



ANNUAL REPORT & FINANCIAL STATEMENTS

**ACTION AGAINST HUNGER (UK)
YEAR ENDED 31 DECEMBER 2019**

FOR A WORLD FREE FROM HUNGER

FOR FOOD.

AGAINST HUNGER AND MALNUTRITION.

FOR CLEAN WATER.

AGAINST KILLER DISEASES.

FOR CHILDREN THAT GROW UP STRONG.

AGAINST LIVES CUT SHORT.

FOR CROPS THIS YEAR, AND NEXT.

AGAINST DROUGHT AND DISASTER.

FOR CHANGING MINDS.

AGAINST IGNORANCE AND INDIFFERENCE.

FOR FREEDOM FROM HUNGER.

FOR EVERYONE.

FOR GOOD.

FOR ACTION.

AGAINST HUNGER.

Cover: Mariam and her son Samson, participants of Action Against Hunger's People's Postcode Lottery-funded Changing Behaviours programme, supporting mothers in Tanzania.

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REGISTERED OFFICE: 6 MITRE PASSAGE, LONDON SE10 0ER

THE COMPANY IS REGISTERED IN ENGLAND NO. 3069468 AND WAS INCORPORATED ON 16 JUNE 1995. THE COMPANY IS A REGISTERED CHARITY NO. 1047501 (ENGLAND AND WALES) AND FROM APRIL 2018 IN SCOTLAND, SC048317.

SCOPE OF REPORT: Action Against Hunger (UK) is part of an international network that operates under the name of Action Against Hunger, with head offices in Paris, Madrid, New York, Toronto, New Delhi and London. Each Action Against Hunger member is legally independent but shares a common mandate, values, operating principles, quality standards and strategy. The narrative sections of this report refer to those activities for which Action Against Hunger in the UK has management responsibility.

WELCOME

We are currently in the midst of a global pandemic that has sent shockwaves across the globe. Not since the Second World War has the world faced a crisis as wide-reaching or devastating as the COVID-19 pandemic. The true extent of the damage is yet unclear, but one thing is certain: the poorest will suffer most.

In the UK, we have been able to rely on the heroism and professionalism of the NHS, while many of the people we support worldwide have little or no access to medical treatment. Health systems are creaking, under-resourced and underfunded, and often people's only access to treatment is provided by the countless nurses, doctors and community health workers that I am proud to say are members of the Action Against Hunger family.

Not only are many poorer countries ill-equipped to weather the storm of COVID-19, but most of the countries where we work already face almost insurmountable challenges; driven by conflict, climate change and economic crisis. Never have the challenges been greater or our work more important.

That is why now, more than ever, we must remain a powerful advocate for the world's children, and despite the challenges and barriers that Covid-19 is creating, we must push through and ensure we continue to reach those in need.

In 2019, with the support of UK aid and through the generosity of the UK public, strategic partnerships with organisations like the innocent foundation and People's Postcode Lottery, and the generosity of the Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund, we supported 17 million people.


We continued to provide vital life-saving support in conflict zones such as Yemen and north-east Nigeria, and at the same time invested in research and innovation to fast track treatments and cures in countries where preventable, malnutrition-related deaths among children are still unacceptably high.

As the challenges grow, so must our response. I am incredibly grateful to all of those who continue to share our vision of a world free of hunger.

The year ahead is undoubtedly one of the most challenging our organisation has had to face, but as those challenges grow, so does our resolve. We will continue to champion our sector-leading technical capabilities and invest in these areas to improve the quality of malnutrition treatment both in our interventions and through consultancy with the wider sector.

Never has our work been more relevant or our mission more critical. The road ahead will be difficult and the landscape remains unclear, but we have absolute clarity when it comes to our mission: delivering a world free from hunger.

THANK YOU.

