

# Annual Report and Financial Statements

Year ended 31st December 2021



**Handicap International UK** operating as  
**Humanity & Inclusion UK**

Company Limited by Guarantee Registration Number 4010383 (England and Wales).  
UK Registered Charity number 1082565.

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# Legal information

<b>Legal Name</b>	Handicap International UK
<b>Operating Name</b>	Humanity & Inclusion UK (HI UK)
<b>Board of Trustees</b>	Peter Burdin (Chair) Chloe Marshall (Vice-Chair) Vhernie Manickavasagar (Treasurer) Benjamin Cohen Caroline Dove - resigned 2nd March 2021 Lynette Eastman Thomas Morrow Nicola Peckett - appointed 23rd November 2021 Nana Obuo Raphael Ayse Suevari Oliver Thorn - appointed 23rd November 2021
<b>Chief Executive</b>	George Graham - appointed 22nd March 2021
<b>Registered Office</b>	9 Rushworth Street London SE1 0RB +44 (0)870 774 3737
<b>Auditors</b>	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
<b>Legal Advisors</b>	Morgan, Lewis & Bockius LLP 5-10 St. Paul's Churchyard London EC4M 8AL
<b>Bankers</b>	Unity Trust Bank plc Four Brindley Place Birmingham B1 2JB
<b>Company number</b>	4010383
<b>UK registered charity number</b>	1082565
<b>Website</b>	<a href="http://humanity-inclusion.org.uk">humanity-inclusion.org.uk</a>

Introduction from our Chief Executive

## An incredibly inspiring cause

Around 1 billion people worldwide have a disability – that’s 15% of the global population. Yet we live in a world which continues to treat disability as though it’s abnormal, forcing ordinary people everywhere to face unacceptable barriers, discrimination or exclusion. As a society, we can and must do better.

It was my privilege to join Humanity & Inclusion in March 2021, and in the months since my sense of pride in our work and what we stand for has grown and grown.

**In 2021, we continued to find new ways to amplify the voices of people with disabilities and to support disabled people’s organisations. In many ways, this is our most important work; we will only succeed in our mission when everyone’s voice is heard.**

All of us at HI are motivated by a deep sense of solidarity and by our shared vision of a world enriched by our differences, where everyone is included and can live in dignity. It’s an incredibly inspiring cause.

### Responding to crisis

2021 wasn’t an easy year for anyone. The ongoing Covid-19 pandemic created pressure

and stress right across society. However, it was the most vulnerable and excluded people who faced the greatest pressures, whether from the virus itself, from overloaded healthcare services, disrupted education or lack of access to care or employment.

I’m hugely proud of the work that was done by HI’s specialists around the world to prevent and manage the spread of the virus among disabled and vulnerable people and to support Covid victims in their recovery.

As well as the Covid emergency, our teams responded to humanitarian needs all around the world in 2021 – including an earthquake in Haiti, a bloody fortnight of violence in Gaza, the plight of refugees in Jordan, a devastating fuel tanker explosion in Sierra Leone and the massive humanitarian crisis in Afghanistan.

In conflict zones, we supported teams to clear landmines

and explosive remnants of war, educate communities about the risks and provide assistance to victims. We also continued to lead global efforts to secure a new international political declaration to curb the use of explosive weapons in populated areas – this will radically reduce the devastating impact of war on civilians.

All this humanitarian work saves and transforms lives – and it wouldn’t be possible without the incredibly generous support of our donors.

### Promoting inclusion

I’m also proud of the sustained, longer-term work that our teams do around the world. We are ensuring that disabled children are included in education, that women with disabilities are included in programmes to support sexual health, and that some of the world’s poorest and most marginalised people are able to build livelihoods and escape poverty.

In 2021, we continued to find new ways to amplify the voices of the people with disabilities we work alongside and to support disabled people’s organisations. In many ways, this is our most important work; we will only succeed in our mission when everyone’s voice is heard.

### Strengthening our organisation

At HI UK, we are restless in wanting to increase our impact and influence. We do this by raising funds for the global HI network, contributing our technical expertise and influencing decision-makers.

The foundations for this work are a strongly collaborative ethos, effective systems, a culture that prioritises learning and development, a strong commitment to diversity and inclusion in our own practice, and a culture that values kindness, honesty and ambition.

If we can get all these elements working well, we can make an even bigger difference in 2022 and the years to come. I’m excited by that challenge. ■



**George Graham**  
Chief Executive



Message from our Chair

## Rising to the challenge

As chair of HI UK, I'm always inspired by the incredible impact that HI's teams have in the many countries where we work. From Afghanistan to Haiti to Madagascar, HI's staff are making a life-changing difference.

The team here in the UK is the engine that makes this happen, helping design and deliver programmes and raising the funds on which everything depends. Our expertise in rehabilitation, humanitarian mine action and inclusive education are significant strengths.

In 2021, we welcomed some new staff, including a new Chief Executive, and we've worked hard to build a team that is even more ambitious, more efficient and more effective, with a clear focus on trying to make the biggest difference we can for disabled and vulnerable people. It is also a very kind team, with everyone showing care for each other in these turbulent times.

Remarkably, despite the pandemic and all the pressures that our wonderfully loyal and generous donors were facing, 2021 was our best ever year for fundraising from the general public.

I'm incredibly proud of our fundraising team for all their hard work to make this happen. And of course, we are enormously grateful to all our supporters, donors and partners, without whom none of our achievements would be possible.

In 2022, HI will celebrate 40 years of action in support of the world's most vulnerable people. This will be a big milestone and a precious opportunity to reflect on how far we've come as an organisation and the incredible impact that we've had.

**We are enormously grateful to all our supporters, donors and partners, without whom none of our achievements would be possible.**

We are so grateful to be the recipients of a funding award from Postcode Global Trust and would like to extend a huge thank you to players of People's Postcode Lottery. Your generosity has enabled us to provide practical support to thousands of war-affected refugees as well as to build an exceptionally powerful campaign to 'Stop Bombing Civilians'.

It was a much tougher year for institutional funding, following swingeing cuts in the UK aid budget. However, I've been so impressed with the way the team has adapted and as we enter 2022 it's pleasing to see renewed interest in funding HI's vital work.

But we live in a fast-changing world, and our 40th anniversary will also be a moment to consider the changes and innovations we need to embrace in order to have an even bigger impact in the years to come. I know the team will rise to that challenge. ■



**Peter Burdin**  
Chair

*Photo: HI deminers carry metal detectors across a clearance site in Laos.*



# About us

## The HI network

### Our vision

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

### Our mission

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

### Our values

#### HUMANITY

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

#### INCLUSION

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

#### COMMITMENT

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

#### INTEGRITY

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



### HI's structure

The HI network is comprised of a federation, eight national associations (Belgium, Canada, France, Germany, Luxembourg, Switzerland, the United Kingdom and the United States), and the HI Institute for Humanitarian Action.

The HI federation, established in 2009, implements the network's programmes in around 60 countries under the name "Humanity & Inclusion", "Humanité & Inclusion" or "Handicap International", depending on the country.

HI's national associations, founded between 1982 and 2006, are called "Handicap International" in Belgium, France, Germany, Luxembourg and Switzerland, and "Humanity & Inclusion" in Canada, the United Kingdom and the United States.

The HI Institute for Humanitarian Action is responsible for defining the ethical framework underpinning HI's actions. The Institute analyses the ethical and political issues facing the HI movement and the aid sector in general.

### Who we support

HI exists to support disabled and vulnerable people around the world. The groups that we support include:

- **People with disabilities** or who are living with chronic disabling diseases
- **Organisations** that promote the rights and wellbeing of people with disabilities
- **People at risk of becoming disabled** because of disease or violence
- **Refugees**, people living in disaster areas or people displaced by crises
- **People threatened by weapons or explosive devices** during or in the aftermath of conflicts.

### Our areas of work

#### EMERGENCIES

In emergencies, we distribute aid packages, we provide healthcare, rehabilitation and psychosocial support, we make sure water, sanitation and shelters are accessible to everyone, and we help other relief organisations be as inclusive as possible.

#### CONFLICTS

In conflict situations, we clear landmines and other unexploded weapons, we educate communities about the risks, we help survivors rebuild their lives through physiotherapy, prosthetic limb fitting and psychological support, and we promote inclusive education and livelihoods. Globally, we campaign for an end to the use of landmines, cluster munitions and explosive weapons in populated areas.

