagement and misconduct continue to underpin these principles, and we continue to ensure that all staff and volunteers (including trustees) are appropriately briefed and trained through our annual mandatory policy and e-learning programme.

# HOW WE RAISE OUR MONEY

We are registered with the new Fundraising Regulator, follow its Code of Fundraising Practice and believe in its aim to set the highest fundraising standards and enhance public confidence in the charitable sector. As a registered charity we are regulated by the Charity Commission.

In 2020, we are proud to say 96 pence in every pound we raised was spent on our charitable activities. The remaining 4 pence was primarily used for support activities and fundraising. These activities enable us to increase the number of children's lives we save now and in the future, and to find new ways to drive down the cost of treatments so that the money we do raise goes further.

We know that when people give us money they need to know we are using their gifts effectively and resourcefully. We keep our office costs as low as we can and, thanks to the incredible support we have from the UK food industry, we're also able to provide exceptional value on a large proportion of our fundraising because of the time, food and other services that they generously donate for free.

We have a team of fundraisers dedicated to making sure our fundraising is legal, open, honest and respectful. When we use external suppliers to support us with their expertise or increase our capacity, they are contracted and monitored to ensure that they are working to our standards.

Action Against Hunger collects data from supporters to process donations, personalise the supporter experience or to provide supporters with the goods or services they have requested. Except as required by law, Action Against Hunger will never share supporter details with other organisations to use for their own purposes.

On the rare occasion that we do have a complaint about our fundraising – in 2020 we recorded four complaints – we follow a clear process of recording and investigating the complaint, working toward a positive end. We do not put undue pressure on people to make donations, and we use fundraising channels we consider to be engaging and not unreasonably intrusive.

We are careful to ensure we do not accept donations from anyone we suspect to be vulnerable. As well as following the Code of Fundraising Practice, we are members of the Institute of Fundraising and we seek guidance from them in any such instances. Every pound we raise makes a difference to people's lives worldwide. And with increasing numbers of people donating and levels of support, we are able to have greater impact in the world. As such, we place the highest importance on our approach to fundraising, and we believe this approach is why some of our loudest and most committed champions are our supporters themselves.

# THANK YOU

THANK YOU TO ALL OUR FANTASTIC SUPPORTERS AND PARTNERS FOR YOUR GENEROSITY IN 2020. WE ARE GRATEFUL TO ALL THOSE WHO HAVE HELPED US EMPOWER FAMILIES AND PROVIDE VITAL CARE SO THAT CHILDREN CAN GROW UP STRONG AND HEALTHY.

## OUR SUPPORTERS

The ALBORADA Trust, The Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund, Antonio Carluccio's Foundation, Bakkavor, Barclays, Hakkasan, Hawksmoor, the innocent foundation, Kelly Deli, Mowgli, Ooni Pizza Ovens, People's Postcode Lottery, Starbucks, unearthed®, The Waterloo Foundation, WOLF, and all our Love Food Give Food partners.

## OUR CHEF, CELEBRITY AND COMMITTEE SUPPORTERS

Adam Gahlin, Andi Oliver, Angela Hartnett, Asma Khan, Bill Knott, Candice Brown, Carl Clarke, Chantelle Nicholson, Chris Whitney, Claude Bosi, Cyrus Todiwala, Dan Joines, David Gleave, Elly Curshen, Eneko Atxa, Erica Schecter, Felicity Clarke, Gizzi Erskine, Harneet Baweja, Hus Vedat, Huw Gott, Jackson Boxer, Jacob Kenedy, James Chase, James Knappett, Jason Atherton, Jeremy Lee, Joe Fattorini, Karan Gokani, Ken Hom, Lawrence Dallaglio, Libby Andrews, Mariella Frostrup, Mark Hix, Michel Roux Jr., Mitch Tonks, Monica Galetti, Neil Borthwick, Neil Rankin, Nick Gibson, Nieves Barragán Mohacho, Nud Dudhia, Oliver Peyton, Omar Allibhoy, Paulo de Tarso, Peter Nagle, Raymond Blanc, Richard Hodsden, Richard Turner, Robin Freeman, Robin Gill, Robin Hutson, Romy Gill, Sam Buckley, Sam Hainsworth, Selin Kiazim, Shaun Searley, Soren Jessen, Tim Anderson, Tom Allen, Tom Brown, Tom Kerridge, Will Greeenwood.



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# THE YEAR AHEAD



## PRIORITIES FOR 2021

**OUR PRIORITIES FOR 2021 ARE ALIGNED WITH OUR NEW INTERNATIONAL STRATEGIC PLAN FOR 2021-2025. THEY ARE TO:**

- Mobilise resources to respond, prevent and mitigate nutrition and food crises
- Provide immediate assistance to populations affected by disasters
- Inform and influence decisions and strategies through our expertise
- Amplify voices to achieve impactful actions that help tackle the causes and effects of hunger

© Peter Caton for Action Against Hunger

# FINANCIAL PERFORMANCE

Action Against Hunger's income for the year ended 31 December 2020 increased from £46.0 million in 2019 to £50.8 million in 2020. As in prior years, total income includes the full amount of multiyear grants, accounted for in accordance with the Charities SORP and Accounting Standards, which require us to recognise the full amount of income on most such grants when agreements are signed. The majority of the increase in income in the year came from additional grants received from institutional donors for our humanitarian work.

The Accounts show that in 2020, 96 per cent of the total annual expenditure was allocated to charitable projects and services, with the remaining spend mostly used to support fundraising and, to a lesser extent, indirect support costs. With 96 per cent, Action Against Hunger is at the top end of UK charities in terms of the percentage of funds spent on charitable activities.

We ended the year with a net unrestricted funds surplus of £151,773, which has been added to accumulated general reserves. The Board of Directors has reviewed the reserves policy of the Charity and consider it appropriate to seek to maintain unrestricted free reserves equivalent to six months of general expenditure, to cover eventual risks including property liabilities and staff redundancies, as well as the closure of the Charity, to provide a cushion against seasonal variations in income and expenditure, to costs and to fund strategic plans outside of its normal operations. Unrestricted reserves as of 31 December 2020 were £1.7 million (which represents around 7 months of general expenditure).

The Charity's memorandum of association provides the Trustees with the authority to invest in such assets as they see fit, in order to benefit the Charity and its continued financial wellbeing. The Charity is committed to utilising any surplus cash funds in the most effective way possible. However, the Charity is occasionally required to react quickly to particular emergencies and has a policy of investing any surplus funds in relatively short-term deposits, ranging from one month to immediate access.

Action Against Hunger's Board reviews the investment policy annually. The objective of the current policy is to maintain high liquidity while ensuring maximum security. To achieve this, the Charity invests with institutions with a high security rating in instant access, fixed-term or call cash deposits.

# RISK STATEMENT

Action Against Hunger considers effective risk management to be fundamental to good management practice and to provide an essential contribution towards the achievement of the Charity's strategic and operational objectives. The trustees are satisfied that appropriate internal control systems are in place to identify and mitigate the Charity's key strategic and operational risks.

Whilst the Charity operates necessarily in high-risk contexts to save the lives of these children and provide them and their families with opportunities for a better life, Action Against Hunger remain we remain prudent on how we mitigate these risks.