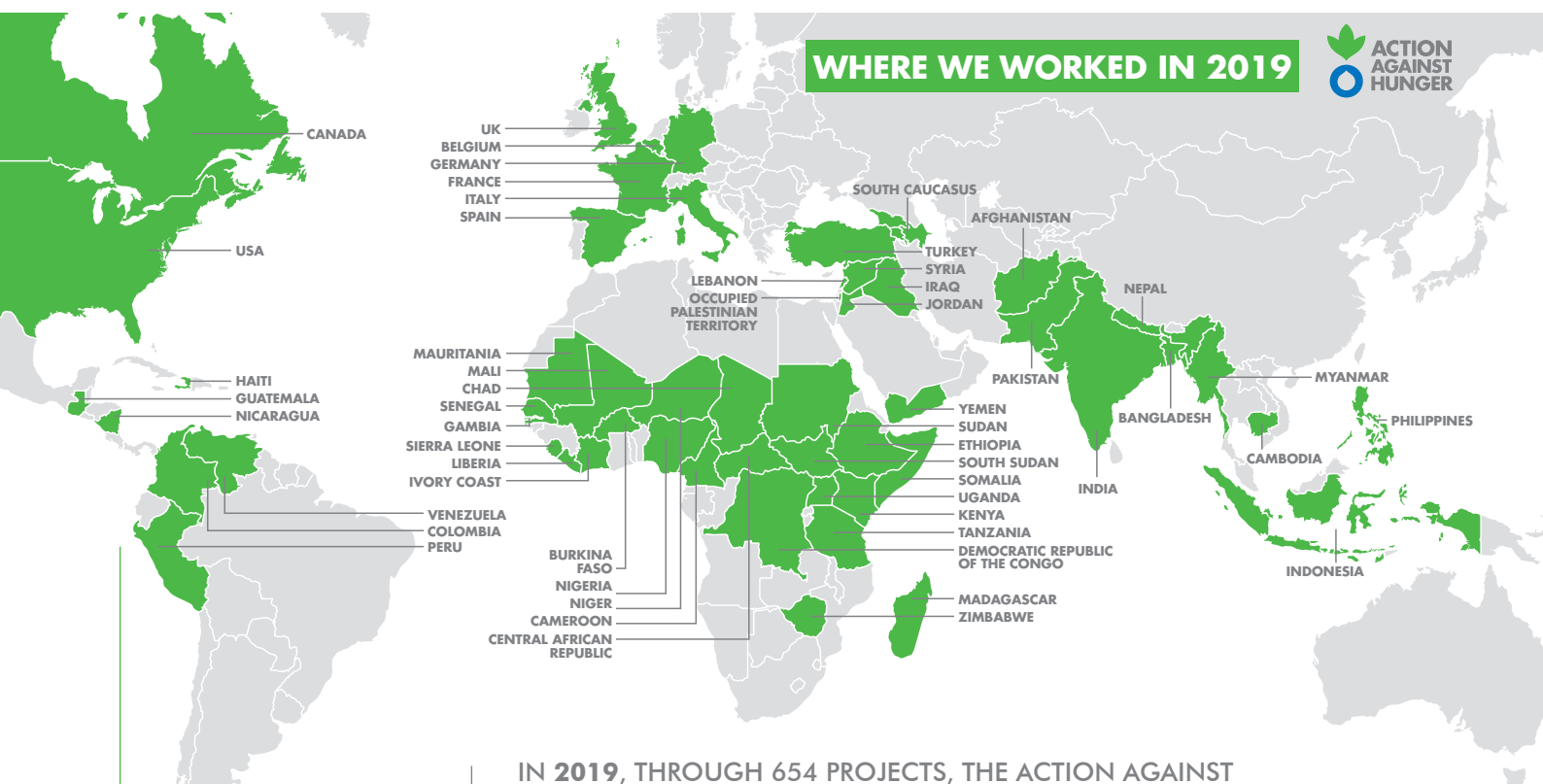


PAUL WILSON
CHAIRMAN, ACTION AGAINST HUNGER UK





OUR GLOBAL REACH AND IMPACT IN 2019



IN 2019, THROUGH 654 PROJECTS, THE ACTION AGAINST HUNGER INTERNATIONAL NETWORK HELPED MORE THAN 17 MILLION PEOPLE IN 46 COUNTRIES WORLDWIDE.



17M
PEOPLE



46
COUNTRIES



43
EMERGENCIES



8.4 MILLION PEOPLE HELPED WITH NUTRITION AND HEALTH



5.6 MILLION PEOPLE REACHED WITH WATER, SANITATION AND HYGIENE



2.4 MILLION PEOPLE SUPPORTED WITH FOOD SECURITY AND LIVELIHOODS



230 PROJECTS DELIVERING MENTAL HEALTH AND CARE PRACTICES

DIRECTORS' REPORT

FOR 40 YEARS, ACROSS ALMOST 50 COUNTRIES, ACTION AGAINST HUNGER HAS LED THE GLOBAL FIGHT AGAINST HUNGER. WE SAVE THE LIVES OF MALNOURISHED CHILDREN. WE ENSURE PEOPLE IN NEED CAN ACCESS CLEAN WATER, FOOD, TRAINING AND HEALTHCARE. WE ENABLE ENTIRE COMMUNITIES TO BE FREE FROM HUNGER.