#### LONG-TERM DEVELOPMENT

In our development work, we focus on inclusive health, physical rehabilitation, education and livelihoods, and we work alongside local disabled people's organisations to enable them to advocate for their rights and to get their voices heard.

### Our impact in 2021

#### WORLDWIDE PRESENCE

**452** projects in **60** countries

#### PEOPLE SUPPORTED BY HI'S ACTIONS

##### DIRECTLY SUPPORTED

**3,133,711** people

received goods or services as part of a project implemented by HI or its operating partners.

##### INDIRECTLY SUPPORTED

**14,196,321** people

benefitted from the effects of goods or services received by people HI directly supported.

#### GLOBAL STAFF

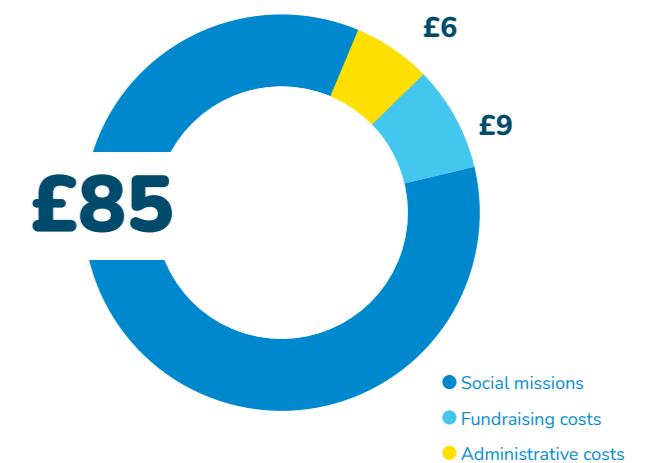
**4,755** people

including:

- 3,996** local staff in project countries
- 290** international staff in project countries
- 255** headquarters staff working in programme management
- 214** staff working in support services, fundraising and communication.

Impact figures represent the actions of the HI network in 2021. Staff figures are expressed in annual full-time equivalent positions.

### For every £100 spent by the HI network\*



\* Financial figures represent the actions of the HI network in 2021. For more information please see the HI network 2021 annual report available at [hi.org](https://hi.org)



## How our UK team supported HI's mission in 2021

Our top objective in 2021 was to bring tangible improvements to the living conditions of people with disabilities and vulnerable populations by supporting HI's mission and programmes worldwide.

We aimed to achieve this through an innovative approach to fundraising, responding to the funding opportunities available within the UK to meet the needs of our programmes. We also continued to provide technical

expertise on key sectors of HI's activity to support our country programmes and influence policy and practice. Finally, we focused on maintaining a diverse, happy and connected staff team working in an innovative, compliant and tech-savvy environment.

This section explains how we achieved these goals in 2021, in each of our areas of activity, and shares some of our highlights for the year.

### EMERGENCY RESPONSE

2021 saw no let-up in the number of emergencies to which our teams had to respond. HI UK continued supporting our programmes to address the serious effects of the Covid-19 pandemic in many of the countries where we work. We also raised desperately-needed funds for humanitarian operations, in particular the huge earthquake that struck Haiti on 14th August and the disastrous crisis in Afghanistan which erupted a few weeks later. During the year we also provided support to emergency responses in Gaza, Sierra Leone, the Philippines and Jordan.

### MINE ACTION

Our specialists in armed-violence reduction supported humanitarian mine action in more than 20 countries around the world, including Laos, Myanmar, Afghanistan, Yemen, Iraq, Gaza, Lebanon, Libya, Colombia, Senegal and across the Sahel region. We also solidified a national capacity-building programme with the Cambodia Self-Help Demining Group.

Photo: An HI team unloads wheelchairs, crutches and walkers from a boat in Les Cayes, Haiti, after the region was cut off by the earthquake in August 2021.



© Rawley Crews / HI

In all these programmes, we focussed on mainstreaming best practice in conflict-sensitivity so that our interventions directly contribute to building peace.

After successful trials in previous years, in 2021 HI was recognised as the leading expert on the use of drone surveying and thermal imagery to detect buried landmines. Our module-based solution is now being shared with operators and national authorities across the mine action sector.

Another highlight was one of our bomb-disposal experts being interviewed for a video produced by UNILAD, bringing our work to a new, younger audience on social media.

### UK EMERGENCY MEDICAL TEAM

HI UK provides specialist rehabilitation expertise for the UK Emergency Medical Team, the UK's front line response to a humanitarian crisis overseas, such as an earthquake or tsunami.

In 2021, our experts supported teams around the world, including in Lebanon, Malawi, Haiti and Namibia.

We worked with the World Health Organisation and others to develop guidance and training on managing highly infectious diseases, spinal cord injuries and patient safety in emergency responses.

We also produced a 200-page handbook in English, French and Arabic on early rehabilitation in conflicts and disasters.



© Kate Holt / HI

Photo: Adnan Al Hussein carries his 8-year-old daughter, Nada, through an informal settlement in the Bekaa valley, Lebanon. Adnan and his wife Zuhur moved to Lebanon with their three children after fleeing Idlib, Syria in 2013.

Nada has a physical disability which means that she cannot walk. HI supported her with physiotherapy and speech therapy sessions for three years, through a project funded by the UK Foreign Commonwealth and Development Office. Nada's mother told us that HI's team really helped to motivate Nada and improve her mobility.

### UK GOVERNMENT AID CUTS

Like all British charities working overseas, we were hit hard in 2021 by enormous cuts to the UK aid budget.

Funding for programmes in Jordan, Lebanon and Syria was discontinued. Highly strategic projects in Uganda and Bangladesh that were testing pioneering disability-inclusive approaches to poverty alleviation had to close at very short notice.

The scale of the cuts was severe, but it was the speed at which

they were implemented that was most shocking, leaving no time to find alternative ways of supporting some of the world's most vulnerable people.

However, thanks to the generosity of many of our supporters, we have found ways to keep some of these programmes going.

We are now seeing the government start to make new funding available again and we are hopeful about rebuilding in the months ahead.

## INCLUSIVE EDUCATION

Our global inclusive education team is managed from the UK. In 2021, we developed new projects in countries including Rwanda, Chad, Jordan, Nepal and Sierra Leone.

We published guidelines for teachers doing home learning, pulled together lessons on mobile teaching to support communities around the world, and continued our work to develop and publish teacher-training manuals on inclusive education alongside national ministries of education.

At the Global Education Summit, hosted in London in July, we made the case for governments to ensure education is fully accessible to all children, including those with disabilities or who are vulnerable or marginalised.

Antony Were, an inclusive education specialist from one of our programmes in Kenya, spoke at the Summit in Kenyan sign language, saying: “Schools need money to become fully inclusive. They can’t just

become inclusive with a one-off training on disability inclusion or by giving money to build a ramp. This funding needs to be comprehensive”.

## DISABILITY INCLUSION

We are proud to be a partner in the UK Government’s flagship Disability Inclusive Development programme, which is led by SightSavers. In 2021, we took innovations from previous phases of the programme and started to scale them up in Nepal, Kenya and Uganda. These projects will strengthen inclusive-education systems and services in Nepal, enhance the livelihoods of people with disabilities in Kenya and allow us to continue our work with BRAC in Uganda on a disability-inclusive approach to poverty graduation. We also co-chaired a conference on Inclusive Employment and Participation that we hosted with the London School of Hygiene and Tropical Medicine. Speakers drew on Source, our free knowledge-sharing platform on disability and inclusion.

## INCLUSIVE SEXUAL HEALTH

We continued to work in partnership with the International Planned Parenthood Federation (IPPF) and other organisations as part of the Women’s Integrated Sexual Health programme (WISH), a big multi-country programme, funded by the Foreign, Commonwealth and Development Office.

With our expertise in disability inclusion, we are ensuring that women and men with disabilities are equally able to benefit. The programme has made huge progress since it began in 2019 and many important lessons have been learned.

In December, our global health director co-chaired an important webinar with participants from government and numerous other NGOs, making sure these lessons reach a wider audience.

*Photo: Srey Nuch has started a small sewing business in Cambodia, with support from HI's team.*



## CLIMATE CHANGE

HI works in communities that are particularly at risk of disasters as a result of climate change and other threats. As the climate deteriorates, this is a growing area of focus.

In November, we joined other organisations at COP26, the international climate summit in Glasgow, to talk about the linkages between climate and disability. People with disabilities are at much greater risk from climate disasters, yet their needs are rarely taken into account during disaster planning and their voices are even more rarely heard.

