ANNUAL REPORT & ACCOUNTS 2020–2021

Company Number 03356526

TOGETHER WE'RE STRONGER

ACTION AGAINST HUNGER

actionaid

ageInternational

BritishRedCross

CAFOD Catholic Agency for Overseas Development

care

christian aid

CONCERN worldwide

ISLAMIC RELIEF

OXFAM

PLAN INTERNATIONAL

Save the Children

tearfund

World Vision

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Cover image: Nur* and her daughter Ismat* in a tent in the Rohingya refugee camps in Cox's Bazar, Bangladesh in May 2020. Nur said the restrictions related to the virus meant she could not go out to work or buy essential items. (*Names changed to protect identities). © Fabeha Monir/Oxfam

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CHAIR'S STATEMENT

This financial year has been like no other in living memory. As the year started the UK had just been put into lockdown and the first wave of coronavirus was gaining pace here and elsewhere in the world. Like many other organisations the DEC's staff moved immediately to remote working and began to assess the likely humanitarian impact of the pandemic around the world.

It was clear that a DEC appeal would be required to help mitigate the impact of the virus on the health of people in countries without a functioning health service, as well as addressing the broader economic effects of the pandemic on countries where many people were only just getting by beforehand. But the question of when to launch an appeal and for which countries was extremely complex.

The data on numbers of cases and deaths around the world was hard to interpret with huge variations in the number of tests taking place and the accuracy of government statistics. In most countries that the DEC was monitoring, the total number of deaths is not recorded. It may be many years until we can estimate the true toll of the pandemic on these places.

But in July, after footage emerged of graveyards rapidly filling in Yemen, the DEC's board, together with our broadcast partners, agreed that the time had come to launch the Coronavirus Appeal to help people in six of the world's most fragile states - Afghanistan, Democratic Republic of Congo (DRC), Somalia, South Sudan, Syria and Yemen - as well as the Rohingya refugee camps in Bangladesh.

In all these places, large numbers of displaced people were facing the virus in crowded camps with little access to soap, clean water or healthcare - all factors that made them extremely vulnerable to Covid-19. Many also faced a struggle to feed their families, as the pandemic caused incomes to fall and food prices to rise. These secondary economic effects of the pandemic on people who had already lost so much were devastating – particularly for children.

In July, Huda, a mother displaced by the war in Yemen and living in a camp in an abandoned school, told us that the pandemic had caused many people to lose work. "Sometimes our food supplies run out and we have to sell some of our household items, or go to the markets to beg," she said. In South Sudan, Akech told aid workers she was desperate for schools to reopen so that her children could get their free school meal – their main source of sustenance.

The Coronavirus Appeal was unique in our 57-year history. Never had the DEC launched an appeal for a disaster happening both overseas and here in the UK simultaneously, asking people who were suffering loss and sacrifice at home to donate money to others facing similar challenges in some of the toughest parts of the world.

This was also the first appeal the DEC had run remotely. Aided by the various technology and systems we had adopted through our Digital Transformation programme, this went remarkably smoothly, even in the intensity of our appeal launch. This forced change has brought new insights into ways of working that will no doubt stay with us for future appeals.

For our member charities working on the ground, and their local partners, there were other challenges. Social distancing and other procedures to keep everyone safe slowed down aid distributions and brought new ways of working. Protecting staff has been a priority, both for their own safety and to ensure they're not spreading the virus among vulnerable populations.

Despite the many challenges, our appeal has nonetheless been a success. Even at such an uncertain time, the British public have responded with typical generosity. By the end of March 2021, the appeal had raised £39m, £31m of which had come directly to the DEC, including £10 million matched by the UK Government.

And our member charities started putting funds to work right away. Despite the work taking place in some of the most challenging contexts in the world, in the first six months DEC charities provided 10,000 frontline workers with PPE, distributed handwashing items to 160,000 households, supported 97 health facilities and much more. For more information on how funds were spent, see page 6.

That the appeal has been successful amid such challenging circumstances underlines the strength of the DEC - bringing 14 charities together with national media and corporate partners in times of crisis overseas to raise as much money as possible to help those in dire need. At the end of a year like no other, I'd like to extend my thanks to everyone who has helped to save lives in some of the world's most fragile places – from donors to partners, fundraisers to aid workers.

The global humanitarian outlook, sadly, is grim, with gains seen in recent decades being reversed as a result of the pandemic. But whatever this year holds in store, the DEC's powerful coalition will be ready to respond once again when the need arises.

Sue Inglish
Chair of Trustees
14 July 2021

TRUSTEES' ANNUAL REPORT
ABOUT THE DEC

When large-scale disasters hit countries without the capacity to respond, the DEC brings together 14 leading UK aid charities to raise funds quickly and efficiently. In these times of crisis, people in life-and-death situations need our help and our mission is to save, protect and rebuild lives through effective humanitarian response.

The Disasters Emergency Committee (DEC) has 14 members, all leading UK-based international aid charities, as follows:

- **Action Against Hunger**
- **ActionAid**
- **Age International**
- **British Red Cross**
- **CAFOD**
- **CARE International UK**
- **Christian Aid**
- **Concern Worldwide**
- **Islamic Relief Worldwide**
- **Oxfam GB**
- **Plan International UK**
- **Save the Children**
- **Tearfund**
- **World Vision UK**

THE DEC'S WORK FOCUSES ON FOUR GOALS:

Goal 1: **Launch the right appeals, at the right time** using agreed criteria and working closely with our Rapid Response Network partners

Goal 2: **Maximise the money we raise for each appeal** through constant improvement across our existing income streams, and continuing to develop insights about current and prospective donors

Goal 3: **Increase the impact of the funds we raise for the people and communities affected by crises** by ensuring funds are used efficiently and effectively, supporting adaptive programmes that best meet the needs of affected people, and evaluating DEC-funded work

Goal 4: **Preserve and strengthen the public's willingness to donate to humanitarian crises overseas** positioning the DEC as the 'central coordinator' of the UK's fundraising appeals for humanitarian crises and applying learnings from audience research

RAPID RESPONSE NETWORK (RRN)

The DEC would like to thank its RRN partners, who help us reach a wide cross-section of the UK public during appeals.

BBC | ITV | Channel 4 | Channel 5 | Sky | Radiocentre | PayPal | Natwest Group | UK Finance | HSBC | Barclays | British Airways | The City of London | The Big Give | Liverpool FC | Siemens | Morrisons | The Co-Op | Greggs | NewsNow

© Islamic Relief

CHARITABLE OBJECTIVES OF THE ORGANISATION

- Providing an accredited national forum for joint fundraising by UK charitable voluntary sector NGOs ("agencies") in order to maximise the funds raised and facilitate immediate commitment from participating agencies;
- Creating a focal point for the response of the public, the broadcasters and others to such disasters;
- Facilitating agency co-operation, co-ordination and communication;
- Ensuring that funds raised are used in an effective, timely, fully accountable way.

OUR VISION

A world where the impact of disasters on affected communities is minimised by working together through effective humanitarian response and growing resilience.

OUR MISSION

Together we will raise funds to save, protect and rebuild lives in vulnerable countries that are impacted by emergencies and major disasters. We will:

- Raise funds quickly and effectively in large scale humanitarian emergencies
- Uphold the highest standards of accountability and transparency
- Learn and share information to promote effective programmes of response.

WHEN WE LAUNCH AN APPEAL

The DEC responds to disasters in the world's poorest countries, using a set of criteria to help us decide when we launch an appeal and how we can be most effective.

1. The disaster must be on such a scale and of such urgency as to call for swift international humanitarian assistance
2. The DEC member agencies, or some of them, must be in a position to provide effective and swift humanitarian assistance at a scale to justify a national appeal
3. There must be reasonable grounds for concluding that a public appeal would be successful, either because of evidence of existing public sympathy for the humanitarian situation or because there is a compelling case indicating the likelihood of significant public support should an appeal be launched

© Scola Ratda Charles, World Vision

© Ismail Taxta/DEC

HOW WE SPEND AND ALLOCATE YOUR MONEY

Our priority is delivering aid and support to those that need it, as quickly and efficiently as possible. Decisions about how we allocate your money to each of our members when a disaster strikes are taken in advance, based on a calculation of the indicator of capacity (IoC) assessing each member's ability to deliver aid where it is needed.

We make certain that how we spend your money ensures that communities receive the urgent humanitarian aid required, as well as long term support to rebuild their lives after a disaster.

HOW WE ENSURE QUALITY AND ACCOUNTABILITY

The DEC's work is governed by a commitment to best practice and being accountable to both our donors and those affected by disasters.

Our high standards begin with our membership, for which we have a strict set of criteria to make sure that the DEC is made up of the UK's leading aid agencies.

We conduct and publish regular independent appeal evaluations to check our members' disaster responses are really helping the communities that need them most.

STRATEGIC REPORT

GOAL 1: LAUNCH THE RIGHT APPEALS AT THE RIGHT TIME

The DEC Coronavirus Appeal was launched on 14 July 2020, asking for donations to help seven of the most fragile places in the world - Afghanistan, Democratic Republic of Congo (DRC), Somalia, South Sudan, Syria and Yemen - as well as the Rohingya refugee camps in Bangladesh.