Action Against Hunger is a forward looking organisation driven by impact and cost-effectiveness, therefore it embraces high risk approaches on innovation, complex programming, leading consortiums, creative fundraising, new ways of working, embracing digital technologies, exploring new technical approaches that challenge existing ones and any other activities that support the achievement of our objectives and the strategic priorities of the Action Against Hunger International network.

The Charity's risk appetite reflects the need to take risks in order to achieve our objectives, provided always that these risks do not breach our principles, values, policies, legal obligations or our duty of care to staff, donors and the populations we support.

Action Against Hunger's Risk Management Policy sets out the Charity's approach to risk management including a risk management framework to support the identification, assessment and management of key risks including the implementation of comprehensive mitigation plans and risk management strategies. This includes a thorough risk identification process, prioritisation of key risks based on an assessment of impact and likelihood, regular review of mitigation measures and controls, evaluation of risks against the Charity's risk appetite and, where appropriate, the development of mitigation plans. Action Against Hunger regularly monitors its key risks with a view to embedding a risk management culture across the Charity.

In 2020, Action Against Hunger carried out a review of its risk management framework and processes to assess and strengthen its identification and response to key risks. This included a comprehensive review of the key risks facing the Charity and the processes in place to manage and mitigate these, including the development of a more detailed organisation risk register and more regular review of key risks by the board and senior management team.

The board is responsible for appointing members of the Charity's Risk and Ethics Committee, of which four trustees were members in 2020. The main functions of the Committee are:

- To review and monitor the key risks and mitigation measures identified in the Charity's Risk Register (from 2020, the Risk Register is reviewed by the Risk and Ethics Committee on a quarterly rather than an annual basis)
- To oversee, support and advise the executive team on the assessment, management and mitigation of key risks and to inform the board of any new major risks or key changes in the risk environment
- To monitor the implementation of the existing mitigation measures and proposed mitigation action plans
- To review serious incident reports reported by the executive team and confirm authority for these to be reported to the Charity Commission
- To ensure that risk management is mainstreamed and embedded within the culture of the Charity

In 2020, the Covid-19 pandemic presented unique challenges for international humanitarian organisations all over the world, including Action Against Hunger. This required a rapid and dynamic response and the Charity acted quickly to manage the situation and mitigate the risks arising from the crisis.

## KEY RISKS

A risk assessment exercise is undertaken and the Risk Register is reviewed on an annual basis. The trustees have identified the following major risks to which the Charity is exposed:

| RISK | MEASURES IN PLACE TO MANAGE THE RISKS |
|---|---|
| **FIELD SECURITY INCIDENTS** | • Detailed security plans and guidelines are updated on an annual basis in every country<br>• Staff receive comprehensive security training before assignment<br>• Ensure security consciousness among staff<br>• Each country is equipped with all the necessary equipment<br>• Critical incident management procedures and training are in place and continually updated |
| **SAFEGUARDING** | • Zero tolerance policy on safeguarding<br>• Safeguarding policies and measures are communicated to all employees, partners and suppliers and are implemented and monitored in all countries<br>• Undertake awareness raising and related trainings<br>• Complaints and whistleblowing mechanisms are in place and effective |
| **FRAUD, CORRUPTION AND BRIBERY** | • Zero tolerance policy for fraud, corruption and bribery<br>• Full implementation of Action Against Hunger Risk Management Policies (Anti-bribery, Fraud, Corruption, Abuse of Power)<br>• Senior Management and Trustees sign Conflict of Interest forms<br>• Whistleblowing and complaints mechanisms are in place |
| **HIGH DEPENDENCY ON FUNDRAISING WITHIN THE HOSPITALITY SECTOR IN THE LAST QUARTER OF THE YEAR** | • Diversify fundraising activities<br>• Scaling up fundraising activities in the first six months of the year and monthly direct debit donations<br>• Invest in digital individual giving |
| **PUBLIC DONOR FATIGUE/ BAD PRESS REGARDING THE CHARITY SECTOR** | • Provide more evidence of impact of programmes<br>• Transparency and regular communication on the use of all funds raised<br>• Publication of annual review<br>• Highlighting values and ethics driving the organisation's decisions and actions |
| **POLITICISATION, MILITARISATION AND COMMODIFICATION OF AID** | • Stand firm on humanitarian principles (humanity/impartiality/neutrality) and ethics<br>• Advocate against the diversion of humanitarian aid from the purpose of alleviating poverty to serving trade, security and/or foreign agendas<br>• Increase financial independence with increased share of private funding<br>• Maintain involvement in dialogue with host governments, donors, military, warring parties |

### SERIOUS INCIDENTS

In 2020 there were twelve allegations related to fraud, abuse of power, sexual exploitation, harassment, terrorism or bribery. All cases were investigated. As a result, three cases of fraud/abuse of power were proven and led to disciplinary action; one case of fraud/abuse of power led to a partnership with one of our downstream partners being terminated; and one safeguarding incident and one incident relating to terrorism/extremism were reported to local authorities. The cases meeting the Charity Commission's criteria for serious incidents were duly reported. None of the incidents occurred in the UK.

# ENERGY USE AND GREENHOUSE GAS EMISSIONS

In the year ended 31 December 2020, Action Against Hunger UK consumed less than 40,000 kWh of energy and therefore is exempt from the requirements to publish information regarding its annual emissions and energy consumption.

# STAKEHOLDER ENGAGEMENT

The Trustee Directors are required to explain how they consider the interests of key stakeholders and the broader matters set out in Section 172 of the Companies Act 2006 in promoting the success of the company for the achievement of its charitable purposes. This statement focuses on matters of strategic importance and the level of information disclosed in this statement is consistent with the size and complexity of the business.

## GENERAL CONFIRMATION OF TRUSTEE DIRECTORS' DUTIES

Action Against Hunger UK's Board has a clear framework for determining the matters within its remit and has approved Terms of Reference for the matters delegated to its Committees. Page 30 explains the roles and responsibilities of the Board Sub Committees. When making decisions, each Trustee Director ensures that they act in good faith to best promote the company's success for the achievement of its charitable purposes, and in doing so will have regard (among other matters) to:

### S172(1) (a) 'THE LIKELY CONSEQUENCES OF ANY DECISION IN THE LONG TERM'

The Charity is guided by a five-year strategic plan, at both UK and International level through the Action Against Hunger network. In order to meet this, the Board of Trustees has to pay due regard to the long term consequences of all its decisions. Throughout the life of the strategy its implementation is regularly monitored through annual progress reports, which help inform the long-term decision-making that is required to achieve the objectives set out in our strategy.

### S172(1) (b) 'THE INTERESTS OF THE COMPANY'S EMPLOYEES'

The Trustees recognise that Action Against Hunger UK employees are our most important asset and are fundamental to the delivery of our strategic plan. Our success depends on attracting, retaining, motivating and developing them, wherever they are located. The annual staff survey is one of the Board's principal tools to measure employee engagement, motivation and commitment to Action Against Hunger. It enables the Board to understand how we are learning from survey findings to strengthen Action Against Hunger culture and values, and informs decision-making from pay and benefits to health, safety and wellbeing. The Staff Forum operates throughout the year as a mechanism for bringing an issues or suggestions for improvements to the Senior Management Team, as well as being an important vehicle for staff consultation of any significant changes or restructuring.