## BUILDING A HEALTHY ORGANISATION

With the pandemic continuing, a big area of focus internally was staff wellbeing. We revised our ways of working, held sessions on mental health and tracked our progress monthly, seeing steady improvement throughout the year. We also redoubled our efforts to increase diversity and to promote a fully inclusive culture, including by revising our recruitment practices, capturing data on the makeup of our staff team and introducing group training sessions and a regular programme of discussions. We also refreshed our approach to safeguarding and managing serious incidents.

*Photo: Two children playing in the ruins of Mosul, Iraq. The city is heavily contaminated with unexploded ordnance following the battle to retake it from Islamic State in 2017.*



## CAMPAIGNING

Our campaign for an international political declaration on the use of explosive weapons in populated areas continued to build in 2021.

To date, more than 544,000 people have signed HI's global petition, with hundreds of

supporters sharing why they feel so strongly about this issue.

When explosive weapons are used in towns and cities, over 90% of the casualties are civilians. Those who are not killed are often left with life-long disabilities or psychological trauma, as our teams on the ground know too well. And the damage to schools, hospitals and vital infrastructure takes years to overcome.

We expect to see the political declaration finally launched in 2022.



# Support for our work



## Institutional partners

We are grateful to the Foreign, Commonwealth and Development Office (FCDO) for supporting our programmes across Africa, Asia and the Middle East. These include the multi-country Disability Inclusive Development (DID) and Women's Integrated Sexual Health (WISH) programmes, which are managed by Sightsavers and the International Planned Parenthood Federation (IPPF) respectively, as well as partnerships with other organisations including BRAC, International Rescue Committee (IRC), Plan International, Population Council, Save the Children and VSO.

We are also proud to be a member of the Start Network, which allows us to access rapid, innovative funding for under-the-radar emergencies. In 2021 this included crises in Sierra Leone, the Philippines and Togo.

We were also delighted to work with a new donor in 2020-2021: Jersey Overseas Aid (JOA) generously funded a Covid-19 response project in Nepal.



Photo: Kennedy, a 5 year old boy who has cerebral palsy takes part in a rehabilitation session with HI physiotherapist Paul Lokiru., in Uganda.

## Major giving

After a strong year with our major giving programme in 2020 – with existing and new donors generously supporting our Covid response around the world and helping the people of Beirut after the explosion – 2021 presented a more challenging fundraising environment. In this context, we want to express special gratitude to our loyal Trust, Foundation and Corporate partners for making vital change happen in very tough environments.

We are particularly grateful to Postcode Global Trust for their continued contribution to our rehabilitation and psychosocial support for Syrian refugees and host populations in Jordan and Lebanon, and for enabling us to deliver a comprehensive programme of risk education to keep returning refugees safe from unexploded ordnance. Postcode Global Trust also helped to keep our 'Stop Bombing Civilians' campaign strong and visible, garnering yet more signatures.

We are also very grateful for the continued support of Euromonitor International – they have been enabling children with disabilities and girls in Burkina Faso to receive an education on an equal footing with other children. We really value these wonderful long-term partnerships.

A big 'thank you' goes to Jefferies, who supported our Covid response for the second year running, and additionally made a hugely welcome donation to help injured, disabled and displaced people in the wake of the Haiti earthquake.



Photo: G'hazzi, 8-years-old, moved to Lebanon with his family to escape the war in Syria. The family have six children, four girls and two boys. G'hazzi, the youngest, was diagnosed with epilepsy and cerebral palsy when he was a toddler.

In 2020, G'hazzi started having occupational therapy and speech therapy sessions with HI's team. We also provided him with mobility aids such as a wheelchair and a standing table to help him to gain independence. His progress has been inspiring.

Warm thanks also to the Rangoonwala Foundation for enabling rural communities in Sri Lanka to lift themselves out of poverty through building and launching a fruit dehydration centre and sales hub. Now we can enjoy dried apricots, pineapple and mango that might otherwise have gone to waste, whilst ensuring that vulnerable populations have a secure livelihood.

Finally, thank you to the MJB Charitable Trust for helping people with disabilities and injuries in Afghanistan through our local rehabilitation experts, who remained throughout the evacuation and are still there, to ensure that nobody who is in need of our services is abandoned.



# Jefferies



## Individual giving

Our supporters are at the heart of everything we do at HI and, thanks to their amazing generosity, 2021 was another successful year for individual giving in the UK.

In a challenging global context, we have been able to continue to grow while making long-term strategic investments in digital fundraising. In line with our 2016-25 strategy and to meet the growing and evolving needs of the people we support, we are continually reviewing and honing our plans for raising voluntary income.

As in 2020, our priority continues to be in securing long-term sources of income in an ethical and sustainable way, and endeavouring to be open and transparent with our supporters at all times.

On behalf of the team at HI and everyone that your donations help us to support, thank you so much for your generosity.

### PARALYMPICS SUCCESS

We are so proud of our ambassadors, Jack Hunter-Spivey and Ross Wilson, who won bronze medals at the 2021 Tokyo Paralympics. Jack and Ross are top-flight table-tennis players and an inspiration to everyone. Jack said, "16 years of chasing a dream with everything stopping me. This poor disabled Scouse lad wasn't meant to be anything... And I've just beat the number 2 and 3 in the world to become a Paralympic bronze medallist. Anything is possible, I've just proved it. Never give up!"

## How you can support our work

There are so many ways in which you can support HI's life-changing work alongside disabled and vulnerable people around the world:

- You can support HI's life-changing work by making a one-off donation
- Join our amazing regular donors by setting up a monthly gift to support our work in the long term.
- Sign the 'Stop Bombing Civilians' petition on our website and even email your MP about the issue.
- Organise a fundraising event or personal challenge - you could run, ride, bake or sing to raise funds! Our team are available to provide free resources and advice.
- Schools, clubs and community groups can also fundraise together and take action as part of our campaigns.
- If you are a philanthropist or represent a company or trust, why not call our team to explore how you can make the greatest difference through a bespoke partnership.
- If you are thinking of leaving a legacy in your will to help change lives, please consider remembering Humanity & Inclusion UK. Anyone can leave a legacy gift to charity and you could continue to make a difference for generations to come.

Please visit our website [humanity-inclusion.org.uk](https://humanity-inclusion.org.uk)  
email [supportercare.uk@hi.org](mailto:supportercare.uk@hi.org)  
or call us on 0870 774 3737 to find out more.



Photo: Fazlu, 6, was badly injured in an airstrike on his village in Herat, Afghanistan. HI's emergency mobile team provided him with regular physiotherapy and support. Fazlu can now walk again and even run around with his friends.

# Governance, structure and management



## Constitution and governance

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

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

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

HI UK is governed by its Board of Trustees, which is responsible for ensuring a strong strategic focus in line with the charitable aims of the organisation and with HI's global strategy. In line with governance best practice, the board aspires to follow the principles of the voluntary Charity Governance Code as proportionate to the charity's circumstances; an in-depth review of our compliance

with the Code was initiated in 2021.

As a member of the HI network, HI UK supports and contributes to the work of the wider federation. An international governance structure and an operational framework have been agreed within the network in order to rationalise and share resources, and the federation has agreed in our joint strategy to meet any shortfall of funds.

In 2021, the HI UK board was represented on the Federal General Assembly with two seats. This General Assembly has ultimate governance oversight of the HI Organisation.



Photo: Chafik, 36, badly injured his leg when the roof of his kitchen fell in during the huge explosion in Beirut's port on 4th August 2021. HI provided Chafik with mobility aid including crutches and a lumbar belt and follow-up from our physiotherapists.

HI UK aims to select trustees in a manner consistent with its equal opportunities policy. Trustee vacancies are advertised where relevant, all applicants are interviewed by a panel of the board, and appointments are made on merit against objective criteria and considering the benefit of diversity. Trustees are appointed for a three-year term and are subject to a re-election procedure. They may remain as trustees for up to three terms. The board's effectiveness and performance are reviewed annually.

On acceptance of the invitation to join the board, new trustees are given an induction that includes information about HI and HI UK's work policies and procedures, governance (including trustees' roles and responsibilities), an explanation of the relationships

with the federation and other national associations, and the federal and national strategies.

Board meetings are held a minimum of four times per year and additionally if required. The Finance & Audit, Risk and People committees of the board meet regularly and as necessary between board meetings and make recommendations to the full board. Recommendations made and actions agreed by all board committees are ratified at board meetings.