As we watched coronavirus spread around the world and become a global pandemic, it was clear that a DEC appeal would be needed at some stage, but the decision on when to launch and which places should be prioritised for funding was very challenging. DEC member charities were responding in a wide range of countries around the world and it was impossible to predict where would be hit the hardest and when, particularly given the lack of testing in many countries.

This is the first time the DEC has launched an appeal for a disaster simultaneously affecting the UK, and the timing of the launch needed to be sensitive to how people were being affected here, both medically and economically. By July 2020, the first wave of infections in the UK had been brought under control and lockdown measures had been lifted.

Although the pandemic was rarely out of the news, how it was affecting fragile states and refugees was less visible. However, after a surge of cases in Yemen and news reports showing large numbers of graves being dug, the DEC and its broadcast partners concluded that the time was right to launch the appeal. The generous response of the UK public, raising £17.7 million by the end of the initial two-week campaign despite the difficulties faced at home, indicates that it was the right decision.

The seven places where funds were to be spent were arrived at following extensive discussions with the DEC's member charities. At the time, they represented the world's five most fragile states (Yemen, Somalia, South Sudan, Syria, DRC), Asia's most fragile state (Afghanistan) and the Rohingya camps in Bangladesh, the world's largest refugee camp. Although they had not yet seen high numbers of cases or deaths (which in some places was partly due to a severe lack of testing), the lack of medical facilities and large proportion of displaced and vulnerable people meant these places were assessed as being at high risk from outbreaks of the virus. Not only that, but the severe economic effects of the pandemic were beginning to show themselves with food prices increasing rapidly in some places.

© Peter Caton/Action Against Hunger

As the pandemic continued to worsen crises in fragile states, and Syria felt the winter bite, we prepared a secondary fundraising campaign for the appeal raising further awareness, including new digital content and an in-depth report on the seven places DEC funds were being spent. Originally planned for January, the campaign was pushed back to March by the wave of Covid-19 infections in the UK in early 2021 and succeeded in raising the profile of the appeal and spurring more donations from the public and corporate partners. As part of this campaign, a call between His Royal Highness The Duke of Cambridge and three Syrian aid workers was hosted by the DEC. A recording of the call was sent to media and shared on the Kensington Palace social media accounts.

In November 2020 we asked our member charities to report to us on the conflict in Tigray, Ethiopia, but by the end of the year we had not concluded that our criteria for launching an appeal had yet been met. As the year drew to a close, we were also monitoring the threat of famine in multiple countries, particularly Afghanistan, DRC, Somalia, South Sudan and Yemen, in case the situation there deteriorates and warrants a new DEC appeal related to hunger.

GOAL 2: MAXIMISE THE MONEY WE RAISE FOR EACH APPEAL

This year we sought to maximise the funds we raised for the Coronavirus Appeal in the unprecedented context of a global pandemic. This meant adapting our usual fundraising techniques and embracing new ways of working to ensure that we took opportunities to present people with a way to help as the pandemic unfolded. Work on an overhaul of the DEC website also continued, with the launch just after year-end.

Raising funds for the Coronavirus Appeal

The Coronavirus Appeal was launched on 14 July with appeals presented by Anita Rani on the BBC and Riz Ahmed on ITV, Channel 4, Channel 5 and Sky. Anita Rani also presented BBC radio broadcasts while Annie Lennox presented the appeal on commercial radio stations. For the first time, the BBC also shared a social media version of the appeal film on many of its stations' social media accounts, giving the appeal extended digital reach. Channel 4 News made a version of the appeal for their Facebook page for the first time, including an appearance by Sir Mo Farah. After a special report on Syria, ITV aired the appeal film for a second time – another first. The appeal was supported by a wide range of public figures, including The Duke and Duchess of Cambridge, Martin Clunes, Jason Isaacs, Thandiwe Newton and Emma Watson. A full fundraising and marketing campaign was launched, with channels chosen and adjusted to maximise the funds raised in an unprecedented media consumption environment. For example, with use of public transport being limited by the pandemic, the DEC didn't advertise at stations or on the TfL network as usual, but instead used roadside outdoor advertising instead. The first £10 million donated by the UK public was matched by the UK Government, dramatically increasing the impact of the appeal.

This was the first ever DEC appeal to be run remotely, with staff, secondees, freelancers and agencies all working from home. Although there were challenges, the DEC's digital infrastructure came into its own, with Zoom conference calls already familiar and online systems and workflows the standard ways of working following strategic investments in digital infrastructure over recent years. Communications staff were seconded from DEC member charities as usual, joining a digital press office, while fundraising teams worked collaboratively and in new, dynamic ways to maximise funds raised and reduce costs.The appeal raised over £5 million in the first day and £17.7 million by the end of the two-week period of joint action where all DEC member charities work together on our fundraising and marketing campaign. However, with seven places and the pandemic far from over, we kept looking for opportunities to promote the appeal and raise money, monitoring news reports and asking supporters for donations when appropriate, keeping the appeal total rising steadily.

As the needs caused by the pandemic in fragile states kept growing at the same time as the amount of aid funding available internationally was decreasing, we planned a secondary campaign for the appeal, including a fundraising video highlighting how Covid-19 combined with other factors in fragile states, and an in-depth report into what 2021 held for our seven appeal locations. The campaign, originally planned for January but delayed due to the wave of coronavirus infections in the UK, was launched in March 2021. In total, the campaign raised over £4 million.

In March 2021, the DEC hosted a video call with His Royal Highness The Duke of Cambridge and three Syrian aid workers to highlight the dire humanitarian situation facing displaced people in the country's northwest. By the end of March 2021, the appeal total stood at £39 million, of which £31 million came directly to the DEC, including £10 million matched by the UK Government.

Reimagining the DEC website

Throughout the year, DEC staff worked with an external agency to redevelop the DEC's website to better communicate our emergency appeals and improve the experience of donors, including by improving its accessibility. Modules were developed to place relevant calls to action on pages and better feature the voices of people affected by disasters and aid workers on the ground. Despite a delay due to the launch of the Coronavirus Appeal, the discovery phase of the project was completed in October, and the build began in January. The new website went live just after the end of the financial year without causing any noticeable reduction in traffic in the short-term. Early results from Google Analytics seem positive, with the average time on page increasing by 34 seconds between the month before and month after launch, and the bounce rate reducing by more than 10% - both indications that the new layout is more engaging. Particular attention was paid to ensuring that the experience on mobile was as good as desktop, as during the last appeal the website received more traffic from people using mobile phones than computers.

GOAL 3: INCREASE THE IMPACT OF THE FUNDS WE RAISE FOR THE PEOPLE AND COMMUNITIES AFFECTED BY CRISES

CORONAVIRUS APPEAL

Since late 2019, coronavirus has affected the lives of millions of people around the world. Fragile states that have already experienced decades of conflict, violence, drought and flooding have been impacted the worst. In these places, millions of displaced and otherwise vulnerable people already had little access to adequate healthcare, water, food and ways to earn a living. Not only did this leave people there extremely vulnerable to Covid-19 itself, but the secondary effects of the pandemic – successive lockdowns and global recession that have crippled economies, inflated food prices and increased unemployment – have pushed vulnerable people closer to the edge.

On 14 July 2020, the DEC launched its Coronavirus Appeal to protect vulnerable people living in the world's most fragile places; DRC, Somalia, South Sudan, Yemen, Syria and Afghanistan, and the Rohingya refugee camps in Bangladesh.

In the first six months, the appeal raised more than £34 million, with £26 million coming directly to the DEC, including £10 million matched by the UK Government. All 14 member charities are taking part in the response.

During the first six months of the response (July 2020 - January 2021), DEC member charities and their partners provided assistance to thousands of affected families with £11 million of DEC funds. DEC funds were used to run 43 projects across the seven places, involving all 14 member charities and 27 local partners. Projects included improving water and sanitation infrastructure so that vulnerable displaced families could protect themselves from the virus, protecting frontline workers with PPE and enabling affected people to buy food.

In the first six months of the response, DEC funds were used to:

- provide personal protective equipment to 10,000 frontline workers
- provide 165,000 households with handwashing items
- construct 1,500 handwashing stations
- support 97 health facilities with training, equipment, supplies and running costs
- reach over 1.3 million people with information on staying safe from the virus
- provide 26,000 households with food assistance and a further 12,700 households with cash assistance.

Some of the projects had overlapping goals. For example, in DRC, 101 people were trained to produce reusable face masks. The first 30,000 were distributed free to local families to help them stay safe, while subsequent batches were sold by the mask-makers, providing them with much needed additional income. "Before the project I was in crisis without money," said Kathindo Mathe, 47. "This project has greatly assisted me." For a full overview of the first six-months of the response, see the 2020 Coronavirus Appeal Six-Month Report.

© Fabeha Monir/Oxfam

Review of the response

Last year, the DEC commissioned an independent real-time review of the DEC-funded response across all seven of the fragile places that DEC funds were being spent. The review acknowledged the extremely challenging context presented to aid agencies by the pandemic, but found that by providing additional funding to activities that member charities had already begun at the outset of the pandemic, DEC funding was effective and delays were kept to a minimum. Restrictions on meeting and travel disrupted standard processes around complaints and feedback mechanisms but alternative systems and procedures were set up where possible. The review also praised the DEC's response for staying relevant despite the uncertainty of dealing with a global pandemic and its secondary effects by maintaining strong monitoring systems and a high level of flexibility with its funding. For the full findings and recommendations, see the 2020 Coronavirus Appeal Real-Time Response Review.