### S172(1) (c) 'THE NEED TO FOSTER THE COMPANY'S BUSINESS RELATIONSHIPS WITH SUPPLIERS, CUSTOMERS AND OTHERS'

Action Against Hunger UK's key business relationships are with: other members of the Action Against Hunger international network; the communities with whom we work; our suppliers; and our donors and supporters. Our engagement with these stakeholders is referenced within this report.

In order to deliver our mission and strategy, and to create impact at scale, we need to work with others. We will continue to work primarily through the implementing members within our Network and also build our capacity to work through other partnerships, alliances, and networks

### S172(1) (d) 'THE IMPACT OF THE COMPANY'S OPERATIONS ON THE COMMUNITY AND THE ENVIRONMENT'

The Board of Trustees have fully committed the organisation to the Core Humanitarian Standards. These standards "put communities and people affected by crisis at the centre of humanitarian action". The charity fully subscribes to this ethos, which we enact in all of our programme delivery. Recognising that climate change is currently one of the main drivers of food insecurity and hunger in the developing world today, we advocate on this and ensure that within our programme work and in the UK due attention is paid to the environmental impact of everything we do.

### S172(1) (e) 'THE DESIRABILITY OF THE COMPANY MAINTAINING A REPUTATION FOR HIGH STANDARDS OF BUSINESS CONDUCT'

It is important that Action Against Hunger UK continues to maintain its reputation for high standards of conduct in all its work. As part of the Action Against Hunger network all of its employees and trustees are required to sign and abide by a Global Code of Conduct and we ensure compliance at all times with the high standards of business conduct attached to receiving funding from many important in institutional and private donors including FCDO/ UK Aid. Reputational risk is addressed within our Corporate Risk Register and informs all key decision-making. Currently, the Trustee Governance and Remuneration Committee is supervising the implementation of the Code of Good Governance to ensure that recommended practices set out in the Code are in place.

### S172(1) (f) 'THE NEED TO ACT FAIRLY AS BETWEEN MEMBERS OF THE COMPANY'

This is not relevant to Action Against Hunger's organisational structure, as the charity is run in the interests of its charitable objects rather than in the interests of its members.

# STRUCTURE, GOVERNANCE AND MANAGEMENT

Action Against Hunger UK is a registered charity (number 1047501 in England and Wales and from April 2018 SC048317 in Scotland) and is constituted as a private company limited by guarantee (registered in England number 3069468). Its objectives and powers are set out in its Memorandum and Articles of Association.

### DIRECTORS:

Mr Paul Wilson (Chair of Board)

Mrs Frances Pasteur (Safeguarding Trustee)

Mr Tim Wright (Chair of the Audit, Risk and Compliance Committee)

Mr Nicolas Sarkis (Chair of the Fundraising, Engagement and Ethics Committee)

Mr Sanjay Dhiri (Elected in September 2020)

Ms Eleanor White (Elected in September 2020)

Ms Jordan Winokur (Elected in September 2020)

Mrs Pilar Junco (Resigned in September 2020)

### SENIOR MANAGEMENT:

Mr Jean-Michel Grand (Chief Executive)

Ms Maria Franklin (Director of Human Resources)

Mrs Juliet Parker (Director of Operations; left in September 2020)

Ms Alison McNulty (Director of Operations; joined in November 2020)

Mr Steve Notman (Director of Finance and Administration)

Mr Matthew White (Director of Fundraising and Communications)

### AUDITORS:

BDO LLP
2 City Place
Beehive Ring Road
Gatwick RH6 0PA

### SOLICITORS:

Reed Smith Corporate Services Ltd
Minerva House
5 Montague Close
London SE1 9BB

## TRUSTEES

The Directors of Action Against Hunger are the Trustees. The Memorandum and Articles of the Association of the Company set out the way in which trustees may be appointed. The Board has reviewed its composition based on the recommendations of a Board development review. The trustees identified some gaps in skills and diversity. Three new Trustees were elected in September 2020.

All new trustees were provided with a structured induction programme. This covered, but was not limited to, trustees' roles and responsibilities; a clear understanding of the objectives of the charity, its vision and strategy; principles and values articulated in the charity's Code of Conduct and Charter; an introduction to some of its main policies, risks, and financial situation; meetings with the executive teams and a field visit of its overseas programmes.

Trustees are elected for a three-year term and cannot serve more than three successive terms. The Code of Conduct and conflict of interest forms are signed by the Trustees every year. Trustees' self-assessments are carried out annually. The assessment also includes some questions on the performance of the Chair. The outcomes of the assessments were discussed at the following Board meeting.

Action Against Hunger's Board of Trustees meet on a quarterly basis. The Board delegates the use of certain powers, related to the management and administration of the Charity, to Mr Jean-Michel Grand, the chief executive. The chief executive is responsible for the day-to-day management of the Charity's affairs, and for implementing the Charity's strategy, annual plans and policies agreed by the Board. The chief executive also ensures full accountability and transparency of the organisation's accounts and reports to the Board on a regular basis. He leads the Senior Management Team.

They define and propose the following to the Board for approval: Strategies (five-year plan)

1. Annual action plan
2. An annual risk register
3. Policies
4. Investment plans
5. Budgets

Board sub-committees meet regularly to oversee the following areas:

- Audit, Risk and Compliance: ensures the organisation's key risks are adequately managed through financial and nonfinancial internal controls. This committee also provides oversight to the development of Action Against Hunger UK's safeguarding culture and handles and reviews all reported safeguarding incidents across Action Against Hunger UK and its partners.
- Fundraising, Engagement and Ethics: overseas and advises on Action Against Hunger's UK fundraising and marketing activities and considers whether relationships meet certain ethical criteria.
- Governance and Remuneration Committee: ensures good Governance practices for the organisation and reviews financial and non-financial remuneration, including pension arrangements and annual cost of living awards for employees.

The Board has delegated approval for day-to- day operational decisions up to certain financial thresholds to the Chief Executive and other Executive team members under a Scheme of Delegation to enable them to coordinate and direct Action Against Hunger UK's work worldwide. All decisions above this threshold must be approved by the Board. The Board has also reserved to itself certain important decisions, such as major initiatives, appointment of the senior executives and approval of the long-term objectives and strategy.

In order for informed decisions to be made, members of the Senior Management team and the chief executive respond to the Board's questions at meetings. The Board takes a majority vote on decisions (simple majority), communicating them through minutes and resolutions. A quorum of three is necessary.

Any change in strategy, action plan, policy or procedure proposed by the Chief Executive is examined and ratified by the Board. In December 2020, the Board approved a new 5 year UK strategy for the period 2021-2025.

The Board approves the delegation of financial authority through the chief executive to the charity, within specific limits.

The Trustee Governance and Remuneration Committee is supervising the implementation of the Code of Good Governance.


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## ARRANGEMENTS FOR SETTING THE PAY AND REMUNERATION OF THE CHARITY'S KEY MANAGEMENT PERSONNEL

Action Against Hunger operates an incremental pay structure for all roles, including senior management. Grades are established by assessing the job description against the organisation's job evaluation tool. Where appropriate, roles are also periodically benchmarked against the annual Croner Charity Rewards Survey and comparable roles in similar organisations. Incremental increases are service related and awarded annually to the top of the designated grade. The Trustee Governance and Remuneration Committee meets in December, to review financial and non-financial remuneration, including pension arrangements and annual cost of living awards, which are applied to uplift the salary scales.