Day-to-day management of the organisation is devolved to the Chief Executive, who reports to the board and has frequent contact with the Chair and trustees. None of the board members has any beneficial interest in the charity. There is a delegation of authority which

formalises the delegation of powers to the Chief Executive and senior staff and sets out the matters that are expressly reserved for determination by the board and cannot be delegated. The Chief Executive remains responsible for the matters delegated and is required to report to the board as the board deems appropriate.

All of the trustees are members of the charity and guarantee to contribute £1 in the event of a winding up of HI UK. The trustees are also directors of HI UK for the purposes of company law. They are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).



Photo: Abdullah, 12, learns to walk again. He lost his leg in an airstrike while playing outside with his friends in Yemen.

## Environmental, Social and Governance (ESG)

The board of trustees has determined the following areas as being materially significant environmental, social and governance factors for HI UK:

- Environmental footprint
- Social missions
- Diversity and inclusion
- Adherence to the Charity Governance Code
- Institutional policies and code of conduct
- Organisation and salaries

In 2021, HI UK's performance against each of these was as follows:

### ENVIRONMENTAL FOOTPRINT

In 2021, we began work to develop a simple carbon-footprint calculation framework that will be appropriate to our context as HI UK. This will align with a more extensive framework being developed by colleagues

in the global HI federation in coordination with a number of other international NGOs. The federation has appointed a full-time position to lead this work.

In HI UK, we reconvened an internal 'Green Team', which is driving staff engagement to reduce our environmental impact and we are planning that 2022 will be a base year for a UK carbon-reduction plan. Major drivers of our carbon footprint at HI UK include travel and office heating. On travel, the HI federation adopted tighter controls on the amount of flying that staff members do, in order to control both our costs and our carbon footprint. The adoption of hybrid working practices also significantly reduced the amount of commuting that staff members do. In addition, carbon impact is taken into account in all procurement decisions.

### SOCIAL MISSIONS

HI UK's charitable purpose is to meet the basic needs, improve the living conditions and promote respect for the dignity and fundamental human rights of disabled and vulnerable people worldwide. Through our work in 2021, we have raised £10.34m, contributing to the HI network's global efforts. As described above, HI UK has also influenced policy and practice on disability inclusion and our technical staff have designed and delivered programmes in the UK and around the world, with a particular focus on inclusive education, armed violence reduction and emergency rehabilitation.

### DIVERSITY AND INCLUSION

Attracting a diverse workforce and making HI UK as inclusive an organisation as possible is one of our top strategic priorities – as one would expect given our name and mandate. The Chief Executive is responsible for driving this work, supported by key staff and by a focal point on the board of trustees.

As part of our work to make our culture more inclusive, ensuring a work environment where everyone can thrive, share their experiences and opinions, in 2021 we introduced compulsory group training sessions on diversity and inclusion. These were well received by participants. We also held a regular programme of discussions to explore different elements of the agenda.

*Photo: Jennifer Diaz works as a deminer near Maracaibo, Colombia, her home village. The work requires total concentration. "The local people have great respect for our work," Jennifer says.*

We started an in-depth review of our Staff Handbook and internal policies to ensure they are more inclusive. In addition, we revised our recruitment practices to remove potential discriminatory barriers, to increase our visibility among more diverse audiences and to improve our attractiveness to these applicants.

We conducted a systematic review of barriers to people with disabilities in order to help us plan how to do more to address these, and we continue to take all of the core actions to be a Disability Confident employer, after renewing our certification in December 2020. In addition, we conducted our first full survey to track levels of diversity among our staff, an exercise which we plan to repeat annually.

In 2022, we will do more work in all of these areas, and review our communications to ensure they are as accessible and inclusive as possible. We also intend to develop a formal organisational framework for our work in this area.

We seek to maintain a diverse board. The gender balance among our ten trustees is currently six women and four men. Two trustees are people of colour. Three describe themselves as having a disability.

Diversity and inclusion is a standing item in quarterly board meetings, with detailed oversight included in the terms of reference of the board's People and Culture Committee.



*Photo: Community rubble clearance in Chardonnières, Haiti, after the 2021 earthquake.*

### CHARITY GOVERNANCE CODE

In 2021, we reviewed our compliance with the Charity Governance Code. The Code outlines the following principles:

#### Principle 1: Organisational purpose.

The board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably.

#### Principle 2: Leadership.

The charity is headed by an effective board that provides strategic leadership in line with the charity's aims and values.

#### Principle 3: Integrity.

The board acts with integrity. It adopts values, applies ethical principles to decisions and creates a welcoming and supportive culture which helps achieve the charity's purposes. The board is aware of the significance of the public's confidence and trust in charities. It reflects the charity's ethics and values in everything

it does. trustees undertake their duties with this in mind.

#### Principle 4: Decision making, risk and control.

The board makes sure that its decision-making processes are informed, rigorous and timely, and that effective delegation, control and risk assessment, and management systems are set up and monitored.

#### Principle 5: Board effectiveness.

The board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.

#### Principle 6: Equality, diversity and inclusion.

The board has a clear, agreed and effective approach to supporting equality, diversity and inclusion throughout the organisation and in its own practice. This approach supports good governance and the delivery of the organisation's charitable purposes.



### Principle 7: Openness and accountability.

The board leads the organisation in being transparent and accountable. The charity is open in its work unless there is good reason for it not to be.

We are confident that our structure and approach adhere well to both the letter and the spirit of each of these principles. In particular, in 2021 we have worked to improve our approach to risk management and to equality, diversity and inclusion. In 2022, we intend to review our management data and spend time further strengthening our board's effectiveness.

### INSTITUTIONAL POLICIES AND CODE OF CONDUCT

HI's institutional policies and directives set out the principles to be respected by all of its employees and partners. Alongside these policies, HI's

overarching Code of Conduct outlines HI's expectations of staff and volunteers. It aims to protect all beneficiaries of HI's direct and indirect actions, and people from communities in contact with these actions, especially children, women, people with disabilities and anyone in a vulnerable situation.

The following institutional policies are available at: [www.hi.org/en/institutional-policies](http://www.hi.org/en/institutional-policies)

- Code of conduct
- Safeguarding framework
- Child protection policy
- Disability, gender and age policy
- Protection of beneficiaries from sexual exploitation, abuse and harassment policy
- Anti-fraud, bribery and corruption policy
- Counterterrorism measures and regulations policy
- Safety and security policy
- Environmental agenda

### ORGANISATION AND SALARIES

During 2021, HI UK employed a team of some 22 full-time and part-time staff to achieve its charitable objectives. HI UK was also supported by volunteers and secondments from the civil service with varied roles across the organisation.

HI UK aims to be a median employer compared to similar organisations in the UK and we participate in regular market surveys in order to achieve this. We publish salaries in our job adverts in order to ensure transparency and to promote fairness. Levels of remuneration for all employees are determined using our salary grading system. Salary increases are based on a combination of cost of living and performance-related measures, and are reviewed annually. A review was carried out in 2021, overseen by the People Committee of the board. Working with an external agency, the salary scale and benefits were benchmarked against a comparable market.

During 2021 we continued to qualify as a Disability Confident Employer.



Photo: Sandip, lost his left leg in a road accident in 2019, aged 14. Thanks to psychological support and rehabilitation sessions he was fitted with an artificial limb with support from HI and its partners. He has regained hope and decided to go back to school to realise his potential.



Photo: Mothers use handmade toys to stimulate their children as part of a project in Niger to help children with malnutrition develop.

## Principal risks and uncertainties

### RISK MANAGEMENT PROCESS

During the 2021 financial year, the Risk Committee of the board undertook an annual review of the risk-management process to ensure that HI UK has a robust system for identifying principal risks to the organisation using the most up-to-date methodologies. The aim is to move towards a system that identifies and manages opportunities as well as risks and that reflects the board's risk tolerance. During the year, HI UK also refined the format of its risk register and board reporting tools.

The Committee regularly oversees major risks and how these are being managed. It meets quarterly and circulates to the full board any significant risks and their potential impact.

### PRINCIPAL RISKS

The most significant risks and uncertainties that HI UK faces as an organisation at the time of this report relate to the following areas:

#### Institutional funding:

A significant proportion of HI UK's funding comes from institutional donors, such as the Foreign & Commonwealth Development Office (FCDO). The UK Government cuts to the international aid budget from 0.7% of Gross National Income to 0.5% had an immediate impact on some of the grant funding to HI UK and highlighted the exposure of our organisation to changes in UK Government priorities and budgets and to increased competition for institutional funding. HI UK's financial support from the HI federation means that reductions in institutional funding have only

a limited impact in the short term, and further development of FCDO priorities is allowing HI UK to regain funding. To ensure that HI UK minimises the risks of a reduction in institutional funding in the future, we have strategic plans in all our technical areas, well-established ways of working with HI's technical teams to ensure high-quality programme design and implementation, and a programme of work to increase the engagement of our country teams with the FCDO and other key donors. We are also active in maintaining our profile and reputation with central FCDO teams and key partners.