The directors of Action Against Hunger (UK) – hereafter referred to as Action Against Hunger – present their annual report and audited accounts for the year ended 31 December 2019, and confirm they comply with the Companies Act 2006 Charities Act 2011, Charities Accounts (Scotland) Regulations 2006, Charities and Trustee Investment (Scotland) Act 2005, Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities effective from 1 January 2019, FRS102, and applicable United Kingdom accounting standards.

An incentivized refugee worker does community outreach in Ngueghyiel refugee camp



OUR STRATEGIC PRIORITIES

We know that hunger and undernutrition are preventable. In a world in which conflict, natural disasters, poverty and threats to natural resources present significant challenges, our strategic plan has a bold vision to increase our impact and influence. We set out to relieve the consequences of hunger, tackle its causes and change the way it is addressed. Together with our global partners, in 2019 we worked hard to further reduce and prevent hunger and undernutrition among the most vulnerable people in 46 countries.

OUR FIVE GOALS, SET OUT IN OUR 2016-2020 STRATEGIC PLAN, ARE:

GOAL 1	GOAL 2	GOAL 3	GOAL 4	GOAL 5
Reduce mortality in children under five years of age.	Reduce the prevalence of chronic and acute undernutrition.	Increase the coverage of programmes to treat severe acute malnutrition.	In emergencies, ensure people's unmet humanitarian needs are covered, where they are within our areas of expertise.	Provide reliable evidence and expertise to improve national and international strategies on undernutrition.

OUR UK OBJECTIVES IN 2019

Our annual objectives set out what we need to achieve each year in the context of our five-year strategy. In setting these objectives and planning our activities, Action Against Hunger UK's directors give careful consideration to the Charity Commission's general guidance on public benefit. Our objectives in 2019 were:

- **TO RAISE AT LEAST £25M TO SUPPORT HUMANITARIAN PROGRAMMES.**
- **TO FURTHER DEVELOP OUR EMERGENCY FUND.**
- **TO REMAIN A CORE ORGANISATION OF THE NO WASTED LIVES INITIATIVE.**
- **TO CONTINUE TO PROVIDE A RANGE OF COST-EFFECTIVE AND HIGH-QUALITY SERVICES ON SEVERE UNDERNUTRITION AND ON MONITORING, EVALUATION AND LEARNING.**
- **TO IDENTIFY AND PUBLICISE THE CAUSES OF MALNUTRITION BY UNDERTAKING NUTRITION CAUSAL ANALYSIS.**
- **TO INTENSIFY OUR ADVOCACY WORK ON CONFLICT AND HUNGER, AND ON THE SAHEL REGION.**
- **TO RAISE £4M FROM PRIVATE SOURCES.**
- **TO MITIGATE RISKS AND REACH TOP-QUALITY STANDARDS.**
- **TO FURTHER PROGRESS OUR DIGITAL TRANSFORMATION AMBITIONS.**
- **TO KEEP A SAFE ENVIRONMENT FOR THE POPULATIONS WE ASSIST AND FOR OUR STAFF, INCLUDING HAVING EFFECTIVE PROTECTION MEASURES AGAINST SEXUAL EXPLOITATION AND ABUSE.**



STRATEGIC REPORT

AGAINST HUNGER AND MALNUTRITION

WHY FOCUS ON NUTRITION?

The UN State of Food Security and Nutrition in the World (SOFI) report of 2019 confirmed a rise in world hunger for a third year in a row. The global prevalence of undernourishment has stabilised, but the number of people affected continues to rise. There were 821 million chronically undernourished people in the world last year, up from 811 the previous year.

Climate change, conflict-led displacement, and the impact of technology on globalisation are all affecting how food is produced, distributed and consumed across the world, and they are bringing new challenges to food security, nutrition and health.

To achieve the Zero Hunger sustainable development goal by 2030 is an enormous challenge, given the rise in hunger in almost all sub-regions of Africa and, to a lesser extent, in Latin America and Western Asia.

Nearly 50 million children under the age of five were suffering from malnutrition in 2019, and 16.6 million were affected by the most severe form of life-threatening malnutrition. Acute malnutrition is one of the greatest challenges to child survival in the world today. Every year, undernutrition kills 2.3 million children under the age of five, but it is also a contributing factor in nearly half of all deaths in children under five because malnutrition puts the vulnerable, especially babies and young children, at greater risk of dying from common infections and diseases. Children with the most severe form of acute malnutrition are nine times more likely to die from infections such as diarrhoea, dysentery, respiratory infections and measles.