The Governance and Remuneration Committee recommendations are ratified by the full Board of Trustees.

## INTERNAL CONTROL AND RISK MANAGEMENT

The Trustee Directors have overall responsibility for Action Against Hunger's system of internal control. Such a system can provide only reasonable, and not absolute, assurance against errors or frauds. There is a clear delegation of the Trustee Directors' authority through the Chief Executive and SMT to the rest of the organisation.

Action Against Hunger operates an annual planning and budgeting process with reference to the 5-year Strategic plan and with a start of year and mid-year revised budgets approved by the Board of Trustee Directors. Significant changes during the year are subject to specific approval.

The financial reporting systems provide monthly comparison of actual results with budget. Forecasts of the expected results for the year are undertaken on a regular basis.

Action Against Hunger maintains a comprehensive register of corporate-level risks, the most significant of which are stated on page 26. The register identifies the major strategic and operational risks faced and how they are being managed.

As part of the annual three-year planning process, the key risks are considered by the Trustee Directors and the risks Action Against Hunger faces are reviewed quarterly during the year by the Executive team. The Trustee Directors are satisfied that systems are in place to monitor, manage and mitigate Action Against Hunger's exposure to major risks.

They consider that maintaining Action Against Hunger's general reserves at the levels stated on page 36, and reviewing internal controls and risks through an internal audit programme will provide Action Against Hunger with adequate risk assurance and sufficient resources in the event of adverse conditions. They also recognise that the nature of some of Action Against Hunger's work requires active acceptance and management of some risks when undertaking activities to achieve the objectives of the charity.

## THE ACTION AGAINST HUNGER INTERNATIONAL NETWORK

Action Against Hunger International is a global humanitarian organisation that is committed to saving the lives of malnourished children and supporting their families to beat hunger. In 2020, the Action Against Hunger International network was made up of seven separate legal entities (and their branches and subsidiaries) which were active in 46 countries around the world. The entities that make up the Action Against Hunger International network share the same objectives and operate under common International Co-Operation Protocols including an International Charter of Principles and a number of common policies agreed by the International Committee of Chairs and International Executive Committee.

In 2020, the entities that made up the Action Against Hunger International network were:

- Action Against Hunger (UK)
- Action Contre La Faim (a charity registered in France)
- Action Against Hunger USA (a registered s501(c)(3) organisation in the USA)
- Accion Contra el Hambre (a registered charity in Spain)
- Action Against Hunger Canada (a registered charity in Canada)
- Fight Hunger Foundation/ Action Against Hunger (a registered charity in India)
- Aktion Gegen Den Hunger (a charity registered in Germany)

Expenses are recharged between the connected charities where staff and other resources are used on projects run by the other charity. This gives rise to the balances at the year end referred to in Notes 11 and 12.

## RELATED PARTIES/SUBSIDIARIES

Action Against Hunger UK has a subsidiary trading company called Action Against Hunger Enterprises Limited (company no: 6569439). This Company's principal activity is to raise funds for Action Against Hunger through various trading avenues.

Action Against Hunger UK is one of the six members of the trading company ACFIN Licensing Ltd, a company incorporated in England and Wales (Company No. 06672034). The company's main objective is to license the Action Against Hunger trade marks to the entities that make up the Action Against Hunger International network. The Action Against Hunger UK Chief Executive is a Director of
the company.

## APPROVAL

This Annual Report is signed by the Chairman on behalf of the Board of Trustees. The trustees also approve the Strategic Report, which is contained within this report, in their capacity as company directors.



**MR PAUL WILSON**
**CHAIR OF TRUSTEES**

# STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Strategic Report, the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing the financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



**MR PAUL WILSON**
**CHAIR OF TRUSTEES**

**APPROVED BY THE BOARD ON 26 OCTOBER 2021**

# INDEPENDENT AUDITORS' REPORT

# TO THE MEMBERS OF ACTION AGAINST HUNGER UK

## OPINION ON THE FINANCIAL STATEMENTS

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources 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.

We have audited the financial statements of Action Against Hunger UK ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the Group and Parent Charitable Company Statements of Financial Position, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice.

## 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 Group and the Parent Charitable Company in accordance with the ethical requirements 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.

## INDEPENDENCE

We remain independent of the Group and Parent 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.

## CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## OTHER INFORMATION

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: the Directors' report, the Strategic report and structure, governance and management. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## OTHER COMPANIES ACT 2006 REPORTING

In our opinion, based on the work undertaken in the course of the 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, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

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

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

## RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the statement of Trustees' responsibilities, 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 determines 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 the Parent 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 Group or the Parent 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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

*Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

https://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.

DocuSigned by:

Heather Wheelhouse

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**HEATHER WHEELHOUSE (SENIOR STATUTORY AUDITOR)**

**FOR AND ON BEHALF OF BDO LLP, STATUTORY AUDITOR, LONDON, UNITED KINGDOM**

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

28 October 2021

# FINANCIAL STATEMENTS

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL

## ACTION AGAINST HUNGER UK

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT

### FOR THE YEAR ENDED 31 DECEMBER 2020

| | Note | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ | 2019 Total £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2a | 2,578,146 | 995,725 | **3,573,871** | 4,382,567 |
| Charitable activities | 2b | 2,496,129 | 44,449,375 | **46,945,504** | 41,576,815 |
| Investment and other income | | 271,226 | - | **271,226** | 27,892 |
| Total income | | 5,345,501 | 45,445,100 | **50,790,601** | 45,987,274 |
| **Expenditure on:** | | | | | |
| Raising funds | 3 | 1,504,742 | 139,686 | **1,644,428** | **1,978,107** |
| Charitable activities | 4 | 3,688,986 | 45,935,312 | **49,624,298** | **44,385,973** |
| Total expenditure | | 5,193,728 | 46,074,998 | **51,268,726** | **46,364,080** |
| **Net incoming resources/(resources expended)** | 7 | 151,773 | (629,898) | **(478,125)** | **(376,806)** |
| **Net movement in funds** | | 151,773 | (629,898) | **(478,125)** | **(376,806)** |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | 13 | 1,587,614 | 854,577 | **2,442,191** | **2,818,997** |
| **Total funds carried forward** | 13 | 1,739,387 | 224,679 | **1,964,066** | **2,442,191** |

The group has no other recognised gains or losses.

**COMPANY NUMBER: 3069468**

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL

# ACTION AGAINST HUNGER UK
# STATEMENTS OF FINANCIAL POSITION
## FOR THE YEAR ENDED 31 DECEMBER 2020

| | Notes | Group 2020 £ | Group 2019 £ | Charity 2020 £ | Charity 2019 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 9 | 68,236 | 87,946 | 68,236 | 87,946 |
| Investment in subsidiary | 10 | - | - | 1 | 1 |
| **Current assets** | | | | | |
| Debtors | 11 | 37,094,959 | 24,914,030 | 37,094,959 | 24,914,030 |
| Cash at bank and in hand | | 6,990,839 | 8,611,638 | 6,990,839 | 8,608,299 |
| | | 44,085,798 | 33,525,668 | 44,085,798 | 33,522,329 |
| **Creditors** | | | | | |
| Amounts falling due within one year | 12 | (42,189,968) | (31,171,423) | (42,189,969) | (31,168,085) |
| **Net current assets** | | 1,895,830 | 2,354,245 | 1,895,829 | 2,354,244 |
| **NET ASSETS** | | **1,964,066** | **2,442,191** | **1,964,066** | **2,442,191** |
| **FUNDS** | | | | | |
| Unrestricted funds | 13 | 1,739,387 | 1,587,614 | 1,739,387 | 1,587,614 |
| Restricted funds | 13 | 224,679 | 854,577 | 224,679 | 854,577 |
| | | **1,964,066** | **2,442,191** | **1,964,066** | **2,442,191** |

The surplus for the financial year dealt with in the financial statements of the parent Company was £141,062 (2019: deficit of £376,806).