#### Safeguarding of our staff, volunteers, partners and beneficiaries:

One of the principal risks to our organisation is to be faced with a safeguarding complaint and/or for that complaint not to be handled

appropriately. As outlined above, in order to reduce all forms of safeguarding risk, we continue to take a number of mitigation measures both at HI UK and across the HI network. These include ensuring compliance with our Code of Conduct, appointing safeguarding focal points at the board, management and staff level, compulsory training courses for all staff and trustees, a reference and police-check process for new recruits when relevant to the role, a revised serious-incident reporting procedure, and annual staff-led reviews of our major safeguarding risks.

#### Retention of key staff:

In order to mitigate the risk of losing key staff, we are working proactively across a range of areas to promote employee engagement, including implementing a learning and development plan, working on our organisational culture, promoting diversity and inclusion, training managers to support mental health, talking openly

and frequently about wellbeing, enabling flexible working, and promoting feedback and honest discussion.

#### Management of service contracts:

HI UK and the HI network as a whole are adapting to the growing tendency of institutional funders to offer service contracts that render payment of monies conditional upon meeting specific performance criteria, as opposed to simpler grant funding agreements. Service contracts require increased monitoring and reporting to ensure that the performance and funding conditions are met. This increases the financial as well as reputational risks associated with them. The HI network has mitigation measures in place in order to manage these risks, including building the capacity of our teams to manage such contracts well and proactively learning from the service contracts that are already in place. For current service contracts, roles and responsibilities are clear, with HI UK supporting

and advising country teams on compliance and risk, and supporting the management of relations with partners and the FCDO, as needed.

#### Counter-terrorism requirements:

As an organisation working in areas where there is a known risk of terrorist activity, the need to ensure full compliance with counter-terrorism requirements requires constant oversight. In 2021, we revised our global policy and shared it with donors for all existing grants and contracts. We will also share it during due-diligence assessments for all future grants and contracts, if required. In addition, we are participating in the Bond Sanctions and Counter-Terrorism Working Group to ensure we have the latest sector-wide understanding of risks and concerns in this area.

#### Covid-19:

The Covid pandemic continued to impose constraints, particularly to travel, office working and staff wellbeing. However, these pressures eased somewhat relative to 2020 and ultimately they did not impede our work with disabled and vulnerable people around the world. Like many organisations, we learned how to have an impact with less travel and we developed effective hybrid ways of working. We also focussed a lot of attention on staff morale, tracking wellbeing throughout the year, with positive results.

*Photo: Safa, 14, has made a lot of progress thanks to support from HI's mobile rehabilitation team in Herat, Afghanistan. She is learning to move around with a walker, and she dreams of going to school.*

#### RAISING VOLUNTARY INCOME

HI UK is committed to maintaining the highest standards in our fundraising. We are a member of both the Chartered Institute of Fundraising and the Fundraising Regulator, and we comply with best practice in fundraising through the Code of Fundraising Practice. We also comply with the Data Protection Act 2018 and the UK implementation of the General Data Protection Regulation (GDPR) and have a vulnerable persons' policy in line with these requirements. We ensure that any third-party organisations we work with adhere to these requirements too.

Our policy on fundraising with people in vulnerable circumstances is followed by all our fundraisers and suppliers. Our Fundraising Manager reviews all fundraising materials and provides training to our fundraisers, and those fundraising on our behalf, when required. In addition, we incorporate the Institute of Fundraising's 'Treating donors fairly' guidance into our fundraising. We regularly review our fundraising marketing channels and propositions and take on feedback from our supporters and the public. Our supporter promise can be found on our website at [humanity-inclusion.org.uk/en/our-promise-to-you](https://humanity-inclusion.org.uk/en/our-promise-to-you).

In 2021, HI UK received 3 complaints related to supporter communications. All complaints were responded to and resolved.

#### FINANCIAL REVIEW

HI UK income in 2021 was £10.34m, which represents a 40% decrease from 2020 where we had an income of £17.13m. The principal reason for this decline was the cut in the UK aid budget, which led to a fall in institutional funding of 45.5% (from £15.09m in 2020 to £8.22m in 2021). Our major giving income also fell, from £586.5k to £435.7k, as the pandemic affected donor interest. However, these falls were offset by a record-breaking year in individual giving, which rose from £289.4k to £561.7k. Charitable activities represented 81% of the expenditure incurred from total income. For further information on the programmes HI UK supported this year, please see pages 10 to 13.

The HI federation continued to maintain investment in HI UK, providing in total £920.3k (2020: £968.9k) to support HI UK's strategy to grow, invest in UK projects, diversify our income sources and support our running costs. For more details, see the accounts on pages 30 to 44.

#### RESERVES POLICY

HI UK has a reserves policy which requires the organisation to retain the equivalent of three months of UK activity costs, based on budget projections. This amount is reviewed as budget projections are revised. HI UK's reserves are intended to act as a sensible contingency against unexpected expenditures or shortfalls in fundraising and to facilitate cash flow. At the end of the year, HI UK's total reserves stood at £281,540.

#### FUTURE PROSPECTS

We continue to work towards our strategic framework, across these three pillars:

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

In 2022, we intend to achieve these objectives by:

- Providing technical expertise to HI programmes in humanitarian mine action, inclusive education and emergency rehabilitation
- Maintaining the Source knowledge-sharing platform on disability inclusion
- Promoting innovations such as 'tele-rehabilitation' technologies and the use of drones in mine clearance
- Encouraging the UK Government to support a new political declaration to curb the use of explosive weapons in populated areas and to take action to promote inclusive humanitarian response and development
- Raising funds for humanitarian emergencies and HI's longer-term work
- Establishing HI as a partner of choice among key organisations



- Building our network of supporters across the UK
- Developing a 'Diversity and Inclusion Framework'
- Improving our digital capability

Under our fundraising strategy, we will continue to spread our efforts between institutional funding, major giving (philanthropy, trusts, foundations and corporate partnerships) and individual giving. With new staff in place and more streamlined systems, we anticipate growing both individual and major giving. We also hope to see a return to growth in institutional funding in 2023, following the significant drop in 2021 arising from cuts to the UK aid budget. Behind these efforts we will work to increase our visibility and connections with all key audiences – this has been identified as a key strategic priority. With these elements in place, we expect to see steady income growth over the coming year and beyond.

#### GOING CONCERN

HI UK has adequate resources to continue its operational existence for the foreseeable future, with a number of institutional grants and major gifts already having been secured for 2022 and beyond. In addition, the HI federation has confirmed it will provide sufficient funds to continue to support the charitable activities of the company.

Having considered the above as well as our fixed costs, the trustees believe that it is appropriate to continue to adopt the going concern basis in preparing this annual report and financial statements.

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution.

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

#### Disclosure of information to Auditors

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

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



Signed on behalf of Trustees  
Treasurer: Vhernie Manickavasagar  
Date: 8th June 2022

## Independent auditor's report

### to the members of Handicap International UK for the year ended 31st December 2021

#### OPINION

We have audited the financial statements of Humanity & Inclusion UK ('the charitable company') for the year ended 31 December 2021 which comprise Statement of Financial Activities, Balance sheet, Cashflow statement 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### BASIS FOR OPINION

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

#### CONCLUSIONS RELATED TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern

for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### OTHER INFORMATION

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

#### OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

#### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies

Act 2006 requires us to report to you if, in our opinion:

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

#### RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 26, 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

#### EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement

of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were: General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to

identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, charitable expenditure through other HI entities and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and Audit Sub-Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or

the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### USE OF OUR REPORT

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



Tim Redwood  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor

London

Date: 23 June 2022



STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure account)  
For the year ended 31st December 2021