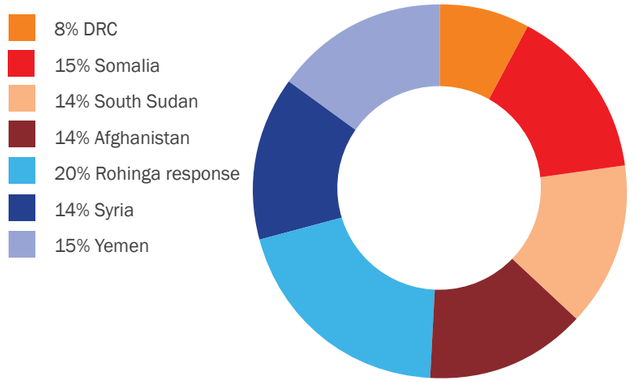
Adaptive programming

The flexibility of DEC funds was even more important than usual in this appeal, and allowed our member charities to make their programmes responsive to the changing situation and meet the emerging needs of affected populations and address the needs that communities said were most relevant.

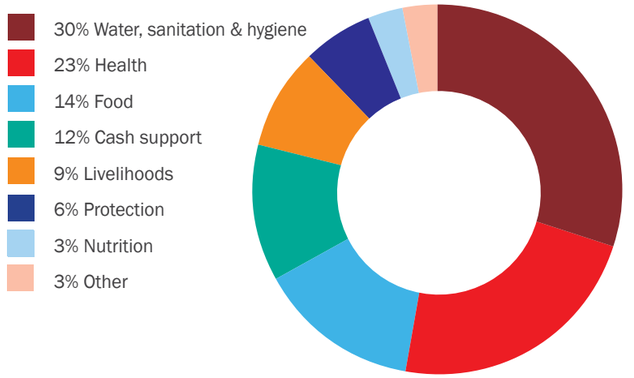
For example, when DEC member charities discovered that a damaged septic tank at a rural hospital in Yemen was likely to cause disease transmission to nearby communities, DEC funds were redirected to rehabilitate it. Several member charities reported cost savings, for example because procurement of items such as hygiene kits was lower than originally budgeted. In Syria, such savings were used to buy additional hygiene kits and also allocated to health programming for awareness-raising billboards and psychosocial support.

© World Vision

Phase 1 final expenditure by country



Phase 1 final expenditure by sector



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CYCLONE IDAI APPEAL

On 21 March 2019, we launched an emergency appeal for people affected by Cyclone Idai, which had swept through Mozambique, Malawi and Zimbabwe less than a week earlier. Strong winds and widespread flooding ripped apart roads, bridges, houses, schools and health facilities and submerged vast swathes of agricultural land. Another major cyclone, Kenneth, followed Idai a few weeks later, the first time in recorded history that two strong tropical cyclones had made landfall in Mozambique in the same season. Across the three countries affected, at least 900 people were killed and around three million were left in desperate need of humanitarian assistance.

A total of £43 million was raised, £30.5 million of which was donated directly to the DEC, including £4 million matched by the UK Government. The appeal is now closed, but member charities will continue to spend DEC funds up to March 2021. Thirteen member charities are taking part in the response.

© Peter Caton/DEC

© Peter Caton/DEC

Adaptive programming: Covid-19

In April 2020, member charities were entering the final year of the response as the coronavirus pandemic was affecting countries around the world, and pivoted their activities to help the vulnerable communities they were working with to protect themselves from the virus.

£1.2 million in DEC funds was repurposed to respond to the pandemic, reaching more than 75,000 people with some form of assistance. Full details of the second phase of this response, and how member charities adapted to meet people's needs during the pandemic, will be available in the final report later this year.

© Peter Caton/DEC

INDONESIA TSUNAMI APPEAL

On 28 September 2018, a series of powerful earthquakes struck the Indonesian island of Sulawesi. This triggered a tsunami reaching up to 18 feet in height, which struck the regional capital, Palu, and the nearby coastal settlements of Donggala and Mamuju, leaving a trail of destruction in its wake. The results were devastating: in some places, the ground turned to liquid mud, submerging whole villages. At least 4,340 people are now known to have been killed in the disaster. Tens of thousands of homes were destroyed and entire communities devastated. The disaster left 200,000 survivors in need of humanitarian assistance, around a quarter of whom were children.

The DEC launched the Indonesia Tsunami Appeal on 4 October 2018. It raised £29.9 million, £20.3 million of which was donated directly to the DEC, including £2 million in Aid Match from the UK Government. The appeal is now closed, but our member charities will continue their DEC-funded activities up to September 2020. Thirteen member charities took part in the response.

Adaptive programming: Covid-19

In April 2020, member charities were entering the final six months of the second phase of the response as the coronavirus pandemic was affecting countries around the world, and pivoted their activities to help the vulnerable communities they were working with to protect themselves from the virus. £1.3 million was repurposed to adapt existing programmes in order to respond to Covid-19, with DEC member charities among the first to support the response to the pandemic. For example, when restrictions meant that older people were not able to leave their homes to get food and medicine, activities to help restart their livelihoods were paused and £24,000 was reallocated to directly providing food and outreach homecare for them. In addition, more than 65,000 people were reached with information on maintaining hygiene, 1,100 handwashing stations were installed, 7,800 health workers were provided with PPE such as masks, gowns, gloves and aprons, and 1,000 families received food assistance.

© Kathleen Prior/DEC

Covid-19 presented additional challenges to delivering humanitarian assistance in a timely and effective manner while also keeping DEC member charities' staff, partners and volunteers safe from infection. Staff and volunteers had to quickly adapt their workplans as well as their ways of working. Face-to-face meetings, for example for cash distributions, were kept to a minimum and conducted in the open air as

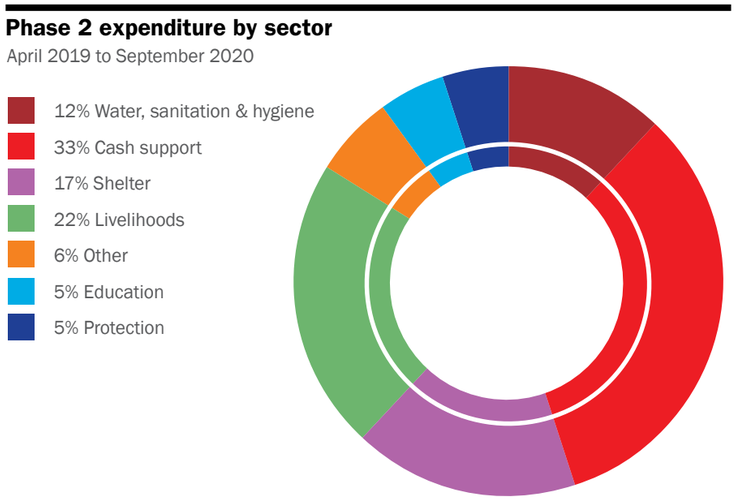
© Harlandi Hafiz/British Red Cross

much as possible, while wearing masks and observing social distancing measures. Registration to receive cash grants switched to mobile phone rather than in person, and ATM cards were distributed according to a strict timetable so that there were never queues of people waiting. Staff sometimes brought portable handwashing stations with them, as well as hand sanitisers and masks. Some activities had to be cancelled or postponed, for example where face-to-face training was needed. Unavoidable delays to DEC-funded activities meant that some member charities were allowed to extend their programmes by three months.

For a full overview of the entire DEC-funded response to this disaster, see thee 2018 Indonesia Tsunami Appeal Final Report.

Phase 2 expenditure by sector

April 2019 to September 2020



IMPROVING OUR WAYS OF WORKING

Core Humanitarian Standard

In 2015, the DEC adopted the Core Humanitarian Standard on Quality and Accountability as the key quality standard for DEC member charities and how they deliver their programmes.

The CHS Alliance Verification Scheme has three categories – self assessment, independent verification, and certification. As of February 2021, DEC members fall into the three categories as shown in the diagram.

© Fabeha Monir/Age International

VALIDATED CHS SELF-ASSESSMENT	CHS INDEPENDENT VERIFICATION	CHS CERTIFICATION
A learning exercise. It is completely internally, incorporating the views of crisis-affected people, staff and partners, and helps an organisation gain an understanding of their capacity and performance against the CHS.	Provides organisations with an independent, external quality assurance assessment of capacity and performance against the CHS.	Provides organisations with an independent, external quality assurance assessment and, depending on the results of this assessment, certification of compliance against the CHS.
Action Against Hunger UK and World Vision have undertaken self-assessments only	*ActionAid Group, British Red Cross, HelpAge International, Care International Confederation, Plan International and Save the Children are verified*	*CAFOD, Christian Aid, Concern Worldwide, Islamic Relief Worldwide, Oxfam and Tearfund are certified*

GOAL 4: PRESERVE AND STRENGTHEN THE PUBLIC'S WILLINGNESS TO DONATE TO HUMANITARIAN CRISES OVERSEAS

This year, the DEC moved forward with several projects and new initiatives to ensure our messaging supports this goal and that information about our humanitarian appeals and the difference donations have made is more readily available to the public. For the first time, the DEC launched an appeal for a disaster that was also affecting people here in the UK, simultaneously crowding out room to think about what was happening overseas and helping people to empathise with people facing the same problems but without the safety net of the NHS or furlough scheme.