FOR A WORLD FREE FROM HUNGER

In 2019, almost 24 million Yemeni people were in need of humanitarian assistance; 14.3 million of them faced acute needs, representing a 27% increase year-on-year. Around 7.4 million people required treatment for malnutrition, 2 million of whom were children under 5 years of age. Meanwhile, in north-east Nigeria, after more than a decade of conflict, the security situation worsened. As a result, the number of people unable to access adequate food increased to 3.8 million, and the risks for humanitarian workers increased.

Despite the challenges, there are things that can be done. The Action Against Hunger network provides mothers and children with safe shelter, protection, nourishment and reassurance in even the worst crisis situations. Malnutrition is measurable: a tape placed around a child's upper arm can quickly show which children are in danger. Where community health workers or mothers themselves are trained to use the tape, and treatment is available, lives can be saved by simple treatment with therapeutic food. With such straightforward diagnosis and treatment, Action Against Hunger continues to reach, treat and cure as many people as possible to reduce global malnutrition levels.

Poor nutrition in the first years of a child's life can lead to stunted growth, impaired cognitive ability and poor school performance. Women and girls are disproportionately affected by malnutrition, yet few programmes are tailored specifically to their needs. Action Against Hunger's programmes aim to empower women around household resources, including nutritious food, as well as more broadly. We also reinforce antenatal care services so that iron supplements can be available for more pregnant women around the world.

EXPERTS IN NUTRITION

In 2019, the team in the UK provided valuable technical expertise to a range of nutrition partners. This included economic evaluations and evaluations of the cost-effectiveness of treatment, simplified treatment for acute malnutrition, building the capacity of both ministries of health and of civil societies to prepare and respond to emergencies, and identifying causes of undernourishment and promoting implementation of adapted responses (Nutrition Causal Analysis).

IN **2019,**

ACTION AGAINST
HUNGER'S SUPPORTERS
AROUND THE WORLD
ENABLED US TO HELP

17 MILLION PEOPLE
WITH **NUTRITION
AND HEALTH**

AND PROVIDE **LIFE-
SAVING TREATMENT** TO
NEARLY

7 MILLION SEVERELY
MALNOURISHED CHILDREN

SCALING UP TREATMENT FOR CHILDREN

USING NUTRITION ASSESSMENT TO SCALE UP PROGRAMMES

Action Against Hunger's Nutrition Information Services provide direct and remote support with the planning and implementation of nutrition assessments, covering the entire project cycle of Community Based Management of Acute Malnutrition (CMAM) programmes. Action Against Hunger UK leads on providing 'coverage monitoring' and nutrition information services to the Action Against Hunger network and other stakeholders in the sector. In 2019, for the first time, it published a brochure explaining the different assessments needed to improve a nutrition project and how to obtain technical support for them.

In 2019, Action Against Hunger had a goal to collect and use nutrition information to support strategic and coherent programming in at least 10 countries. By the end of the year, we had provided both direct and remote support for coverage survey activities, including training, planning, implementation, analysis and reporting support to:

- Action Against Hunger Madagascar
- UNICEF Cameroon (in four different regions)
- Concern Ethiopia
- Action Against Hunger Bangladesh, in the Rohingya refugee camps of Cox's Bazar
- Save the Children Kenya (Health and Nutrition combined)



In 2019, we were also involved in Cost of Diet studies, which analyse the amount, combination and cost of local foods needed to provide families with a nutritious diet. We led two of them with Action Against Hunger Nigeria and International Rescue Committee Chad. These studies are used to inform appropriate levels of support in emergency food and nutrition interventions.

GENERATING EVIDENCE AND UPTAKE

NO WASTED LIVES

No Wasted Lives is a coalition of partners committed to catalysing action for acute malnutrition. As a founding member, Action Against Hunger UK hosts the No Wasted Lives Secretariat team, who lead the research and technical activities of the coalition. In 2019, the UK team continued to support the generation and uptake of evidence, across a range of programmatic solutions, to improve the quality, effectiveness and cost-effectiveness of treatment for acute malnutrition.