	Note	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
<b>INCOME FROM:</b>					
Donations & Legacies (including Contribution from HI Federation)	2	1,627,390	328,045	1,955,435	1,884,520
Charitable activities	3	2,869,697	5,517,759	8,387,456	15,248,149
<b>TOTAL INCOME</b>		<b>4,497,087</b>	<b>5,845,804</b>	<b>10,342,891</b>	<b>17,132,669</b>
<b>EXPENDITURE ON:</b>					
Raising funds	4	771,157	-	771,157	872,691
<i>Charitable activities</i>					
<b>Overseas Programmes</b>					
Humanitarian emergencies		25,153	1,197,416	1,222,569	5,432,443
Long-term development		2,941,318	3,969,614	6,910,932	9,314,942
Multi-sector programmes		680,857	328,045	1,008,902	934,097
UK Projects		78,602	350,729	429,331	578,496
<b>Total Charitable activities</b>	5	<b>3,725,930</b>	<b>5,845,804</b>	<b>9,571,734</b>	<b>16,259,978</b>
<b>TOTAL EXPENDITURE</b>		<b>4,497,087</b>	<b>5,845,804</b>	<b>10,342,891</b>	<b>17,132,669</b>
<b>NET INCOME / (EXPENDITURE)</b>	8	-	-	-	-
Transfers between funds		-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		-	-	-	-
<b>RECONCILIATION OF FUNDS:</b>					
Total funds at 1st January 2021		281,540	-	281,540	281,540
<b>TOTAL FUNDS at 31st December 2021</b>		<b>281,540</b>	<b>-</b>	<b>281,540</b>	<b>281,540</b>

The statement of financial activities includes all gains and losses recognised in the period.  
All income and expenditure derive from continuing activities.

*Photo: Nousin, from HI's risk education team, visits a primary school to talk about the risks from cluster munitions and other unexploded bombs commonly found in Laos. During the first months of 2021, 18 accidents occurred, mostly involving children.*



BALANCE SHEET

At 31st December 2021

	Note	TOTAL 2021 £	TOTAL 2020 £
<b>Fixed Assets</b>			
Tangible assets	12	51,834	61,205
<b>Total Fixed Assets</b>		<u>51,834</u>	<u>61,205</u>
<b>Current Assets</b>			
Debtors	13	3,736,836	5,013,344
Cash at bank and in hand		2,770,002	2,748,767
<b>Creditors: Amounts falling due within one year</b>	14	(6,277,132)	(7,541,775)
<b>Net Current Assets</b>		<u>229,706</u>	<u>220,336</u>
<b>TOTAL NET ASSETS</b>		<u>281,540</u>	<u>281,540</u>
<b>THE FUNDS OF THE CHARITY:</b>			
Unrestricted funds: General fund		281,540	281,540
<b>TOTAL FUNDS</b>	16	<u>281,540</u>	<u>281,540</u>

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

Company Limited by Guarantee Registration Number 4010383 (England and Wales).

These financial statements were approved and authorised for issue by the Board of Trustees on 8th June 2022 and signed on its behalf by :



Trustee: Vhernie Manickavasagar

Date: 8th June 2022

The notes on pages 34 to 44 form part of these financial statements.

STATEMENT OF CASH FLOWS

At 31st December 2021

	Note	TOTAL 2021 £	TOTAL 2020 £
<b>NET INCOME / (EXPENDITURE) FOR REPORTING PERIOD (as per the STATEMENT OF FINANCIAL ACTIVITIES)</b>		-	-
<b>Adjustments for:</b>			
Depreciation charges	12	19,392	19,607
(Gain)/loss on disposal		-	-
Net unrealised exchange (gain)/loss		(15,018)	25,119
(Increase)/decrease in debtors		1,276,507	675,498
Increase/(decrease) in creditors		(1,264,643)	982,291
<b>NET CASH (USED IN) / PROVIDED BY OPERATING ACTIVITIES</b>		<u>16,238</u>	<u>1,702,515</u>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets		(10,021)	(3,366)
<b>NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES</b>		<u>(10,021)</u>	<u>(3,366)</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN REPORTING PERIOD</b>		6,217	1,699,148
Cash and cash equivalents at the beginning of the reporting period		2,748,767	1,074,738
Change in cash and cash equivalents due to exchange rate movements		15,018	(25,119)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD</b>		<u>2,770,002</u>	<u>2,748,767</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

### 1. ACCOUNTING POLICIES

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

#### a) Basis of accounting

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

The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue. HI UK has reviewed its strategy to ensure that all necessary steps are taken to minimise the negative impact of the Covid-19 pandemic. HI UK has adequate resources to continue its operational existence for the foreseeable future, with a number of institutional grants having been secured for 2021 and beyond. In addition, HI Federation has confirmed it will provide sufficient funds to continue to support the charitable activities of the company. The Trustees believe that it is, therefore, appropriate to continue to adopt the going concern basis in preparing the annual Trustees report and financial statements.

#### b) Fund accounting

The charity maintains various types of funds as follows:

**Restricted funds:** Restricted funds represent

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

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

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

#### c) Income

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

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

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

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

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

Voluntary income, including donation, grants, legacies and volunteer contributions is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. The following specific policies apply to categories of income:

- **Performance based contracts:** where HI UK provides goods and/or services in return for a fee as part of its charitable activities such contracted income is recognised as incoming resources in the SOFA to the extent that HI UK has provided the goods and/or services thereby earning the right to consideration by its performance.
- **Grants from governments, institutional donors and trusts & foundations:** where related to specific conditions; are recognised as income in the SOFA when the conditions have been substantially met and the associated expenditure is incurred.
- **Grants that are not subject to specific performance deliverables or conditions** are recognised in full in the SOFA when they become receivable. Where income is received in advance of its recognition in the SOFA it is deferred as a liability until certainty exists that the conditions imposed can be met. Where entitlement occurs before incoming resources are received the income is accrued.
- **Donated services and facilities** are included as 'Voluntary income' at their estimated value to the charity when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

#### d) Expenditure and basis of allocation of costs

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

Governance costs include those costs associating with meeting the constitutional and statutory requirements of the charity such as the cost of board meetings, statutory compliance and costs linked to the strategic management of the charity. Governance costs have been allocated on basis of relative income (excluding Contribution from HI Federation) between Donations and legacies and Charitable activities.

#### e) Expenditure on raising funds

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

#### f) Accounting estimates and judgments

In preparing financial statements, management may have to make judgements, estimates and assumptions that affect the application of the charities accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. It is the opinion of the Trustees that the estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year relate to the recognition of performance related grants and contracts. Contracts may include performance related elements which require an estimate of the cost to completion, where the outcome of a contract cannot be estimated reliably, the trustees recognise income under the contract only to the extent of the expenses recognised that are recoverable.

#### g) Expenditure on charitable activities

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

#### h) Tangible fixed assets

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

The rates of depreciation applied to the assets are:

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

The threshold for an asset to be capitalized is set at £500.

#### i) Pension costs

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

#### j) Donated services and gifts in kind

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

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

#### k) Foreign currencies

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

#### l) Liability of the guarantors

The charity does not have a share capital and is limited by guarantee. In the event of the charity being wound up the maximum amount which each member is liable to contribute is one pound. There were 11 (2020: 9) such members at 31st December 2021.

#### m) Operating lease

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

2. DONATIONS AND LEGACIES (including CONTRIBUTION from HI FEDERATION)	2021	2020
	Total	Total
	£	£
Contribution from HI Federation	755,311	808,693
Donations	1,008,897	918,305
Donated services and gifts in kind	89,576	147,194
Other income	101,651	10,329
	<b>1,955,435</b>	<b>1,884,520</b>

3. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	Total	Total
	£	£
<b>Support for overseas programmes</b>		
<i>Institutional funding: Public bodies</i>	4,675,138	11,537,569
<i>Institutional funding: Private organisations</i>	3,291,025	3,141,230
<b>Support for UK projects</b>		
<i>Institutional funding: Public bodies</i>	207,884	173,764
<i>Institutional funding: Private organisations</i>	48,405	235,315
<i>Support from HI Federation for UK projects</i>	165,004	160,271
<i>Other Income</i>	-	-
<i>UK &amp; overseas programmes Note 9</i>	<b>8,387,456</b>	<b>15,248,149</b>