Approved and authorised for issue by the Board on 26 October 2021, and signed on their behalf by:



Mr Paul Wilson (Chair of Trustees)

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL

# ACTION AGAINST HUNGER UK
# STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 DECEMBER 2020

| | Note | 2020 | 2019 |
|---|---|---|---|
| | | £ | £ |
| **Net cash (used in)/provided by operating activities** | 1 | (1,625,106) | 2,344,062 |
| **Cash flows from investing activities** | | | |
| Investment income received | | 5,025 | 10,587 |
| Purchase of fixed assets | | (718) | (92,633) |
| Net cash provided by/(used in) activities | | **4,307** | **(82,046)** |
| Change in cash and cash equivalents in the year | | (1,620,799) | 2,262,016 |
| Cash and cash equivalents at 1 January | | 8,611,638 | 6,349,622 |
| Net cash provided by activities | | **6,990,839** | **8,611,638** |
| **1. Reconciliation of net expenditure to net cash flow from operating activities** | | | |
| Net outgoing resources | | (478,125) | (376,806) |
| Depreciation of tangible fixed assets | | 20,428 | 12,527 |
| (Increase)/decrease in debtors | | (12,180,929) | 3,817,708 |
| Increase in creditors | | 11,018,545 | (1,098,780) |
| Investment income received | | (5,025) | (10,587) |
| Net cash (used in)/provided by operating activities | | **(1,625,106)** | **2,344,062** |

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL

# ACTION AGAINST HUNGER UK
# NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 31 DECEMBER 2020

## 1 ACCOUNTING POLICIES

### (a) Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006, Charities Act 2011, Charities Accounts (Scotland) Regulations 2006, Charities and Trustee Investment (Scotland) Act 2005, Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities effective from 1 January 2019, FRS102, and applicable United Kingdom accounting standards. The Charity has adapted the Companies Act formats to reflect the Charities SORP and the special nature of the Charity's activities.

The Trustee Directors (who are the Directors of Action Against Hunger UK for the purposes of company law and the trustees of Action Against Hunger UK for the purposes of charity law) reviewed the Charity's business plans and budget in late 2020 and were content that these plans were affordable and that the accounts should be prepared on a going concern basis.

During 2020, the impact of the Covid-19 pandemic and its financial effects on the Charity have been significant, primarily due to the impact that the pandemic had and continues to have on the food and hospitality industry in the UK upon which Action Against Hunger has a close relationship in respect of its private fundraising. This required the executive team and trustees to prepare revised budgets for 2020 and 2021 to ensure that Action Against Hunger would be able to continue its core activities and remain a going concern. Shortly after the first lockdown was announced, as a response to our revised expectations of unrestricted income we carried out a range of immediate cost reductions to mitigate the future impacts including, unfortunately, a reduction in our UK office staffing by about 20%. We made use of the government furlough scheme for staff whose activity has stopped under Covid-19 restrictions but despite this had to make some staff redundant and carry out a number of other significant reductions in our cost base. In total, the revised 2020 budget, which was reviewed and approved by the Trustee Directors in June 2020, recognised cost savings in unrestricted expenditure of around £1.1m in 2020 (30%) compared to the original 2020 budget approved in December 2019. The 2021 unrestricted expenditure is being held at the same level as the 2020 revised budget.

Poor economic conditions and the impact of Covid on fundraising have continued into 2021 and will challenge our traditional fundraising activities through the uncertainties around major events we run, engagement with restaurants and corporates, and our work with students and the general public. There remains much uncertainty around the duration and impacts of the Covid-19 pandemic and we will continue to review income on a regular basis in the weeks and months ahead and review our financial stability as matters progress. We believe our revised 2021 forecasts for income and expenditure are achievable, but we recognise that the current uncertainties might require us to take additional cost-saving measures in future. Through the tough cost cutting measures we took in 2020 and 2021, combined with exceptional generosity from some of our key donors in 2020, we are likely to be able to enter 2022 with unrestricted reserves at a similar level to those we held pre-Pandemic at the end of 2019, which will help mitigate against any reductions in our fundraising income beyond our 2021 and 2022 budgets.

Our overseas operations, which are funded largely by DFID FCDO trusts and foundations through restricted grants have not been significantly impacted, although some ongoing activities have been pivoted to Covid specific responses on the request of our donors.

Having considered all these matters, the Trustee Directors do not believe there is a material uncertainty and so have prepared the accounts on a going concern basis.

### (b) Basis of consolidation

The consolidated accounts include the accounts of the charitable company, Action Against Hunger (UK) Limited and its trading subsidiary Action Against Hunger Enterprises Limited, which is consolidated on a line-by-line basis. No separate Statement of Financial Activities (SoFA) has been presented for the charity as permitted by Section 408 of the Companies Act 2006.

**(c) Income**

Income is included in the SoFA when the charity is entitled to it, the receipt is probable and the amount can be quantified with reasonable accuracy. For restricted grants from institutional donors (eg charitable entities, governments or other non-governmental organisations), where receipt of funding is conditional only on administrative requirements such as the submission of a claim, it has been recognised. Where there are restrictions on the time period in which funding received can be spent, or where there are other conditions that specify the services to be performed under the grant agreement or contract, the income has not been recognised.

**(d) Expenditure recognition**

Expenditure is included in the financial statements on an accruals basis.

***Subcontracted grants***

Subcontracted grants to other members of the Action Against Hunger network or third parties are charged to the Statement of Financial Activities when they have been approved and where a binding commitment has been made to the other organisation. Subcontracted grants that have been approved but not yet disbursed at the balance sheet date are carried forward as creditors in the balance sheet.

**(e) Basis of allocation or apportionment of expenditure**

Expenditure during the year is analysed into raising funds and charitable activities.

Notes 3 and 4 provide an analysis of these categories. All costs are directly charged against the appropriate category. The basis of apportionment of support costs is stated in Note 5.

**(f) Tangible fixed assets**

Tangible fixed assets costing more than £500 are capitalised. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

- Fixtures, fittings and equipment – 25% on cost
- Leasehold property improvements – over the term of the lease

**(g) Operating leases**

Rentals under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income as incurred.

**(h) Foreign currencies**

Foreign currency transactions are recorded at the average exchange rate for the month in which the transaction arose. Year end balances held in foreign currencies are converted at the closing rate. All differences on conversion are charged to the SoFA.

**(i) Fund accounting**

Restricted funds are monies provided by grant or donation for specific projects. Unrestricted funds consist of funds or gifts in kind provided for general charitable activities or monies raised from appeals for specific emergency responses.

**(j) Pension**

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered scheme. The pension cost charge payable by the Charity in the year amounted to £82,874 (2019:£77,105 ). At the end of the financial year there were no contributions (employee and employer) still to be paid over to the scheme (2019: £Nil).