During the launch of the Coronavirus Appeal, we held focus group sessions to compliment the audience insight project carried out in the previous year and test various messaging and content in real-time to ensure it landed well with audiences. These sessions played a key role in shaping marketing materials and messaging for the appeal.

The DEC also completed a major overhaul of our website. While the main aim was to better communicate information during an appeal launch, we also gave careful consideration to effectively demonstrating the impact our appeals have, both at scale and on an individual level. Modules were developed to allow pages featuring previous appeals to give topline achievements and highlight case studies of people who have been helped using DEC funds.

In lieu of in-person events, the DEC set up a number of webinars for corporate and high-value donors featuring panels of aid workers and experts giving insights into the impact the pandemic and its secondary effects were having on fragile states. These virtual events were well-attended and received good feedback from guests.

As part of our second push of the Coronavirus Appeal in March, we commissioned a one-minute film for TV and social media advertising. The brief was designed to inform people about the problems compounded by the pandemic in fragile states, but also to inspire people with the message that DEC member charities acting together have the expertise needed to tackle these problems.

Arranging a call between Syrian aid workers and His Royal Highness The Duke of Cambridge allowed us not only to have local aid workers themselves explain the problems they faced and how DEC funds were helping them, but also to reach new audiences with this message, as the call was reported in outlets that the DEC might otherwise find difficult to reach.

© Concern Worldwide

© World Vision

STRUCTURE, GOVERNANCE AND MANAGEMENT

The DEC has been operating since 1963 and was registered as an independent charity on 4 June 1997. It is incorporated as a company limited by guarantee: we have no share capital and the guarantee is limited to £1 for each of our 14 members. Our governing document is the Memorandum and Articles of Association of the company.

The DEC Secretariat has core staff of 21 people (as at 31 March 2021) who run DEC appeals and oversee the use of DEC funds. The DEC plays a large role in fundraising and communications but also in oversight and accountability in how money raised is spent, and in promoting standards of good practice among members.

Fundraising

The DEC undertakes active fundraising only in the context of DEC appeals – usually only for a period of six months from the date of the public launch of an appeal.

Following the decision to launch an appeal for a particular crisis, we engage energetically with the public and our supporters to draw attention to the humanitarian need and raise money, using a wide range of fundraising approaches to maximise donations to the appeal.

This includes broadcast, print and online advertising, direct marketing activities, engaging with local community and faith groups, and working with corporate partners and philanthropists. Our fundraising activity is carried out by our core staff team and the DEC does not employ professional telephone or street fundraisers or commercial participators to carry out our fundraising activities.

The DEC complies with all relevant statutory regulations, including the Charities Act 2011, the Data Protection Act 2018 and the Privacy and Electronic Communications Regulations 2003. We always seek to act in ways that are legal, open, honest and respectful – striving for best practice in fundraising by complying with a range of codes of practice, including being registered with the Fundraising Regulator, and adhering to its Code of Fundraising Practice and Fundraising Promise. We have a donations acceptance policy that deals with ethical concerns, particularly for contributions from the private sector. We are careful to monitor our fundraising activities and provide supporters with help and information via our website, including Live Chat, by email, phone or post. We have a complaints policy available on our website, and record and respond to all complaints.

In the 2020-21 financial year, the DEC received 2,500 queries from the public, including 52 complaints. Feedback shows that 91% of those who contacted us were satisfied with our response and follow-up, including 90% in relation to dealing with complaints.

The Board has adopted the Charity Governance Code and engages independent consultants to carry out a tri-annual review of performance against the code. The last review was carried out in 2019, and actions arising from the review are discussed at Board level, actions agreed and progress reported to the Board periodically. The Charity Governance Code was updated in 2020 to strengthen the existing diversity and integrity principles to reflect evolving best practice. The DEC will assess compliance against the revised Code at the next tri-annual review in 2022.

Financial review

Total income received directly by the DEC including gift aid and bank interest for the year amounted to £33.1 million (2020: £9.9 million). Of this, the DEC Coronavirus Appeal (launched July 2020) raised £31.1 million and the DEC Emergency Fund raised £0.2 million. All values include gift aid.

Additional income in the year of £1.6 million (2020: £0.7 million) relates to legacy income, other DEC appeals launched in previous years, donations from member charities and general unrestricted income. .

Total expenditure for the year amounted to £24.7 million (2020: £29.6 million) including £20.3 million (2020: £26.6 million) of appeal funds committed to DEC members for use towards humanitarian programmes, £4.0 million (2020: £2.3 million) in costs of raising funds, and £0.4 million (2020: £0.7 million) of other costs. The DEC's core costs are covered mainly by contributions from our members, with appeal-specific costs charged to the related appeal.

Net unrestricted income for the year totaled £3.6 million (2020: £2.0 million). After transfers to restricted appeal funds of gift aid income totaling £2.0 million and a transfer from historic appeal funds of £0.6 million, an overall net movement in unrestricted funds of £1.0 million is reported (2020: £0.3 million). This net result brings carried forward unrestricted reserves to £2.0m, which reflected 10.5 months of operating expenditure, in light of building our reserves to 12 months projected operating expenditure by 31 March 2022.

The core running costs of the charity are funded partly through contributions by the membership, and partly from recharges of overheads to appeal funds. Recharges are governed by a cost recovery policy, which ensures that recharges are kept within boundaries to protect appeal funds. Average cost recovery over the last 3 appeals is 3.4% of total appeal funds raised.

Residual funds held against appeals where activity (fundraising and programmatic) has ended are transferred to the latest appeal. Details of these transfers can be found in Note 13 to the accounts on page 30.

Board of Trustees

The Board of Trustees are directors of the company and, as shown on page 34, comprise six independent trustees (including the Chair of Trustees, Vice Chair and Honorary Treasurer) alongside the chief executives of each of the DEC's member charities. Trustees have no financial beneficial interest in the charity but do have voting rights. Trustees receive no remuneration or any other emoluments from the DEC. Biographies of trustees are shown on the DEC's website.

The Board meets three times each year, in addition trustees attend an annual awayday to review the DEC's strategy, performance and plans. The Board has established committees – Membership and Accountability; Audit, Finance and Risk; and Remuneration – that operate under agreed terms of reference, oversee key aspects of DEC activity and report back to the full Board. These committees are chaired by independent trustees and include member trustees also, as shown on page 34.

Independent trustees, including the Chair and Honorary Treasurer, hold office for a term of three years; they may then be reappointed for a second term, with provision to extend this second term by up to 12 months, and then retire from office. Member trustees hold office for a term that is related to their roles as chief executive of a DEC member charity.

The appointment of new independent trustees is overseen by the Board with support from the Membership and Accountability Committee, following an analysis of skills, targeted advertising and an interview process. We also take account of diversity. The Chair is nominated by the independent trustees and appointed by majority agreement of the member trustees.

Trustee attendance

Trustees attending all Board meetings in 2020: 17 (out of 21 trustees)

Trustees attending 2 out of 3 Board meetings: 3

Trustees attending 0-1 Board meetings: 1

Trustees attending all MAC meetings in 2020: 8 (out of 12 trustees)

Trustees attending 2-3 out of 4 MAC meetings: 4

Trustees attending 0-1 MAC meetings: 0

Trustees attending all AFR meetings in 2020: 5 (out of 7 trustees)

Trustees attending 2-3 out of 4 AFR meetings: 2

Trustees attending 0-1 AFR meetings: 0

Trustee induction and conduct

Trustees sign consent and eligibility forms and complete a declaration of interests that is reviewed annually. New trustees are given a detailed induction by the Chair of Trustees, the DEC's Chief Executive and staff. A trustee handbook is also provided to new trustees, including relevant policies, procedures, governance information and role descriptions. This is revisited after one year to support each trustee's ongoing learning and development with the DEC.

Management

Day-to-day management of the charity is delegated to the Chief Executive, Saleh Saeed, who leads the staff team. Performance and risk are monitored against strategic objectives. The staff head count is currently 19 full-time positions and 2 part-time position. Alongside the staff team, the DEC benefits from the help of regular volunteers and employs temporary staff or uses contractors where these are required to help with specific projects or the increased workload linked to a DEC appeal.

Remuneration

The Remuneration Committee subcommittee of the Board of Trustees is responsible for reviewing DEC Secretariat remuneration policy and practice on an annual basis for recommendation to the full Board. The Committee specifically sets the remuneration of the Chief Executive and the DEC's reward policy that provides for an annual cost of living increase in line with reported inflation rates, with a pay benchmarking exercise carried out every three years to ensure that remuneration levels remain competitive in line with averages for the wider charity sector.

Risk management

The DEC has a robust framework for identifying, reporting and managing risks and is accountable for the effective use of the charitable funds raised in our name. The DEC is not operational in aid delivery, and therefore delegates the management of risks associated with delivering humanitarian programmes to member charities while maintaining oversight through an assurance system that includes independent reviews and evaluations, regular member reporting and external verification against the Core Humanitarian Standard.

The DEC has adopted an approach that assesses the charity's risk appetite in specific areas and maintains a risk register which is regularly reviewed in relation to those risks associated with our responsibilities for fundraising, stewardship and oversight, including what controls and safeguards operate to manage or mitigate risks.