OUR MOST IMPORTANT ACTIVITIES IN 2019:

- We expanded the State of Acute Malnutrition website, a platform for country and global level data, resources and updates on acute malnutrition. Two 'communities of practice' (CoPs) were also launched to support uptake of the latest evidence on Family MUAC (mid-upper arm circumference) monitoring and simplified treatment approaches.
- We actively supported a review of the No Wasted Lives strategy and governance.
- We published main findings of the MANGO study (Modelling an Alternative Nutrition protocol Generalizable to Outpatient care).
- We worked with our Action Against Hunger network and global partners to ensure robust research strategies are in place to support the uptake and use of evidence of new approaches to identifying and treating malnutrition.
- We contributed to key sector discussions on the use of the latest evidence and resources to support operational programming and policy change, including:
 - UN Global Action Plan for Nutrition Stakeholder consultation (Q4 2019)
 - WHO Wasting Guideline Update Advisory Group (from Q4 2019 – mid-2021)
 - DFID/MQSUN+ Wasting Prevention Expert Group
 - Global Technical Assistance Mechanism (GTAM) Wasting Advisory Group (from Q4 2019)
- We hosted the 'Innovations in Treatment of Acute Malnutrition: From Evidence to Action' conference in London, bringing together stakeholders from across the sector to review and discuss the latest evidence emerging in innovations in diagnostics; simplified approaches to the treatment of acute malnutrition; and integration into health systems.
- We worked with the UK Operations team and Action Against Hunger Network to produce the annual 'Research Review', ensuring that the latest updates on key areas of research are publicly available.



USING OUR EXPERIENCE AND EXPERTISE TO INFLUENCE

The causes of hunger and undernutrition often have their roots in political decisions. This is why Action Against Hunger advocates both in countries with a high burden of malnutrition and in countries like the UK, where aid and foreign policy decisions can affect the vulnerability to, and recovery from, undernutrition of people all around the world.

We work with our country programmes to deliver their evidence and advocacy demands to UK decision makers. We also work to inform UK aid policy, to help ensure that effectively preventing and treating undernutrition are central to the approach of the Department for International Development (Foreign, Commonwealth and Development Office from 1 September, 2020) for creating thriving, sustainable communities and societies.

In 2019, Action Against Hunger took on the co-chairing of the UK International Coalition for Advocacy on Nutrition (ICAN-UK). This alliance of NGOs worked together to set up the All Party Parliamentary Group on Nutrition for Growth, a cross party group of MPs calling for ambitious UK Aid commitments at the next Nutrition for Growth Summit. Action Against Hunger's UK Executive Director and Nigeria Advocacy Manager both spoke at events in Parliament calling for a renewed and evidence-based commitment to aid for nutrition. We produced a collective briefing for decision-makers, spelling out the necessary policy and financial measures, and this supported a range of advocacy actions directed at MPs and officials.

Strengthening health systems and ensuring more children have access to treatment for acute malnutrition is at the heart of Action Against Hunger's work globally, which is why we also produced a report, in consultation with East Africa colleagues, on how to improve access to nutrition health services. This was shared with UK Parliamentarians and officials to inform an action plan by the UK government to end preventable deaths of mothers and young children in the developing world by 2030. It was also shared with governments across Africa to support advocacy on the policy and practice changes needed to ensure health workers are equipped to respond to undernutrition.

Conflict is a major obstacle to progress being made in reducing undernutrition. It leads to the displacement of large populations and it can result in whole communities losing their livelihoods or access to markets and often to humanitarian aid. This is why Action Against Hunger has a long-term global advocacy initiative focused on breaking the cycle between hunger and conflict.

We achieved a key milestone when, in 2018, the UN Security Council adopted Resolution 2417, which puts it firmly on the Security Council agenda to respond when states use hunger as a weapon of war. Following this, in the UK in 2019, we worked with Save the Children to organise a workshop in London bringing together people from the UN World Food Programme, OCHA and FAO, governments, NGOs and academic experts. We developed proposals for improving reporting and accountability for upholding UN Resolution 2417. The report from this workshop, UN event in New York, was shared during the Protection of Civilians days, at which our Nigeria Country Director discussed the links between conflict and hunger in Nigeria. He used the report to propose concrete recommendations to strengthen implementation of the resolution.

PREVENTING HUNGER

Our mission to fight hunger includes preventing malnutrition before it happens. As we contribute to more research in understanding the most efficient approaches to preventing undernutrition, we also believe that there is not a one size fits all solution. It is crucial to understand the root causes of undernutrition in each context, if we want to design tailored programmes that really address the issues faced by the communities with whom we work. In 2019, we expanded our role in conducting Link Nutrition Causal Analyses (Link NCA). A Link NCA is a highly participative, quantitative and qualitative method for identifying the causes of undernourishment, and it promotes the implementation of adapted responses by all organisations involved in fighting malnutrition. In 2019, we conducted seven different Link NCAs in Haiti, Madagascar, Bangladesh, Liberia, Pakistan, Somalia and Uganda.