**(k) Gifts in kind**

Action Against Hunger accepts gifts in kind (goods and services) that are in line with the charities mandate from individuals, corporates, foundations and government agencies. Gifts in kind are defined by Action Against Hunger UK as goods and services received for the purpose of carrying out the activities of the charity and also for fundraising and awareness of the organisation. These are non-monetary items that are valued at fair market price.

**(l) Accounting estimates and key judgements**

In the application of the charity's accounting policies the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and 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 revision and future periods if the revision affects the current and future periods.

## 2 INCOME

### 2 (a) Donations and legacies

| | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ | 2019 Unrestricted £ | 2019 Restricted £ | 2019 Total £ |
|---|---|---|---|---|---|---|
| **Donations and legacies** | | | | | | |
| Individuals (including legacies and events) | 1,013,415 | 54,513 | 1,067,928 | 1,544,544 | 38,584 | 1,583,128 |
| Corporate donors | 648,438 | 42,883 | 691,321 | 1,102,531 | 174,720 | 1,277,251 |
| Trusts & Foundations | 842,892 | 898,329 | 1,741,221 | 135,327 | 977,757 | 1,113,084 |
| International partners | 34,864 | - | 34,864 | - | 268,711 | 268,711 |
| Gifts in kind | 38,537 | - | 38,537 | 140,393 | - | 140,393 |
| **Total donations and legacies** | **2,578,146** | **995,725** | **3,573,871** | **2,922,795** | **1,459,772** | **4,382,567** |

## 2 (b) Charitable activities

| | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ | 2019 Unrestricted £ | 2019 Restricted £ | 2019 Total £ |
|---|---|---|---|---|---|---|
| **Grant based activities** | | | | | | |
| UK Government - DFID START | - | 600,633 | 600,633 | - | 4,806,135 | 4,806,135 |
| UK Government - DFID other | - | 33,960,028 | 33,960,028 | - | 25,948,811 | 25,948,811 |
| Al-Thani Humanitarian Fund | - | 5,373,317 | 5,373,317 | - | 5,569,042 | 5,569,042 |
| Children's Investment Fund Foundation | - | - | - | - | 469,376 | 469,376 |
| Disasters Emergency Committee | - | 570,000 | 570,000 | - | - | - |
| Others | - | 362,956 | 362,956 | - | - | - |
| | - | 40,866,934 | 40,866,934 | - | 36,793,364 | 36,793,364 |

| | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ | 2019 Unrestricted £ | 2019 Restricted £ | 2019 Total £ |
|---|---|---|---|---|---|---|
| **Monitoring and evaluation services** | | | | | | |
| UK Government - DFID | - | 2,776,775 | 2,776,775 | - | 1,694,590 | 1,694,590 |
| UN Agencies | - | 259,115 | 259,115 | - | 357,255 | 357,255 |
| Others | - | 222,056 | 222,056 | - | 616,815 | 616,815 |
| | - | 3,257,946 | 3,257,946 | - | 2,668,660 | 2,668,660 |
| **Provision of other services** | | | | | | |
| Provision of employees to Action Against Hunger missions | 2,496,129 | - | 2,496,129 | 2,114,791 | - | 2,114,791 |
| Other services for Action Against Hunger network partners | - | 324,495 | 324,495 | - | - | - |
| | 2,496,129 | 324,495 | 2,820,624 | 2,114,791 | - | 2,114,791 |
| | **2,496,129** | **44,449,375** | **46,945,504** | **2,114,791** | **39,462,024** | **41,576,815** |

| 2 (c) Investment and other income | | | | | | |
|---|---|---|---|---|---|---|
| Bank interest received | - | 5,025 | 5,025 | - | 10,587 | 10,587 |
| Other income | - | 266,201 | 266,201 | - | 17,305 | 17,305 |
| | | 271,226 | 271,226 | - | 27,892 | 27,892 |

Other income in 2020 is related to payments from HMRC as part of the Coronavirus Job Retention Scheme, in which organisations were able to claim for 80% of employee's wages plus any employer National Insurance and pension contributions for staff put on furlough or flexible furlough because of coronavirus.

## 3 EXPENDITURE ON RAISING FUNDS

| | Direct £ | Support costs £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|---|
| Fundraising events | 163,126 | - | 163,126 | 764,537 |
| Other fundraising activities | 1,263,556 | 217,746 | 1,481,302 | 1,213,570 |
| | **1,426,682** | **217,746** | **1,644,428** | **1,978,107** |

All fundraising events expenditure in 2020 and 2019 relates to unrestricted expenditure.
Within other fundraising activity costs, £139,686 relates to restricted expenditure (2019: £42,660).

## 4 CHARITABLE ACTIVITIES

| | Direct £ | Support costs £ | Total 2020 £ | Total 2019 £ |
|---|---|---|---|---|
| Overseas projects | 46,654,473 | 273,003 | 46,927,476 | 41,878,081 |
| Supply of aid workers | 2,184,392 | 45,501 | 2,229,893 | 2,182,292 |
| Advocacy/awareness raising | 230,558 | 22,750 | 253,308 | 71,793 |
| Monitoring and evaluation services | 99,870 | 113,751 | 213,621 | 253,807 |
| | **49,169,293** | **455,005** | **49,624,298** | **44,385,973** |

Of total charitable activities, £3,688,986 related to unrestricted expenditure (2019: £3,107,701) and £45,935,312 related to restricted expenditure (2019: £40,485,719).

## 5 SUPPORT COSTS

| | Executive Office | Admin | Finance and IT | Total 2020 | Total 2019 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Allocated to project costs** | | | | | |
| Overseas projects | 55,947 | 133,308 | 83,748 | 273,003 | 311,314 |
| Recruitment of aid workers | 9,325 | 22,218 | 13,958 | 45,501 | 51,885 |
| Advocacy/awareness raising | 4,662 | 11,109 | 6,979 | 22,750 | 25,943 |
| MEAL and Nutrition services | 23,311 | 55,545 | 34,895 | 113,751 | 129,715 |
| | 93,245 | 222,180 | 139,580 | 455,005 | 518,857 |
| **Allocated to fundraising** | 23,518 | 146,613 | 47,615 | 217,746 | 219,825 |
| | **116,763** | **368,793** | **187,195** | **672,751** | **738,682** |

**Basis for support cost allocation**

Staff costs have been allocated on a basis consistent with the time spent on each activity. Office and administration costs are allocated based on number of staff. Direct support costs are allocated directly to project costs.

## 6 STAFF COSTS

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| **Staff costs for employees on UK contracts** | | |
| Wages and salaries | 4,920,661 | 4,769,695 |
| Employer pension contributions | 82,874 | 77,015 |
| Social security costs | 287,543 | 307,658 |
| | **5,291,078** | **5,154,368** |

The above amounts represents costs for the parent charity and the group (the parent charity's subsidiary does not employ any staff). The total emoluments earned and paid to the Chief Executive, Jean-Michael Grand, for the year, including pension contributions, was £102,072 (2019: £105,061).

The number of other employees whose remuneration amounted to over £60,000 in the year was as follows:

| | 2020 | 2019 |
|---|---|---|
| £90,001 to £100,000 | - | 1 |
| £70,001 to £80,000 | 2 | 2 |
| £60,001 to £70,000 | 4 | 4 |

Remuneration includes salaries and benefits in kind but excludes employer pension scheme contributions. No contributions were made to defined benefit schemes for employees whose remuneration was greater than £60,000.