4. EXPENDITURE ON RAISING FUNDS

2021	Direct	Staff	Support	2021
	Costs	Costs	Costs	Total
	£	£	£	£
<i>Private fundraising investment</i>	188,581	37,246	26,012	251,839
<i>Institutional fundraising activities</i>	15,784	68,713	21,018	105,515
<i>Other fundraising activities</i>	139,973	76,206	32,056	248,235
<i>Communication &amp; PR</i>	43,474	87,199	34,895	165,568
<i>Total expenditure on raising funds</i>	<b>387,812</b>	<b>269,364</b>	<b>113,981</b>	<b>771,157</b>
2020	Direct	Staff	Support	2020
	Costs	Costs	Costs	Total
	£	£	£	£
<i>Private fundraising investment</i>	189,096	105,941	29,176	324,213
<i>Institutional fundraising activities</i>	24,584	73,708	24,949	123,241
<i>Other fundraising activities</i>	150,282	81,273	38,430	269,985
<i>Communication &amp; PR</i>	20,229	98,056	36,967	155,252
<i>Total expenditure on raising funds</i>	<b>384,191</b>	<b>358,978</b>	<b>129,522</b>	<b>872,691</b>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

5. TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES

COSTS OF CHARITABLE ACTIVITIES	2021	2020
	Total	Total
	£	£
<b>Overseas programmes</b>		
<i>Emergencies</i>	1,222,569	5,432,443
<i>Long-term development</i>	6,910,933	9,314,942
<b>Multi-sector overseas programmes funded by voluntary donations</b>		
<i>Afghanistan</i>	166,793	-
<i>Bangladesh</i>	-	132,241
<i>Burkina Faso</i>	75,000	54,310
<i>Central African Republic</i>	24,834	-
<i>Ethiopia</i>	7,692	-
<i>Haiti</i>	153,846	4,310
<i>Kenya, Uganda</i>	-	12,931
<i>Lebanon</i>	-	126,690
<i>Laos</i>	-	20,493
<i>Merep</i>	153,846	-
<i>Nepal</i>	-	4,310
<i>Palestine</i>	-	14,933
<i>Philippines (Covid emergency)</i>	-	62,040
<i>Sri Lanka</i>	23,045	-
<i>Syrian crisis</i>	326,923	340,632
<i>Syrian crisis (Covid emergency)</i>	-	75,000
<i>Yemen</i>	76,923	86,207
<i>Total multi-sector programmes</i>	<b>1,008,902</b>	<b>934,097</b>

UK projects

	2021	2020
	Total	Total
	£	£
<i>UK Emergency Medical Team</i>	207,927	332,807
<i>Inclusive Education and Armed Violence Reduction</i>	111,798	120,575
<i>Research, Policy and Awareness Raising</i>	109,606	125,114
<i>Total UK project costs</i>	<b>429,331</b>	<b>578,496</b>

2021	Direct	Staff	Support	2021
	Costs	Costs	Costs	Total
	£	£	£	£
<i>Overseas programmes</i>	7,966,163	155,826	11,512	8,133,501
<i>Multi-sector overseas programmes funded by voluntary donations</i>	650,602	-	358,300	1,008,902
<i>UK projects</i>	132,665	251,279	45,387	429,331

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

	Direct Costs	Staff Costs	Support Costs	2020 Total
2020	£	£	£	£
Overseas programmes	14,678,801	51,287	17,297	14,747,385
Multi-sector overseas programmes funded by voluntary donations	605,492	-	328,605	934,097
UK projects	243,342	263,206	71,948	578,495
<b>6 GOVERNANCE COSTS</b>			<b>2021</b>	<b>2020</b>
			£	£
Meeting costs & others			3,656	4,198
Professional fees			22,235	24,000
Staff costs			31,379	44,643
			<b>57,270</b>	<b>72,841</b>
<b>7 SUPPORT COSTS</b>		Charitable Activities	Generating Funds	2021 Total
2021		£	£	£
Staff costs		108,247	61,293	169,540
General costs		240,530	42,446	282,976
Depreciation		16,483	2,909	19,392
Governance costs		49,938	7,332	57,270
		<b>415,198</b>	<b>113,980</b>	<b>529,178</b>
		Charitable Activities	Generating Funds	2020 Total
2020		£	£	£
Staff costs		39,991	101,274	141,265
General costs		291,706	21,956	313,662
Depreciation		18,235	1,372	19,607
Governance costs		67,921	4,920	72,841
		<b>417,853</b>	<b>129,522</b>	<b>547,375</b>
<b>8 NET INCOME FOR THE YEAR</b>			<b>2021</b>	<b>2020</b>
This is stated after charging / (crediting):			£	£
Depreciation			19,392	19,607
Auditor's remuneration - statutory audit			22,235	24,000
Auditor's remuneration - tax services			3,246	-
Operating lease payments			122,656	140,833
			<b>167,529</b>	<b>184,440</b>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

9. MOVEMENT IN RESTRICTED FUNDS	Income 2021	Expenditure 2021
	£	£
<b>HUMANITARIAN</b>		
<b>Foreign, Commonwealth and Development Office (FCDO)</b>		
Bangladesh: Covid-19 rapid response top-up to Disability Inclusive Graduation project	83,299	83,299
Middle East: Covid-19 emergency mitigation & response intervention for a safer environment (Rapid Response Facility grant)	131	131
Myanmar: Towards a more Inclusive Humanitarian action	114,618	114,618
Uganda: AT2030: Life Changing orthopedic devices -3D Printing through Emergency Tele Rehab Access	3,671	3,671
<b>HelpAge International</b>		
Afghanistan: Multi-purpose Cash Assistance	254	254
<b>H2H Network</b>		
DRC: Analysis of logistics environment in Covid context	(2,396)	(2,396)
<b>International Rescue Committee (IRC)</b>		
Lebanon: Emergency response Beirut Blast	172,219	172,219
Lebanon: Humanitarian Protection Programme	180,052	180,052
<b>International Organisation for Migration (IOM)</b>		
Yemen: Integrated Protection for Vulnerable Migrants and people affected by conflict	(6,256)	(6,256)
<b>Jersey Overseas Aid</b>		
Nepal: Covid-19 Emergency Response to address the immediate needs of Nepal's most vulnerable people	194,515	194,515
<b>Norwegian Refugee Council</b>		
Gaza Strip: Humanitarian response to the most vulnerable population affected by extreme poverty, and humanitarian crisis	52,494	52,494
<b>Save the Children</b>		
Nepal: Responding to COVID-19 Impacts and maintaining resilience of the most vulnerable populations	52,021	52,021
<b>Start Network</b>		
Philippines: Inclusive Anticipation Taal Action via Relief International	85,000	85,000
Philippines: Anticipation Tool Development - Landslides	35,253	35,253
Philippines: Inclusive Humanitarian Assistance on Protection and Life-Saving Needs for Conflict Affected BARMM (iLife)	30,000	30,000
Togo: Mitigating the impact of COVID19 on street involved populations	89,219	89,219
Togo: Start Fund Learning Grant on the impact of lack of documentation on access to humanitarian programmes	9,630	9,630
Tunisia: Cross border Migration via ACTED	557	557
Sierra Leone: Emergency response for the victims of the fuel tank explosion in Freetown	103,136	103,136
<b>Total Humanitarian</b>	<b>1,197,417</b>	<b>1,197,417</b>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

	Income 2021 £	Expenditure 2021 £
<b>LONG-TERM DEVELOPMENT</b>		
<b>Foreign, Commonwealth and Development Office (FCDO):</b>		
<i>Bangladesh: Disability Inclusive graduation out of poverty</i>	371,917	371,917
<i>Jordan: Towards sustainable rehabilitation services</i>	262,117	262,117
<i>Jordan: Improving the national early detection &amp; early intervention</i>	208,089	208,089
<i>South Sudan: Inclusive mental health and humanitarian response</i>	1,295,380	1,295,380
<b>BRAC UK</b>		
<i>Uganda: Disability-Inclusive Ultra-Poor Graduation Initiative</i>	99,766	99,766
<b>Elrha</b>		
<i>Evidence for impact of rehab in humanitarian settings</i>	95,507	95,507
<b>Plan International UK</b>		
<i>Sierra Leone: Inclusive Girls Education</i>	913,824	913,824
<b>Population Council</b>		
<i>Ethiopia: No girl left behind</i>	282,291	282,291
<b>Save the Children</b>		
<i>Mozambique: STARG - Successful Transition and Advancement of Rights for Girls</i>	87,979	87,979
<b>VSO</b>		
<i>Nepal: Empower Adolescent Girls with Education</i>	352,743	352,743
<b>Total Long-Term Development</b>	<b>3,969,613</b>	<b>3,969,613</b>
<b>TOTAL</b>	<b>5,167,030</b>	<b>5,167,030</b>
<b>International Organisations (support for UK projects)</b>		
<b>Foreign, Commonwealth and Development Office (FCDO):</b>		
<i>UK International Emergency Medical Team</i>	207,884	207,884
<b>AO Foundation</b>		
<i>Early rehabilitation during disasters and conflicts</i>	43	43
<b>Sightsavers</b>		
<i>Development of website to disseminate information on Inclusion &amp; Disability</i>	45,050	45,050
<b>HI FEDERATION</b>		
<i>Inclusive Education and Armed Violence Reduction</i>	97,752	97,752
<b>Total International Organisations</b>	<b>350,729</b>	<b>350,729</b>
<b>TOTAL</b>	<b>5,517,759</b>	<b>5,517,759</b>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

10. TRUSTEES AND STAFF INFORMATION

a) Trustees

No Trustee received emoluments in 2021 (2020: nil)

Due to Covid-19 all meetings were held "virtually" and so there were no reimbursed expenses during 2021. (In 2020 there was no reimbursement for travel.)