PREVENTING MORTALITY AND RISING MALNUTRITION IN EMERGENCIES

Building on our knowledge of nutrition emergencies, we have developed extensive experience in helping partners and governments prepare better for emergencies by building their capacities. In Nigeria, we facilitated the deployment of a Technical Rapid Response team specialist to improve the monitoring tools used in the north-east of the country. We also supported UNICEF and the government to review their Integrated Management of Acute Malnutrition guidelines. We have worked with UNICEF New York and developed 16 e-learning modules on nutrition and piloted two Nutrition in Emergencies training modules in Lebanon and Nepal for their respective regions. Building on the Nutrition in Emergencies training conducted in 2018 in Myanmar and Indonesia, we rolled out additional training in Indonesia and supported the governments of Fiji and Kiribati as part of a regional emergency preparedness and response capacity-building initiative for East Asia Pacific. An article was published in Field Exchange to explain the impact of the training. We also conducted two more Nutrition in Emergencies training sessions, one in Caracas and one in St Cristobal, in response to the increase of undernutrition in Venezuela. Two on-the-job trainings were also conducted on outpatient and inpatient management of acute malnutrition in Timor Leste with WHO. Finally, as part of our partnership with UK-Med, the front-line actors of the UK's response to a humanitarian crisis overseas, we conducted training to support their new focus on nutrition. This will contribute to integrating nutrition into their health response so that they can detect and provide essential care to acutely malnourished children in an emergency.



RESPONDING IN EMERGENCIES

In 2019, Action Against Hunger UK successfully secured just over £35.5m of UK Government (UK aid) funding to support 24 projects.

These included funding Action Against Hunger's responses to emergencies, both natural disasters and conflict-related, in 17 countries. This included funding from the Start Network too, to which the UK Government is a major donor.

EXAMPLES INCLUDE:

SOMALIA – SOMALIA HEALTH AND NUTRITION PROGRAMME (SHINE)

In this two-year flagship health programme, Action Against Hunger is leading a consortium of five international and local agencies, to support the Ministry of Health to deliver its Essential Package of Health Services in the Banadir region. This includes providing technical assistance, training, logistical support and resources to the Ministry of Health and local health facilities in 10 districts, in particular for nutrition and health services. (£5,320,000)

NIGERIA – SCALING UP NUTRITION IN YOBE STATE (SUNNY)

In Yobe State, Action Against Hunger is implementing a three-year initiative to reduce morbidity and mortality rates of pregnant and lactating women and children under the age of five, by providing integrated WASH, nutrition and health services. These services focus on improving women's and children's nutritional status through early prevention, detection and treatment of malnutrition and communicable diseases, and by providing demand-driven maternal and child health services within health facilities. (£8,500,000)

AFGHANISTAN – RESPONSE TO FLOODING

Action Against Hunger responded rapidly to the flooding in Helmand province, with a 45-day immediate intervention, funded by the Start Fund. Water was provided for drinking and other daily use through borehole rehabilitation; hygiene kits were distributed and hygiene was promoted at community level; multipurpose cash was made available, there was distribution of non-food items kits and provision of shelter rehabilitation. Just under 12,000 people in the flood-affected communities benefitted. (£80,000)

MALI AND SENEGAL – EFFECTIVENESS, COST-EFFECTIVENESS AND COVERAGE OF SEVERE ACUTE MALNUTRITION (SAM) TREATMENT DELIVERED BY COMMUNITY HEALTH WORKERS (CHWS)

This Action Against Hunger research project received funding under ELHRA's 'Research for Health in Humanitarian Crises' programme (funded by UK aid). This three-year project will obtain evidence on whether CHWs can achieve equal or higher SAM cure rates and increase treatment coverage by using a simplified and combined protocol compared to using the current Community Management of Acute Malnutrition protocol. (£525,544)





FOR A POWERFUL MOVEMENT IN THE UK

OVER 370
RESTAURANTS
TOOK PART IN 'LOVE
FOOD GIVE FOOD'
RAISING OVER
£450,000

OUR SUPPORTER
STUDENTS
RAISED NEARLY
£318,000
TREKKING IN PERU,
NEPAL, ETHIOPIA AND
TANZANIA

33 CORPORATE
PARTNERS
RAISED MORE THAN
£600,000
TO SUPPORT
LIFESAVING WORK
AROUND THE WORLD

Volunteers shake their buckets at the annual Taste Feste festival in London.



MOBILISING PUBLIC SUPPORT

We have worked with the hospitality industry for two decades and are proud to share with them our passion both for food and for building a world free from child hunger. We have new and longstanding supporters from students to chefs, restaurants and hospitality outlets to food critics.