Excluding the Chief Executive, total emoluments paid to other members of the Senior Management Team totalled £284,721 (2019: £305,678) in the year.

The average number of staff working overseas employed by Action Against Hunger under UK contracts during the year was 68 (2019: 68). At the year-end, staff numbers overseas were 64 (2019: 63). These amounts include staff that worked overseas on projects run by both Action Against Hunger and other members of the Action Against Hunger International network. The average number of staff employed by Action Against Hunger and working in the UK in 2020 was 70 (2019: 73). At the year-end, UK staff numbers were 59 (2019: 77).

**Trustees' expenses and remuneration and related party transactions**

Trustees are not remunerated and no expenses were claimed in 2020 (2019: £Nil).

## 7 NET INCOMING RESOURCES/(RESOURCES EXPENDED)

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| **Incoming resources/(resources expended) is stated after charging:** | | |
| Depreciation of tangible fixed assets | 20,428 | 14,526 |
| Operating lease payments – property | 192,512 | 187,523 |
| Auditor's remuneration: Charity | 33,000 | 26,184 |
| : Trading subsidiary | 2,500 | 2,500 |

## 8 TAXATION

The charitable company meets the definition of a charity in Schedule 6 Finance Act 2010 and accordingly is entitled to exemptions set out in Part II Corporation Tax Act 2010 and section 256 Taxation of Chargeable Gains Act 1992 to the extent that its income and gains are applied for charitable purposes.

## 9 TANGIBLE FIXED ASSETS

| Group and Charity | Leasehold property improvements £ | Fixtures fittings & equipment £ | Total £ |
|---|---|---|---|
| **Cost** | | | |
| At 1 January 2020 | 248,626 | 79,053 | 327,679 |
| Additions | - | 718 | 718 |
| At 31 December 2020 | 248,626 | 79,771 | 328,397 |
| **Depreciation** | | | |
| At 1 January 2020 | 184,741 | 54,992 | 239,733 |
| Charge for the year | 11,824 | 8,604 | 20,428 |
| At 31 December 2020 | 196,565 | 63,596 | 260,161 |
| **Net book value** | | | |
| At 31 December 2020 | **52,061** | **16,175** | **68,236** |
| At 31 December 2019 | 63,885 | 24,061 | 87,946 |

## 10 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Action Against Hunger Enterprises Limited (Company number 06569439) is a wholly owned subsidiary and is a company incorporated in England & Wales. The principal activity is conducting trading fundraising activities for the charity.

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| **Share capital** | | |
| Authorised | 100 | 100 |
| Called up | 1 | 1 |

A summary of the company's trading results and statement of financial position is shown below.

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| **Statement of income and retained earnings** | | |
| Turnover | 10,795 | 10,568 |
| Cost of sales | (64) | (68) |
| Net profit before taxation | 10,731 | 10,500 |
| Taxation | - | - |
| Retained profit for the year | **10,731** | **10,500** |
| **Statement of financial position** | | |
| Current assets | 10,732 | 10,501 |
| Current liabilities | - | - |
| Net current assets | 10,732 | 10,501 |
| Total assets less current liabilities | **10,732** | **10,501** |
| **Capital and Reserves** | | |
| Called up share capital | 1 | 1 |
| Retained profit | 10,731 | 10,500 |
| Equity shareholders' funds | **10,732** | **10,501** |

## 11 DEBTORS

| | Group 2020 £ | Group 2019 £ | Charity 2020 £ | Charity 2019 £ |
|---|---|---|---|---|
| Institutional donors | 36,597,285 | 23,769,981 | 36,597,285 | 23,769,981 |
| Action Against Hunger – Canada | 20,458 | 40,259 | 20,458 | 40,259 |
| Action Against Hunger – India | 168,603 | 288,420 | 168,603 | 288,420 |
| Accrued income | 191,041 | 540,404 | 191,041 | 540,404 |
| Sundry debtors | 29,716 | 121,812 | 29,716 | 121,812 |
| Prepayments | 87,856 | 153,154 | 87,856 | 153,154 |
| | **37,094,959** | **24,914,030** | **37,094,959** | **24,914,030** |

Included in the amounts due from Institutional donors above are amounts due after more than one year of £4,924,303 (2019: £9,153,569).

## 12 CREDITORS

| | Group 2020 £ | Group 2019 £ | Charity 2020 £ | Charity 2019 £ |
|---|---|---|---|---|
| **Amounts falling due within one year:** | | | | |
| Action Against Hunger - France | 34,345,632 | 20,045,577 | 34,345,632 | 20,045,577 |
| Action Against Hunger - Spain | 3,839,093 | 2,192,401 | 3,839,093 | 2,192,401 |
| Action Against Hunger - USA | 2,218,658 | 7,798,994 | 2,218,658 | 7,798,994 |
| Action Against Hunger Enterprises | - | - | - | 7,162 |
| Deferred income | 629,411 | 772,892 | 629,411 | 772,892 |
| Other creditors | 906,773 | 243,426 | 906,774 | 232,926 |
| Accruals | 250,401 | 118,133 | 250,401 | 118,133 |
| | **42,189,968** | **31,171,423** | **42,189,969** | **31,168,085** |

## 13 STATEMENT OF FUNDS

| | As at 01 Jan 20 £ | Income £ | Expenditure £ | As at 31 Dec 20 £ |
|---|---|---|---|---|
| FCDO DRC PUNCH | - | 10,914,876 | (10,914,876) | - |
| Health Resilience in North East (HeRoN) Nigeria | - | 6,104,709 | (6,104,709) | - |
| Al-Thani Humanitarian Fund | - | 5,373,317 | (5,373,317) | - |
| Recovery Reintegration Resilience Consortium Afghanistan | - | 4,904,962 | (4,904,962) | - |
| FCDO DRC PUNCH III | - | 4,000,000 | (4,000,000) | - |
| FCDO Rapid Response Fund Yemen | - | 3,000,000 | (3,000,000) | - |
| FCDO SHINE Somalia | - | 2,746,775 | (2,746,775) | - |
| FCDO Multisector Humanitarian Response Yemen | - | 1,894,079 | (1,894,079) | - |
| FCDO Strengthening National Response Plan for COV19 in DRC | - | 1,500,000 | (1,500,000) | - |
| FCDO Rapid Response Fund Activation Somalia | - | 891,402 | (891,402) | - |
| FCDO Ebola Emergency in DRC | - | 750,000 | (750,000) | - |
| CIFF SAM 2.0 Project | 447,459 | - | (343,831) | 103,628 |
| Start Fund alerts | - | 596,001 | (596,001) | - |
| DEC Covid 19 appeal | - | 570,000 | (570,000) | - |
| People's Postcode Lottery | - | 450,000 | (450,000) | - |
| UN projects | 102,046 | 259,115 | (361,161) | - |
| ALBORADA Trust | - | 200,000 | (200,000) | - |
| Soneva foundation | - | 138,600 | (138,600) | - |
| Power of Nutrition Gujarat | - | 118,481 | (118,481) | - |
| Barclays UK project | - | 100,000 | - | 100,000 |
| ELRHA R2HC: Research to support Covid-19 | - | 101,834 | (101,834) | - |
| FCDO MERIAM | - | - | - | - |
| DFID START FUND (Bangladesh Secretariat) | - | - | - | - |
| Action Against Hunger Network | - | 613,088 | (613,088) | - |
| Others | 305,072 | 217,861 | (501,882) | 21,051 |
| **Total restricted funds** | 854,577 | 45,445,100 | (46,074,998) | 224,679 |
| **Unrestricted funds** | 1,587,614 | 5,345,501 | (5,193,728) | 1,739,387 |
| **TOTAL FUNDS** | **2,442,191** | **50,790,601** | **(51,268,726)** | **1,964,066** |