Key risks identified in the risk register include:

- The risk that a DEC appeal is unsuccessful, or is seen as such, raising a low level of funds. This risk is perhaps greatest in relation to humanitarian crises that arise from conflict or are slow in their onset. The DEC monitors the onset of crises as they develop, assesses evidence of public interest and empathy and obtains feedback from broadcasters and other third parties before making an appeal in order to maximise the chance of success.
- The risk that programmes funded by the DEC and managed by member charities fail to deliver the planned benefits to disaster-affected communities, whether due to poor quality or financial losses, including risks of fraud, diversion of funds or safeguarding breaches. Given the complex risks inherent in DEC-funded responses by member charities operating in challenging environments, the DEC seeks assurance from its members that they have in place effective processes to manage such risks, including in relation to any partner organisations with which they are working to deliver aid programmes on the ground. To manage these risks, the DEC has an established framework of accountability and due diligence to ensure member charities have in place effective systems, processes and controls.
- The risk that IT failures or a security breach results in unauthorised access to stored data and a loss of confidence in the DEC or damage to the charity's reputation. In managing this risk, the DEC works closely with fundraising partners and suppliers.
- The risk that strongly negative media or publicity, whether direct or indirect, causes damage to the DEC's position with the public, donors or other stakeholders. To manage this risk, the DEC works with members to ensure highest levels of transparency and deliver accountability to donors building on its work on accountability to affected populations. The DEC will invest in raising public trust, building on the successful 2017 Thank You campaign to increase public understanding of how aid works.
- The risk of losing ground to a new digital competitor or to changes in news media and public viewing habits towards the DEC's traditional broadcast appeal. The DEC continues to invest in development and innovation in fundraising, marketing and communications across digital media to ensure that it has a compelling digital offering. This follows the successful pilot project undertaken in the previous year. The DEC has plans to develop partnerships with major digital platforms, including social media and search engines, to engage with digital influencers and to work with public broadcasters to increase their digital offering.
- The risk that domestic or international news (such as the Coronavirus pandemic and Brexit) will adversely affect the public's willingness and ability to donate to overseas crisis. The DEC monitors domestic and international trends to ensure that it can adapt and respond rapidly to change.

Reserves policy

The trustees have set a target of free reserves, which are those general funds which are freely available to spend on any of the charity's purposes and exclude restricted and designated funds and fixed assets held for the charity's own use. The target for free reserves has been set at 12 months' core overhead costs which is currently budgeted at £2.3m for 2021/22.

The target of 12 months reflects working capital requirements and the need to fund operations between appeals, given the uncertainty of when the next appeal will occur and the reliance of cost recovery from appeals to fund ongoing activities. A range +/- 3 months on the 12-month target has been set, and any surplus funds will be transferred into the latest appeal.

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Total free reserves are currently close to the target level as set out next:

	2021 £m	2020 £m
Total funds	12.7	4.3
Restricted funds	(10.6)	(3.2)
General reserves	2.1	1.1
Fixed assets	(0.4)	(0.2)
Free reserves	1.7	0.9

£1.7m free reserves as at March 2021 represents just under 9 months core operational costs, just below the target range of 12 months +/- 3 months. The trustees consider this level of reserves appropriate for the continuing operation of the charity.

Investment policy

Under its memorandum and articles of association, the charity has the power to make investments. The DEC needs to be in a position to enable its members to act very quickly in emergencies and therefore has a policy to balance keeping a proportion of funds in instant access and short-term deposits that can be accessed readily with considerations of high security and investment return.

Statement of trustees' responsibilities

The trustees (who are also the directors of the DEC for the purposes of company law) are responsible for preparing the trustees' report, including the strategic report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for that adequate accounting records are kept that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The strategic report includes a review of financial performance and of the charity's reserves position. We have adequate financial resources and are well placed to manage the business risks. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt the charity's ability to continue. The accounts have therefore been prepared on the basis that the charity is a going concern.

Each of the persons who is a trustee at the date of approval of this report confirms that insofar as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and that they have taken all the steps that 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.

Meeting and reporting on public benefit

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The structure of the trustees' annual report includes reporting on our strategic aims, the DEC's activities and achievements during the year and our plans for 2021–2022. We have highlighted how our work furthers our charitable purpose and the significant benefits it brings to:

- people in developing countries in urgent need of emergency relief, regardless of race, creed or nationality, through the funding provided by DEC appeals to 14 of the UK's leading humanitarian charities;
- the promotion of the efficiency and effectiveness of life-saving assistance and the alleviation of poverty;
- people in developing countries affected by an emergency situation being involved in the relief effort and being treated with dignity.

This trustees' report, including the strategic report, was approved by the Board of Trustees on 14 July 2021 and signed on its behalf by

Sue Inglish
Chair

Jane Hanson
Honorary Treasurer

INDEPENDENT AUDITOR'S REPORT

To the members of the Disasters Emergency Committee

OPINION

We have audited the financial statements of Disasters Emergency Committee (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements::

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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 Disasters Emergency Committee'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 trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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 are set out below.

CAPABILITY OF THE AUDIT IN DETECTING IRREGULARITIES

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

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

Noelia Serrano (Senior statutory auditor)
20 July 2021

for and on behalf of Sayer Vincent LLP,
Statutory Auditor
Invicta House, 108-114 Golden Lane,
LONDON, EC1Y 0TL

Statement of Financial Activities for the year ended 31 March 2021

(incorporating an income and expenditure account)

	Note	Unrestricted funds £000	Restricted funds £000	**2021 Total £000**	2020 Total £000
Income from:					
Donations and legacies		1,565	551	**2,116**	1,056
Charitable activities					
DEC Coronavirus Appeal		2,000	28,567	**30,567**	-
DEC Emergency Fund		8	222	**230**	172
DEC Cyclone Idai Appeal		6	13	**19**	8,742
DEC Indonesian Tsunami Appeal		16	-	**16**	(209)
Previous DEC Appeals		-	-	**-**	(39)
Humanitarian Emergency Fund (Scotland)		-	32	**32**	37
Humanitarian Emergency Fund (Wales)		-	108	**108**	20
Cash investments		15	-	**15**	109
Total income		3,610	29,493	**33,103**	9,888
Expenditure on:					
Raising funds	2	449	3,581	**4,030**	2,446
Charitable activities					
Coronavirus response programmes	3	93	18,924	**19,017**	-
Cyclone Idai response programmes	3	-	1,484	**1,484**	26,184
Previous DEC programmes	3	-	(97)	**(97)**	567
Humanitarian Emergency Fund (Scotland)	2	-	37	**37**	38
Humanitarian Emergency Fund (Wales)	2	-	108	**108**	27
Lesson learning and accountability	2	87	-	**87**	284
Total expenditure		629	24,037	**24,666**	29,546
Net income for the year		2,981	5,456	**8,437**	(19,658)
Transfers between funds	13	(2,031)	2,031	**-**	-
Net movement in fund		950	7,487	**8,437**	(19,658)
Reconciliation of funds					
Total funds brought forward	13	1,124	3,176	**4,300**	23,958
Total funds carried forward	13	2,074	10,663	**12,737**	4,300

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.
Comparable information for the year ended 31 March 2020 is shown in note 15 to the financial statements.
Movements in funds are disclosed in note 13 to the financial statements.

Balance Sheet at 31 March 2021

	Note	**£000**	**2021 £000**	£000	2020 £000
Fixed assets					
Tangible fixed assets	7		**369**		248
			369		248
Current assets					
Debtors	8	**4,095**		158	
Cash at bank and in hand	9	**15,285**		14,805	
		19,380		14,963	
Liabilities					
Creditors: amounts due within one year	10	**(7,012)**		(10,911)	
Net current assets			**12,368**		4,052
Total assets less current liabilities			**12,737**		4,300
Net assets	12		**12,737**		**4,300**
Funds					
Unrestricted funds					
General reserves	13		**2,074**		1,124
Restricted funds	13		**10,663**		3,176
Total funds			**12,737**		**4,300**

Approved by the trustees on 14 July 2021 and signed on their behalf by

Sue Inglish
Chair

Jane Hanson
Honorary Treasurer

Disasters Emergency Committee
Company Number 03356526

Statement of Cash Flows for the year ended 31 March 2021

	Note	**2021 £000**	2020 £000
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	14	**662**	(16,655)
Cash flows from investing activities			
Interest from investments		**15**	109
Purchase of fixed assets		**(197)**	(187)
Net sale of current asset investments		**-**	264
Net cash (used in) / provided by investing activities		**(182)**	186
Change in cash and cash equivalents in the year		**480**	(16,469)
Cash and cash equivalents at the beginning of the year		**14,805**	31,274
Cash and cash equivalents at the end of the year		**15,285**	14,805

	At 1 April 2020 £000	Cash flows £000	Other non-cash changes £000	**At 31 March 2021 £000**
Analysis of cash and cash equivalents and of net debt				
Cash at bank and in hand	14,805	480	-	**15,285**
Total cash and cash equivalents	**14,805**	**480**	**-**	**15,285**

Notes to the financial statements for the year ended 31 March 2021

1. ACCOUNTING POLICIES

a) Basis of accounting

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

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

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

d) Estimates

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and that the amount can be measured reliably. Income includes associated gift aid tax reclaims.

Donations to DEC appeals are included as restricted income, used to fund the related disaster response programmes. Associated gift aid tax reclaims are included as unrestricted income and then transferred to the related restricted fund for each DEC appeal. Contributions from member agencies towards DEC's appeal preparedness is included as donations and accounted for when received.