In total, our supporters, corporate partners and private donors contributed £4.1m to our overall income.

CORPORATE AND PHILANTHROPY PARTNERSHIPS

In 2019, we announced the signing of a memorandum of understanding with the Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund. As part of the partnership, Action Against Hunger received £5.6m to provide life-saving treatment to more than 240,000 children facing malnutrition in Kenya, Somalia, South Sudan and Tanzania.

Thanks to funding raised by players of People's Postcode Lottery, we helped resource clinics, train community health workers, and work with mothers to improve diets and challenge social conventions in Tanzania. This partnership means mothers are finally getting the knowledge they need to give their children the strongest start in life.

The ALBORADA Trust continues to provide vital funding so that we can respond to humanitarian crises across the world. In 2019, the Trust generously supported our drought response in Somalia and our nutrition programme in Cox's Bazar, Bangladesh.

We were thrilled to be chosen as a new charity partner for Bakkavor and Farmer J. Bakkavor has committed to supporting us for the next three years and 2019 saw them raise more than £35,000, a fantastic launch to the partnership. Farmer J supported us with year-round donations of 10p on every Harissa Chicken Fieldtray dish sold, raising more than £19,000.

Our Starbucks partnership continued to expand throughout the UK and globally, raising over £140,000 at the same time as tackling the issue of food waste. Our partnerships with unearthed® and gaming app Palringo also continued, with Palringo raising £62,000 and unearthed® reaching an incredible £700,000 since our partnership began in 2010.

WORKING WITH THE HOSPITALITY INDUSTRY

We continue to be one of the hospitality industry's charities of choice.

We would like to thank our chefs, street food traders, restaurants, corporate partners, supporters and volunteers, who brought their energy to fundraising in 2019 through a range of successful events and campaigns.

In September, Shake Shack ran their annual Shake Sale, raising more than £15,000 and, in November, our long-term partners Carluccio's hosted the All Star Dinner, which raised over £26,000. In addition to this, the Carluccio's partnership raised more than £100,000 through donations on their bestselling dish, Penne Giardiniera.

To mark Action Against Hunger's 40th Anniversary and thank all our incredible supporters, we hosted two events – in London and Manchester. Thank you to Sake no Hana and Cultureplex for hosting the evenings.

Our annual Fine Wine Auction, hosted by Mariella Frostrup, raised £350,000 and we launched the start of the Love Food Give Food campaign with the Love Food Street Festival, which raised over £45,000.

The year finished on a high as Hakkasan Group ran a global campaign, raising more than £40,000 in the UK in November and December, as well as fundraising in the USA, Mexico and Norway.

FUNDRAISING WITH THE PUBLIC

In 2019, we were very proud of our 30-strong team at the London Marathon, which is, of course, the biggest annual fundraising event in the world! Our runners took on the 26.2 miles, supported by two Action Against Hunger cheer points. By staying the course, they raised an impressive £64,450.

In the summer, more than 800 school children laced up their trainers and joined in our annual, school sponsored run, Run Against Hunger. Together, they raised £37,400 and in the process spread vital awareness about our work in Chad.

We were delighted to be the beneficiary of the 'On The Phone' category of the Pink Lady® Food Photographer of The Year Awards, which was led by master of ceremonies for the night, Alex James.

In total, more than 160 energetic students took part in challenges over the year to raise money for us. They took on Tough Mudder, the Bilbao Marathon, the Three Peaks, Everest Base Camp and Machu Picchu treks – raising a combined £318,000 for our work.

In December, businesses, schools and community groups in Battersea joined the inaugural Nine Elms Advent Calendar to celebrate the festive season. They raised a very valuable £1,000 for our work.

In the year, we recruited more than 600 new, regular donors and, together with our loyal existing supporters, they helped us raise more than £320,000 in unrestricted income, through our appeals and gifts in wills.

At the end of the year, we reached an exciting milestone on JustGiving, our online giving platform. We celebrated as our fundraisers reached a total of £1m on their Just Giving pages.

LOVE FOOD GIVE FOOD

In 2019, our annual flagship fundraising campaign, Love Food Give Food, was supported by more than 370 restaurants and raised more than £450,000. It is always a highlight of the year when our restaurant partners come together to turn their passion for food into fighting hunger.

Highlights of the campaign included the efforts of restaurant groups Hawksmoor and Hakkasan, who both raised over £34,000 in the two-month period. The campaign continued to expand in the North and a special thank you goes to Fazenda who raised more than £18,000, doubling the amount they raised in 2018. We also welcomed new Love Food Give Food partners, including Rosa's Thai and Goodman Restaurants.