### 13 GROUP STATEMENT OF FUNDS (CONT.)

| | As at 01 Jan 19 | Income | Expenditure | As at 31 Dec 19 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| DFID Nigeria (SUNNY) | - | 8,500,000 | (8,500,000) | - |
| DFID Humanitarian response Cox's Bazar | - | 7,999,997 | (7,999,997) | - |
| Al-Thani Humanitarian Fund | - | 5,569,042 | (5,569,042) | - |
| DFID Nigeria Intgrated basic Nut 300432-107 | - | 3,127,113 | (3,127,113) | - |
| DFID DRC PUNC | - | 2,812,518 | (2,812,518) | - |
| Start Fund ARC replica Senegal | - | 1,987,054 | (1,987,054) | - |
| DFID Somalia - SHINE | - | 1,694,590 | (1,694,590) | - |
| DFID HARP Myanmar | - | 1,336,992 | (1,336,992) | - |
| DFID MERIAM | - | 697,160 | (697,160) | - |
| DFID Somalia (SHARP) | - | 674,433 | (674,433) | - |
| R2HC Research for Health in Humanitarian Crises | - | 525,544 | (525,544) | - |
| ME Foundation - Yemen | - | 343,320 | (343,320) | - |
| START/DFID -various alerts | 9,408 | 313,450 | (322,858) | - |
| Somali Advocates for Health and Nutrition (SAHAN) | - | 275,054 | (275,054) | - |
| IARAN - Regional Analyst network | (6,518) | 6,518 | - | - |
| People's Postcode Lottery - Tanzania | - | 300,000 | (300,000) | - |
| tcc foundation - Myanmar | 10,799 | 139,045 | (149,844) | - |
| ALBORADA Trust | - | 160,000 | (160,000) | - |
| DFID START FUND (Bangladesh Secretariat) | 137,760 | 2,505,631 | (2,643,391) | - |
| UNICEF projects | 97,247 | 357,255 | (352,456) | 102,046 |
| Antonio Carluccio's Foundation | 91,179 | 55,574 | (21,071) | 125,682 |
| CIFF SAM 2.0 PROJECT | 280,948 | 469,376 | (302,865) | 447,459 |
| Action Against Hunger Network | - | 343,285 | (343,285) | - |
| Others | 534,297 | 728,845 | (1,083,752) | 179,390 |
| **Total restricted funds** | 1,155,120 | 40,921,796 | (41,222,339) | 854,577 |
| **Unrestricted funds** | 1,663,877 | 5,065,478 | (5,141,741) | 1,587,614 |
| **TOTAL FUNDS** | **2,818,997** | **45,987,274** | **(46,364,080)** | **2,442,191** |

## 14 ACCOUNTING ESTIMATES AND KEY JUDGEMENTS

Included in the income and expenditure for the year is an amount of £4.9 million relating to a FCDO grant funded programme:-Recovery Reintegration Resilience Consortium Afghanistan (R3). Action Against Hunger is working on this project as part of a consortium led by the Norwegian Refugee Council (NRC). FCDO has an Accountable Grant Agreement with NRC for this project with the reference number: 300420-103. The Action Against Hunger component of the programme is subcontracted by Action Against Hunger UK to Action Against Hunger France.

Immediately following the change of government in Afghanistan in August 2021, Action Against Hunger suspended its R3 programme activities, repatriated all expatriate staff from the country and withdrew all local staff from local field offices.

Subsequently, following consultation with the R3 consortium members, the donor, and in-country stakeholders some activities resumed and our expectation is that the programme will be able to proceed, with some adjustments, in the coming months. If the programme were required to be terminated, there would be no material impact of the net funds or cash flows of the Charity.

## 15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2020 are represented by:

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|---|---|---|
| Tangible fixed assets | 68,236 | - | 68,236 |
| Net current assets | 1,671,151 | 224,679 | 1,895,830 |
| **Total net assets** | **1,739,387** | **224,679** | **1,964,066** |

Fund balances at 31 December 2019 were:

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|---|---|---|
| Tangible fixed assets | 87,946 | - | 87,946 |
| Net current assets | 1,499,668 | 854,577 | 2,354,245 |
| **Total net assets** | **1,587,614** | **854,577** | **2,442,191** |

## 16 OPERATING LEASE COMMITMENTS

The company and the group have total outstanding operating lease commitments relating to the lease of its London office of £1,003,883 (2019: £1,221,606).

## 17 CONNECTED CHARITIES

The directors consider Action Contre la Faim ('Action Against Hunger'), a charity registered in France, to be a connected charity. Action Against Hunger has the same objectives to that of the Company and works closely with it. Its business address is 14/16 Boulevard Douaumont – CS 80060, 75017 Paris CEDEX, France, from which accounts incorporating the results of Action Against Hunger (UK) Limited can be obtained. Other connected charities are Action Against Hunger USA, a charity registered in the US, and Action Contra el Hambre, a charity registered in Spain, Action Against Hunger Canada, a charity registered in Canada and Fight Hunger Foundation, a charity registered in India. Expenses are recharged between the connected charities where staff and other resources are used on projects run by the other charity. This gives rise to the balances at the year end referred to in Notes 11 and 12.

## 18 RELATED PARTIES

Action Against Hunger is one of the five members of the trading company ACFIN Licensing Ltd, a company based in the UK (Company No. 06672034). One of its main roles is to license its Action Against Hunger members the right to use trademarks. The Action Against Hunger UK Chief Executive is a Director of that company. During the year UK license expenses totalling £536 were charged to Action Against Hunger UK by Action Against Hunger Licensing Ltd. At the year end an amount of £24,262 was due from Action Against Hunger Licensing Ltd to Action Against Hunger UK.

Action Against Hunger UK is also a member of Action Against Hunger Development, a foundation registered in France and an organisation that pools resources and expertise to support the development of Action Against Hunger International Network. One of Action Against Hunger's Trustees is an Chief Executive of that organisation.

**FOR A WORLD FREE FROM HUNGER**

**FOR FOOD**
**AGAINST HUNGER AND MALNUTRITION.**
**FOR CLEAN WATER**
**AGAINST KILLER DISEASES.**
**FOR CHILDREN THAT GROW UP STRONG**
**AGAINST LIVES CUT SHORT.**
**FOR CROPS THIS YEAR, AND NEXT**
**AGAINST DROUGHT AND DISASTER.**
**FOR CHANGING MINDS**
**AGAINST IGNORANCE AND INDIFFERENCE.**

**FOR FREEDOM FROM HUNGER**
**FOR EVERYONE**
**FOR GOOD**
**FOR ACTION**
**AGAINST HUNGER.**

ACTION AGAINST HUNGER