There were no costs paid directly to third parties (2020: £0)

Trustees voluntarily donated a total amount of £575.00 (2020: £211.25)

b) Staff

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	723,076	731,433
Social security costs	67,316	68,353
Pension costs	33,383	35,822
Agency and seconded staff	53,612	23,772
	<b>877,387</b>	<b>859,380</b>

In 2021 one employee received emoluments in range of £60,000 to £70,000 (2020:1) and another received emoluments in range of £70,000 to £80,000 on an annualised basis during the year (2020:0)

The total compensation for key management personnel (including employer social security costs) is £134,275 (2020: £72,154).

The average headcount of staff employed by the charity during the period, including seconded staff, was as follows:

	2021	2020
Generating funds	8	11
Charitable activities	13	9
Governance	1	1
	<b>22</b>	<b>21</b>

11. TAXATION

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

12. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Fixtures, Fittings, Equipment	Total Fixed Assets
Cost	£	£	£
At 1 January 2021	42,459	125,148	167,607
Additions	-	10,021	10,021
Disposals	-	(5,615)	(5,615)
at 31 December 2021	<b>42,459</b>	<b>129,554</b>	<b>172,013</b>
<b>Depreciation</b>			
At 1 January 2021	17,801	88,601	106,402
Charge for period	3,050	16,342	19,392
Depreciation on disposal	-	(5,615)	(5,615)
at 31 December 2021	<b>20,851</b>	<b>99,328</b>	<b>120,179</b>
<b>Net book value</b>			
At 31 December 2021	<b>21,608</b>	<b>30,226</b>	<b>51,834</b>
At 31 December 2020	<b>24,658</b>	<b>36,547</b>	<b>61,205</b>

13. DEBTORS

	2021 £	2020 £
Trade Debtors	1,139,454	139,365
Receivable from other HI Federation	12,501	40,957
Accrued income	1,462,649	4,255,205
Prepayments	1,104,271	575,409
Other receivables	17,961	2,408
	<b>3,736,836</b>	<b>5,013,344</b>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

14. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Money due to HI Federation for programs	4,823,803	5,921,680
Money due to Donors	20,539	24,082
Trade payables	96,282	58,264
Deferred income	1,108,282	1,440,184
Accruals & other creditors	162,557	35,846
Social security costs and other taxation	65,669	61,719
	<b>6,277,132</b>	<b>7,541,775</b>

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

15. COMMITMENTS UNDER OPERATING LEASE

At 31 December 2021, the charity had annual commitments under operating leases as set out below:

	2021 £	2020 £
Not later than one year	130,800	130,800
Later than one year and not later than five years	272,500	403,300
Later than five years	250,700	-
	<b>654,000</b>	<b>534,100</b>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>2021</b>			
Total fixed assets	51,833	-	51,833
Current assets	2,658,000	3,848,838	6,506,838
Creditors: amount falling due within 1 year	(762,760)	(5,514,371)	(6,277,131)
Net assets at 31 December 2021	<b>1,947,073</b>	<b>(1,665,533)</b>	<b>281,540</b>
<b>2020</b>			
Total fixed assets	61,205	-	61,205
Current assets	1,914,532	5,847,578	7,762,110
Creditors: amount falling due within 1 year	(1,694,197)	(5,847,578)	(7,541,775)
Net assets at 31 December 2020	<b>281,540</b>	<b>0</b>	<b>281,540</b>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2021

17. MOVEMENT IN FUNDS

	Brought forward	Incoming resources	Outgoing resources	Carried forward
	£	£	£	£
<b>2021</b>				
Restricted funds	-	5,845,804	(5,845,804)	-
Unrestricted funds				
General fund	281,540	4,497,087	(4,497,087)	281,540
<b>TOTAL FUNDS</b>	<b>281,540</b>	<b>10,342,891</b>	<b>(10,342,891)</b>	<b>281,540</b>
	Brought forward	Incoming resources	Outgoing resources	Carried forward
	£	£	£	£
<b>2020</b>				
Restricted funds	-	13,076,737	(13,076,737)	-
Unrestricted funds				
General fund	281,540	4,055,933	(4,055,933)	281,540
<b>TOTAL FUNDS</b>	<b>281,540</b>	<b>17,132,670</b>	<b>(17,132,670)</b>	<b>281,540</b>

18. RELATED PARTY TRANSACTIONS

Handicap International UK is an independent National Association of the international charity Handicap International Federation (HI). A "Federal Handbook" manual has been agreed within the Federal network in order to rationalise and share resources, and formalise working arrangements. The Federation has identified the UK as a source of significant future growth in Private Fundraising and so has invested funds in Handicap International UK in order to achieve this. It has also agreed to meet any shortfall of funds whilst the charity becomes established in the UK. During the period, HI Federation contributed £920,315 (2020: £968,963). See notes 13 & 14 for the amount outstanding between the UK and the other organisations at year end.

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

	Overseas programme expenditure	Invoiced to HI UK	Invoiced by HI UK	Owed to HI UK	Owed by HI UK
	£	£	£	£	£
<b>2021</b>					
HI Federation	7,966,163	42,528	8,788	12,501	4,823,803
HI United States	-	1,526	-	-	-
<b>2020</b>					
HI Federation	14,678,800	15,329	6,423	40,957	(5,921,680)
HI United States	-	1,696	-	-	-

Humanity & Inclusion UK

# Acknowledgements

Thank you to all our ambassadors, donors and partners in 2021.

## Ambassadors

- Jack Hunter-Spivey
- Ross Wilson

## Donors and partners

- ACTED
- BRAC UK
- Betty Messenger Charitable Foundation
- C.B & H.H Taylor 1984 Trust
- CBM
- Christian Aid
- Clarasys
- CollectiveContent
- Crown Agents
- Danish Refugee Council/H2H Network
- David Lister Charitable Trust
- Dorfred Charitable Trust
- Elrha
- Euromonitor International
- F H Sayers Foundation
- Fondation Ipsen
- Foreign, Commonwealth and Development Office (FCDO)
- Global Disability Innovation Hub
- Google AdWords
- HelpAge International
- Humanitarian and Conflict Research Institute
- Interburns
- International Disability Alliance
- International Organisation for Migration (IOM)
- International Planned Parenthood Federation (IPPF)
- International Rescue Committee (IRC)
- International Society of Physical and Rehabilitation Medicine (ISPRM)
- International Society for Prosthetics and Orthotics (ISPO)
- International Spinal Cord Injury Society (ISCoS)
- Jefferies Group LLC
- Jersey Overseas Aid
- Legacy of War Foundation
- Livability
- MJB Charitable Trust
- Morgan, Lewis and Bockius LLP
- MSF-France
- Norwegian Refugee Council
- Palladium
- Plan International UK
- Players of People's Postcode Lottery
- Population Council
- Queen's University Belfast
- Rangoonwala Foundation
- Relief International
- Save the Children International
- Sightsavers
- St Georges University of London
- Start Network
- Stephen Coldrick
- The H C Beer Charitable Trust
- The Helianthus Charitable Trust
- The Whitehall and Industry Group (Civil Service Fast Stream Programme)
- Third Bridge
- Tolkein Trust
- UK Fire and Rescue Service
- UK-Med
- Voluntary Service Overseas (VSO)
- World Health Organisation (WHO)

## Organisational memberships and networks in the UK

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

# Annual Report and Financial Statements

Year ended 31st December 2021



Annual Report and Financial Statements  
Year ended 31<sup>st</sup> December 2021

Handicap International UK operating as  
Humanity & Inclusion UK  
(a charitable company limited by guarantee)

Company Registration number: 4010383 (England and Wales)  
UK Registered Charity number: 1082565

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