Income from legacies is included when received from the estate or when the charity is notified by the executor that a distribution will be made. 50% of legacy income is allocated to restricted income and used to fund disaster response programmes, 50% is allocated to unrestricted income.

Interest on funds held on cash deposit is included when receivable.

f) Donations of services

During the year the DEC has benefited from broadcasting, promotion and donations processing services received free or at discounted rates from various providers. The value of these services is not reasonably quantifiable and measurable and the cost of identifying them and assessing their value to the DEC would outweigh the benefit to users of the accounts. Therefore no value has been attributed to these services in the accounts.

In accordance with the Charities SORP (FRS 102), volunteer time is not recognised. The trustees' annual report provides more information about their contribution.

g) Fund accounting

Restricted funds are used for specific purposes as laid down by the donor or related to a specific DEC appeal. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charity in encouraging individuals and other third parties to make voluntary contributions to DEC appeals, as well as the cost of any activities with a fundraising purpose.

Expenditure on charitable activities includes the funds allocated to DEC member agencies towards the costs of delivering disaster response programmes as set out in note i) below. Expenditure is recognised when allocations are confirmed to members because it is at this time that a firm commitment is made by DEC towards the planned programmes of work by members in response to each appeal. This is two weeks following the launch of an appeal.

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

i) Basis of allocation to member agencies

Member charities are entitled to a share of the appeal income if they opt into that appeal. A formula known as the Indicator of Capacity (IOC) is used to allocate appeal funds among DEC member agencies. DEC informs the member agencies of their estimated income from an appeal after one week and commits funds towards disaster relief programmes two weeks after the appeal launch. Further allocations are made as income for specific appeals is received and as the programme is implemented.

j) Allocation of support costs

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings

Notes to the financial statements for the year ended 31 March 2021

they have been allocated to activities on a basis consistent with use of resources.

Fundraising expenditure has been shown separately. These costs are incurred in seeking donations and voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Support costs which include costs associated with general management, financial management and accounting, information technology, human resources and premises are allocated across the categories of charitable expenditure, governance costs and the costs of generating funds. Support costs and other core costs are recharged to the restricted fund and will fluctuate annually based on appeal activitiy during the year. The basis of the cost allocation has been explained in the notes to the accounts.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Assets, or groups of assets purchased within a single project, costing £1,000 and above are capitalised. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements
- 5 years or term of lease if shorter
Furniture, fittings and office equipment
- 5 years
Computer equipment, software & web development
- 3 years

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash deposits with maturities above 3 months are shown as current asset investments.

n) Pension contributions

The charity has a stakeholder pension scheme and makes defined contributions based on salary. Pension contributions are charged to the statement of financial activities as incurred and attributed to unrestricted and restricted funds in line with other Secretariat staffing costs.

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Notes to the financial statements for the year ended 31 March 2021

2. TOTAL RESOURCES EXPENDED

a) Current year

	Member allocations £000	Other direct costs £000	Allocated support costs £000	**2021 Total £000**	2020 Total £000
Cost of generating voluntary income	-	3,796	234	**4,030**	2,446
Disaster response programmes	20,311	-	-	**20,311**	26,544
Humanitarian Emergency Fund (Scotland)	-	37	-	**37**	38
Humanitarian Emergency Fund (Wales)	-	108	-	**108**	27
Lesson learning and accountability	-	-	87	**87**	283
Governance costs	-	49	44	**93**	208
Total resources expended	**20,311**	**3,990**	**365**	**24,666**	29,546

b) Prior year

	Member allocations £000	Other direct costs £000	Allocated support costs £000	**2020 Total £000**
Cost of generating voluntary income	-	1,994	452	**2,446**
Disaster response programmes	26,544	-	-	**26,544**
Humanitarian Emergency Fund (Scotland)	-	38	-	**38**
Humanitarian Emergency Fund (Wales)	-	27	-	**27**
Lesson learning and accountability	-	130	153	**283**
Governance costs	-	129	79	**208**
Total resources expended	26,544	2,318	684	**29,546**

		2021 £000	2020 £000
Support costs are allocated on the following basis:			
Nature of cost	**Allocation basis**		
Staff	Estimate of where staff spend their time	**154**	174
Premises, utilities and other overheads	Actual and estimated usage	**211**	510
Total allocated support costs		**365**	684

Allocated support costs: cost allocation includes an element of judgement and the charity has had to consider the cost and benefit of detailed calculations and record keeping. This allocation includes support costs where they are attributable and are a best estimate of the costs that have been so allocated. The various categories of support costs are described above (see note 1j).

Notes to the financial statements for the year ended 31 March 2021

3. DISASTER RESPONSE PROGRAMMES

a) Current year

Appeal funds allocated, committed to, or returned by, participating member charities are as follows:

	YCA £000	EACA £000	EAPFM £000	ITEA £000	CIA £000	CVA £000	**2021 Total £000**	2020 Total £000
Action Against Hunger	-	-	-	-	-	570	**570**	(68)
ActionAid	-	-	-	28	91	914	**1,033**	1,368
Age International	-	-	-	(23)	54	570	**601**	830
British Red Cross	-	-	-	-	238	2,384	**2,622**	3,655
CAFOD	-	-	-	(16)	74	791	**849**	1,138
CARE International UK	-	(4)	-	(4)	75	678	**745**	1,148
Christian Aid	-	-	-	(22)	122	1,227	**1,327**	1,874
Concern Worldwide UK	-	-	-	-	(1)	570	**569**	794
Islamic Relief	(8)	-	-	-	73	720	**785**	1,118
Oxfam	-	-	-	-	312	3,540	**3,852**	4,814
Plan International UK	-	-	-	-	90	935	**1,025**	1,382
Save the Children	-	(1)	(3)	-	164	3,800	**3,960**	5,332
Tearfund	-	-	(44)	-	98	1,192	**1,246**	1,497
World Vision UK	-	-	-	-	94	1,033	**1,127**	1,662
Total	**(8)**	**(5)**	**(47)**	**(37)**	**1,484**	**18,924**	**20,311**	**26,544**

3. DISASTER RESPONSE PROGRAMMES (continued)

b) Prior year

Appeal funds allocated, committed to, or returned by, participating member charities are as follows:

	ITEA £000	CIA £000	**2020 Total £000**
Action Against Hunger	(68)	-	**(68)**
ActionAid	-	1,368	**1,368**
Age International	17	813	**830**
British Red Cross	74	3,581	**3,655**
CAFOD	23	1,115	**1,138**
CARE International UK	23	1,125	**1,148**
Christian Aid	38	1,836	**1,874**
Concern Worldwide UK	-	794	**794**
Islamic Relief	23	1,095	**1,118**
Oxfam	131	4,683	**4,814**
Plan International UK	28	1,354	**1,382**
Save the Children	112	5,220	**5,332**
Tearfund	30	1,467	**1,497**
World Vision UK	33	1,629	**1,662**
Total	464	26,080	**26,544**

Negative balance represents funds granted to member agency in prior year returned in current year.

Key

CVA: Coronavirus Appeal
CIA: Cyclone Idai Appeal
ITEA: Indonesia Tsunami Earthquake Appeal
EAPFM: People Fleeing Myanmar Appeal
EACA: East Africa Crisis Appeal
YCA: Yemen Crisis Appeal

4. ANALYSIS OF STAFF COSTS AND THE COST OF KEY MANAGEMENT PERSONNEL

a) Staff costs were as follows:

	2021 £000	2020 £000
Salaries and wages	**974**	959
National insurance	**101**	100
Contribution to defined contribution pension schemes	**110**	117
Temporary and agency staff	**190**	83
Total	**1,375**	1,259

Notes to the financial statements for the year ended 31 March 2021

4. ANALYSIS OF STAFF COSTS AND THE COST OF KEY MANAGEMENT PERSONNEL (continued)

b) Employees whose emoluments were equal to or greater than £60,000 per annum

	2021 No.	2020 No.
£100,001 - £110,000	1	1
£70,001 - £80,000	1	-
£60,001 - £70,000	3	2

The highest paid employee is the Chief Executive whose emoluments in the year include a salary of £80,325 (2020: £80,325), an accommodation allowance of £10,506 (2020: £10,506) and pension contributions including contributions by way of employee salary exchange of £27,902 (2020: £27,902). No benefits in kind or other remuneration are paid.

Calculation to defined contribution pension schemes includes 8% employee pension contribution and contributions by employees by way of salary exchange.

The total amount of remuneration and benefits paid to the key management personnel were £441,380 (2020: £439,617).

c) The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Fundraising and communications	**13**	13
Supporter care (temporary staff during appeals)	**-**	-
Lesson learning and evaluation	**4**	4
Governance	**2**	2
Finance and administration	**3**	4
Total	**22**	23

d) The average number of employees (head count based on Full Time Equivalent of staff employed) during the year was as follows:

	2021 FTE No.	2020 FTE No.
Fundraising and communications	**12**	12
Supporter care (temporary staff during appeals)	**-**	-
Lesson learning and evaluation	**4**	4
Governance	**2**	2
Finance and administration	**3**	4
Total	**21**	22

5. TRUSTEES

No trustees received emoluments in the year (2020: nil). Amounts reimbursed to Trustees for travel and other expenditure totalled £nil in the year (2020: £1,358).

Notes to the financial statements for the year ended 31 March 2021

6. NET INCOME FOR THE YEAR IS STATED AFTER CHARGING:

	2021 £000	2020 £000
Depreciation charge	**76**	94
Operating lease rentals – premises	**59**	97
Auditors' remuneration (excluding VAT)		
Audit	**25**	24
Other services	**6**	6

7. TANGIBLE FIXED ASSETS

	Leasehold improvements £000	Computer equipment, software and web development £000	Furniture, fittings and office equipment £000	**Total £000**
Cost				
At the start of the year	220	187	60	467
Additions	-	197	-	197
Disposals	-	(13)	-	(13)
At the end of the year	**220**	**371**	**60**	**651**
Depreciation				
At the start of the year	59	144	16	219
Disposals	-	(13)	-	(13)
Charge for the year	44	20	12	76
At the end of the year	**103**	**151**	**28**	**282**
Net book value				
At the end of the year	**117**	**220**	**32**	**369**
At the start of the year	161	43	44	248

8. DEBTORS

	2021 £000	2020 £000
Prepayments	**64**	69
Gift aid receivable	**2,049**	60
Appeal income receivable	**917**	-
Legacy income receivable	**1,064**	25
Other debtors	**1**	4
	4,095	158

Notes to the financial statements for the year ended 31 March 2021

9. CASH AND CURRENT ASSET INVESTMENTS

	2021 £000	2020 £000
Cash at bank and in hand	**15,285**	14,805
	15,285	14,805

The balance in cash and short term deposits represents funds raised during the Coronavirus and Cyclone Idai appeals. While these funds have very largely been committed to member agencies towards disaster response programmes, the disbursement of these fund take place over the period of those programmes.

10. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2021 £000	2020 £000
Trade creditors	**118**	123
Taxation and social security costs	**27**	62
Due to member agencies - Disaster response programmes	**6,768**	10,691
Other creditors and accruals	**99**	35
Total	**7,012**	10,911

11. OPERATING LEASE COMMITMENTS

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property	
	2021 £000	2020 £000
Less than one year	**44**	59
One to five years	**-**	102
Total	**44**	161

Notes to the financial statements for the year ended 31 March 2021

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

a) At 31 March 2021

	Unrestricted funds £000	Restricted funds £000	**Total funds £000**
Tangible fixed assets	369	-	**369**
Net current assets	1,705	10,663	**12,368**
Net assets at the end of the year	**2,074**	**10,663**	**12,737**

b) At 31 March 2020

	Unrestricted funds £000	Restricted funds £000	**Total funds £000**
Tangible fixed assets	248	-	**248**
Net current assets	876	3,176	**4,052**
Net assets at the end of the year	**1,124**	**3,176**	**4,300**

13. STATEMENT OF FUNDS

a) For the year ended 31 March 2021

	At the start of the year £000	Income £000	Disaster response programmes £000	Resources expended £000	Transfers between funds £000	**At the end of the year £000**
Restricted funds:						
DEC Coronavirus Appeal	-	29,118	(18,924)	(3,049)	3,421	10,566
DEC Cyclone Idai Appeal	2,354	13	(1,484)	(63)	(759)	61
DEC Indonesia Tsunami Appeal	429	-	37	(447)	17	36
DEC Emergency Appeal	388	222	-	(1)	(609)	-
DEC People Fleeing Myanmar Appeal	-	-	47	(21)	(26)	-
DEC East Africa Crisis Appeal	-	-	5	-	(5)	-
DEC Yemen Crisis Appeal	-	-	8	-	(8)	-
Humanitarian Emergency Fund (Scotland)	5	32	-	(37)	-	
Humanitarian Emergency Fund (Wales)	-	108	-	(108)	-	-
Total restricted funds	3,176	29,493	(20,311)	(3,726)	2,031	10,663
Unrestricted funds:						
General reserve	1,124	3,610	-	(629)	(2,031)	2,074
Total unrestricted funds	1,124	3,610	-	(629)	(2,031)	2,074
Total funds	**4,300**	**33,103**	**(20,311)**	**(4,355)**	**-**	**12,737**

Notes to the financial statements for the year ended 31 March 2021

13. STATEMENT OF FUNDS

a) For the year ended 31 March 2020

	At the start of the year £000	Income £000	Disaster response programmes £000	Resources expended £000	Transfers between funds £000	**At the end of the year £000**
Restricted funds:						
DEC People Fleeing Myanmar Appeal	395	(2)	-	(61)	(332)	**-**
DEC East Africa Crisis Appeal	495	1	-	(10)	(486)	**-**
DEC Yemen Crisis Appeal	283	-	-	(6)	(277)	**-**
DEC Nepal Earthquake Appeal	34	(34)	-	-	-	**-**
DEC Emergency Appeal	217	134	-	(1)	38	**388**
DEC Indonesia Tsunami Appeal	1,145	36	(464)	(43)	(245)	**429**
DEC Cyclone Idai Appeal	19,966	7,662	(26,080)	(1,365)	2,171	**2,354**
Humanitarian Emergency Fund (Scotland)	6	37	-	(38)	-	**5**
Humanitarian Emergency Fund (Wales)	7	20	-	(27)	-	**-**
Total restricted funds	22,548	7,854	(26,544)	(1,551)	869	**3,176**
Unrestricted funds:						
General reserve	855	2,034	-	(1,451)	(314)	**1,124**
Total unrestricted funds	855	2,034	-	(1,451)	(314)	**1,124**
Expendable endowment	555	-	-	-	(555)	**-**
Total funds	**23,958**	**9,888**	**(26,544)**	**(3,002)**	**-**	**4,300**

Restricted income funds All restricted income fund balances at year end are represented by cash balances, debtors and creditors.

The DEC Coronavirus Appeal was launched on 14 July 2020 and raised £31.1m (including gift aid) in this financial year. £18.9m was committed to member agencies in the year towards disaster response programmes. At the end of the financial year, funds held against appeals where programmatic activity had ended were transferred into this fund. Funds from the DEC Cyclone Idai Appeal (£765k), DEC People Fleeing Myanmar Appeal (£26k), DEC East Africa Crisis Appeal (£5k) and DEC Yemen Crisis Appeal (£8k) were transferred. The transfer was made following established practice of moving unspent appeal funds into the next DEC appeal.

The DEC Cyclone Idai Appeal was launched on 21 March 2019 and raised £19k (including gift aid) in this financial year. £1.5m was committed to member agencies in the year towards disaster response programmes. At the end of 2020/21 financial year, an amount of £765k was transferred into the DEC Coronavirus Appeal fund, with a remaining balance of £61k at the end of the year for expected future spend.

The DEC Indonesia Tsunami Appeal was launched on 4 October 2018. At the end of 2020/21 financial year, a remaining balance of £36k was held for expected future spend.

The DEC People Fleeing Myanmar Appeal was launched on 4 October 2017. At the end of the 2020/21 financial year, the balance on the fund of £26k was transferred into the DEC Coronavirus Appeal fund.

The DEC East Africa Crisis Appeal was launched on 15 March 2017. At the end of the 2020/21 financial year, the balance of funds of £5k was transferred into the DEC Coronavirus Appeal fund.

The DEC Yemen Crisis Appeal was launched on 13 December 2016 and concluded programmatic activity at the end of 2018. At the end of the 2020/21 financial year, the balance on the appeal of £8k was transferred into the DEC Coronavirus Appeal fund.

Notes to the financial statements for the year ended 31 March 2021

13. STATEMENT OF FUNDS (continued)

On the 27 March 2018 the DEC launched a way to give to outside of our high-profile appeals. The DEC Emergency Fund is an always-on donation platform that allows people to give whether or not an appeal has been launched. The DEC will work with its member charities to identify the most effective use of the Emergency Fund, allowing us to respond quickly to natural disasters, or enabling us to reach people affected by crises which aren't making headlines.

The fund is used to help people overcome by crises and in need of humanitarian assistance – such as food, clean water, medicine and shelter – in parts of the world where governments and other organisations cannot meet the needs of the affected population.

During the financial year, £230k (including gift aid) was received towards the DEC Emergency appeal. At the end of the 2020/21 financial year, the balance on the fund of £609k was transferred into the Coronavirus appeal fund and allocated to members as part of the Coronavirus reponse programme.

General reserve transfers Unrestricted income includes £2.0m of Gift aid income that was designated in the year towards DEC appeals. This is shown as a transfer between funds of £2.0m to the DEC Coronavirus Appeal, £6k to the DEC Cyclone Idai Appeal, £17k to the DEC Indonesia Tsunami Appeal and £8k to the DEC Emergency Fund.

Designated funds Gift aid tax recoverable on donations to the DEC appeals, although unrestricted, is designated to the relief work respectively in those crisis-affected countries for which DEC appeals are launched. Income accrued for gift aid for these appeals has already been transferred from the designated fund to the restricted fund for the DEC Coronavirus Appeal, DEC Cyclone Idai Appeal, DEC Indonesia Tsunami Appealand DEC Emergency Appeal as there is a presumption that this money will be utilised against these appeal responses.

Expendable endowment DEC received a legacy of £1.7m during the 2010/11 financial year which established an expendable endowment by a trustee declaration of trust to be spent over 10 years. During the 2019/20 financial year it was decided to fully expense this fund, given the financial situation of the charity and the ending of the endowment. Therefore in 2019/20 the outstanding funds of £555k were transferred into general reserves.

14. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £000	2020 £000
Net income for the reporting period (as per the statement of financial activities)	8,437	(19,658)
Depreciation charges	76	94
Interest from current asset investments	(15)	(109)
(Increase)/decrease in debtors	(3,937)	12,764
Increase/(decrease) in creditors	(3,899)	(9,746)
Net cash provided by/(used in) operating activities	**662**	**(16,655)**

Notes to the financial statements for the year ended 31 March 2021

15. STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 March 2020

	Note	Unrestricted funds £000	Endowment funds £000	Restricted funds £000	2020 Total £000
Income from:					
Donations and legacies		1,056	-	-	**1,056**
Charitable activities					
DEC People Fleeing Myanmar Appeal		-	-	(2)	**(2)**
DEC East Africa Crisis Appeal		-	-	1	**1**
DEC Yemen Crisis Appeal		(4)	-	-	**(4)**
DEC Nepal Earthquake Appeal		-	-	(34)	**(34)**
DEC Indonesian Tsunami Appeal		(245)	-	36	**(209)**
DEC Cyclone Idai		1,080	-	7,662	**8,742**
DEC Emergency Fund		38	-	134	**172**
Humanitarian Emergency Fund (Scotland)		-	-	37	**37**
Humanitarian Emergency Fund (Wales)		-	-	20	**20**
Cash investments		109	-	-	**109**
Total income		2,034	-	7,854	**9,888**
Expenditure on:					
Raising funds	2	1,053	-	1,393	**2,446**
Charitable activities					
Indonesian Tsunami response programmes	3	103	-	464	**567**
Cyclone Idai response programmes		104	-	26,080	**26,184**
Humanitarian Emergency Fund (Scotland)		-	-	38	**38**
Humanitarian Emergency Fund (Wales)		-	-	27	**27**
Lesson learning and accountability		191	-	93	**284**
Total expenditure		1,451	-	28,095	**29,546**
			-		
Net income for the year		583	-	(20,241)	**(19,658)**
Transfers between funds	14	(314)	(555)	869	
Net movement in funds		269	(555)	(19,372)	**(19,658)**
Reconciliation of funds					
Total funds brought forward	14	855	555	22,548	**23,958**
Total funds carried forward	**14**	**1,124**	**-**	**3,176**	**4,300**

Notes to the financial statements for the year ended 31 March 2021

16. RELATED PARTY TRANSACTIONS

The charity trustees disclosed on page 34 include executives of all member agencies. The material transactions are disclosed in note 3. The member agencies made donations of £1,000k (2020: £1,000k) in the year to the charity. In addition, £88,000 (2020: £22,000) was collected in the year by member charities on behalf of the charity. Being £7,000 (2020: £22,000) Cyclone Idai Appeal and £81,000 (2020: £nil) Coronavirus Appeal.

The Humanitarian Memorial Appeal (HMA) is an initiative to establish a lasting memorial to humanitarian workers, including those killed or injured in the course of helping others. HMA is an unconstituted body run by a steering group comprising 11 individuals, including DEC's CEO, Saleh Saeed. DEC is supporting HMA with the provision of a bank account and during the financial year the bank balance stood at £364k (2020: £364k). Under the terms of the agreement with HMA, DEC has no responsibility for the management and control of HMA. The activities of HMA are not reflected in these accounts.

17. TAXATION

The Disasters Emergency Committee is a registered charity and as such is potentially exempt from taxation of its income and gains to the extent that they fall within the charity exemptions in the Corporation Taxes Act 2010 or section 256 Taxation of Chargeable Gains Act 1992. No tax charge has arisen in the year.

18. POST BALANCE SHEET EVENT

On 5th July 2021, the lease held in relation to DEC's headquarters at Tavis House, 1-6 Tavistock Square, London (as reflected in Note 11) was surrendered early with a view to the DEC leaving the building before 31st December 2021. Fixed assets relating to leasehold improvements will be disposed of on moving property, with no material loss expected.

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BOARD OF TRUSTEES

ROLES OF THE BOARD COMMITTEES

Membership and Accountability Committee – Responsible for developing accountability policy and monitoring member agencies and DEC performance against it, and overseeing DEC activity to promote learning and accountability. The committee is also responsible for ensuring our membership criteria are appropriate; making decisions on action with non-performing members and recruitment of independent trustees.

Chair: Andy Green
Members 2021: Mike Adamson, Peter Barron, Rose Caldwell, Jean-Michel Grand, Jane Hanson, Nigel Harris, Sue Inglish, Chris Roles, Charles Stewart-Smith, Richard Tait

Audit, Finance and Risk Committee – Responsible for reviewing draft financial statements and considering the external auditor's management letter. The committee is also responsible for advising trustees on the appointment of external auditors; reviewing external audit plans; reviewing the effectiveness of the internal control and risk management systems and monitoring the implementation of audit recommendations.

Chair: Jane Hanson
Members 2021: John Good, Andy Green, Naser Haghamed, Danny Harvey, Tufail Hussain, Laurie Lee, Girish Menon, Amanda Khozi Mukwashi, Kevin Watkins

Remuneration Committee – Responsible for reviewing DEC remuneration policy and practice on an annual basis for recommendation to the full Board.

Chair: Andy Green
Members 2021: Rose Caldwell, Jane Hanson, Sue Inglish, Chris Roles

BOARD OF TRUSTEES

INDEPENDENT TRUSTEES

Sue Inglish
Chair of Trustees, Independent Trustee

Andy Green, CBE
Vice Chair, Independent Trustee

Jane Hanson
Honorary Treasurer, Independent Trustee

Peter Barron
(appointed 24/03/2021)
Independent Trustee

Baroness Helene Hayman
(resigned 15/07/2020)
Independent Trustee

Tanya Steele
(appointed 15/07/2020)
Independent Trustee

Charles Stewart-Smith
Independent Trustee

Richard Tait, CBE
(resigned 24/03/2021)
Independent Trustee

MEMBER TRUSTEES

Jean-Michel Grand
Action Against Hunger UK – Executive Director

Girish Menon
ActionAid UK – Chief Executive
(resigned 15/12/2020)

John Good
ActionAid UK – Interim Chief Executive
(appointed 16/12/2020, resigned 17/05/2021)

Frances Longley
ActionAid UK – Chief Executive
(appointed 17/05/2021)

Chris Roles
Age International – Director

Mike Adamson
British Red Cross – Chief Executive

Christine Allen Dench
CAFOD – Director

Laurie Lee
CARE International UK – Chief Executive

Amanda Khozi Mukwashi
Christian Aid – Chief Executive

Danny Harvey
Concern Worldwide (UK) – Executive Director

Naser Haghamed
Islamic Relief Worldwide – Chief Executive
(resigned 31/01/2021)

Tufail Hussain
Islamic Relief Worldwide –
Interim Chief Executive
(appointed 01/02/2021, resigned 17/05/2021)

Waseem Ahmad
Islamic Relief Worldwide – Chief Executive
(appointed 17/05/2021)

Dr Danny Sriskandarajah
Oxfam GB - Chief Executive

Rose Caldwell
Plan International UK – Chief Executive

Kevin Watkins
Save the Children UK – Chief Executive

Nigel Harris
Tearfund – Chief Executive

Mark Sheard
World Vision UK – Chief Executive

DEC SECRETARIAT

KEY MANAGEMENT

Saleh Saeed
Chief Executive

Nicola Peckett
Director of Communications

Nick Waring
Director of Finance and Resources

Simon Beresford
Director of Fundraising and Marketing

Madara Hettiarachchi
Director of Programmes and Accountability

On behalf of the Trustees and members, the Chair would like to thank the executive team and staff for all the excellent work and their achievements and dedication shown during the year.

IN ADDITION TO KEY MANAGEMENT, STAFF WHO SERVED DURING THE YEAR

Sonja Ashbury, Adam Bailey, Katy Bobin, Priya Changela, Hayley Collins, Barney Guiton, Ash Hiden, Sarah Maynard, Hannah McCarthy, Emily McDonnell-Thomas, Huw Owen, Sarah Sansom, Adeola Soyege, Eamon Sutherland, Bethan Sweeting, Abdul-Malik Tarafdar, Pete Teverson, Owen Thomas, Melissa Varney, Adrian Walker, Casia Wiliam.

VOLUNTEERS AND OTHER SUPPORT

We were also greatly assisted by a number of volunteers both during and outside of our appeals to whom we are extremely grateful. We are grateful for all the support of our Rapid Response Network, some of whom provide services either free or at reduced costs. During the year Sidley Austin LLP provided pro-bono legal support which has been appreciated and beneficial to the DEC.

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Cazenove Capital Management,
12 Moorgate
London EC2R 6DA

SOLICITORS

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10 Queen Street Place
London EC4R 1BE

Sidley Austin LLP
Woolgate Exchange
25 Basinghall Street
London EC2V 5HA

DEC MEMBER CHARITIES

ACTION AGAINST HUNGER

actionaid

age International

British Red Cross

CAFOD
Catholic Agency for Overseas Development

care

christian aid

CONCERN worldwide

ISLAMIC RELIEF

OXFAM

PLAN INTERNATIONAL

Save the Children

tearfund

World Vision

DISASTERS EMERGENCY COMMITTEE

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