A HIGHER PERFORMING ORGANISATION AND A FIRST-CHOICE EMPLOYER

OUR PEOPLE

Action Against Hunger is proud to have such a committed and passionate team of people driving its mission to end world hunger.

In 2019, the average number of staff employed by Action Against Hunger and working in the UK office was 73. The average number of staff contracted by Action Against Hunger UK and working overseas was 68. These included staff who worked overseas on projects run by both Action Against Hunger and other members of the Action Against Hunger International network in 18 countries.

Although Action Against Hunger employs less than 250 people in the UK, we have committed to publishing our gender pay gap (GPG). In April 2018, there was no difference in the median pay gap between female and male employees. However, in April 2019 a negative gender pay gap in favour of women of -2.5% was reported. In April 2020, this negative gender pay gap in favour of women increased to -6.17%.





LEARNING AND DEVELOPMENT

We believe that investing in the development of our staff is key to our effectiveness as a high-performing organisation. In 2019:

- 53 individual employees undertook some form of learning and development activity. *
- The average number of off-the-job training days per employee increased to 5 days (from 3.5 days in 2018).

We are committed to ensuring that the health, welfare and safety of our staff and beneficiaries is paramount when prioritising our learning and development activities. In 2019, we invested in ensuring that relevant personnel were trained in the management of safeguarding; that those UK staff travelling overseas received appropriate safety and security training; and that 50 employees received mental health awareness training, as part of a longer-term strategy to promote employee wellbeing and resilience.

We also streamlined and simplified our performance management framework to facilitate a more organic and meaningful approach to giving and receiving feedback, as well as harnessing the benefits of a more focused 'on-the-job' approach to learning, through coaching for personal and professional development.

In 2019, we provided placements for 25 volunteers, each seeking to gain exposure and valuable experience through working in our HR, Fundraising and Operations departments. Our sincere thanks go to our volunteers for their support for our work.

* Excludes mandatory PSEA e-learning, which was completed by all staff and trustees

OUR COMMITMENTS

Action Against Hunger trustees, employees and volunteers are committed to respect the Charity Code of Conduct, which articulates the values the organisation wishes to foster in leaders and employees.

We are committed to ensuring that those working for and on behalf of Action Against Hunger are clear, confident and equipped to understand their obligations to uphold the six founding principles of independence, neutrality, non-discrimination, free and direct access to victims, professionalism, and transparency.

Our policies in relation to the protection against sexual abuse, sexual exploitation and sexual harassment, and those relating to the prevention of financial mismanagement and misconduct, continue to underpin these principles and we continue to ensure that all staff and volunteers (including trustees) are appropriately briefed and trained, through our annual mandatory policy and e-learning programme.

HOW WE RAISE OUR MONEY

We are registered with the new Fundraising Regulator, follow its Code of Fundraising Practice and believe in its aim to set the highest fundraising standards and enhance public confidence in the charitable sector. As a registered charity, we are regulated by the Charity Commission.

In 2019, we are proud to say 91p in every pound we raised was spent on our charitable activities. The remaining 9p was primarily used for support activities and fundraising. These activities enable us to increase the number of children's lives we save now and in the future, and to find new ways to drive down the cost of treatments so that the money we do raise goes further.

We know that when people give us money they need to know we are using their gifts effectively and resourcefully. We keep our office costs as low as we can and, thanks to the incredible support we have from the UK food industry, we're also able to provide exceptional value on a large proportion of our fundraising because of the time, food and other services that they generously donate for free.

We have a team of fundraisers dedicated to making sure our fundraising is legal, open, honest and respectful. When we use external suppliers to support us with their expertise or increase our capacity, they are contracted and monitored to ensure that they are working to our standards.

Action Against Hunger collects data from supporters to process donations, personalise the supporter experience or to provide supporters with the goods or services they have requested. Except as required by law, Action Against Hunger will never share supporter details with other organisations to use for their own purposes.

On the rare occasion that we do have a complaint about our fundraising – in 2019 we recorded four complaints – we follow a clear process of recording and investigating the complaint, working towards a positive end. We do not put undue pressure on people to make donations, and we use fundraising channels we consider to be engaging and not unreasonably intrusive.

We are careful to ensure we do not accept donations from anyone we suspect to be vulnerable. As well as following the Code of Fundraising Practice, we seek guidance from the Institute of Fundraising in any such instances.

Every pound we raise makes a difference to people's lives worldwide. And with increasing numbers of people donating, and increased levels of support, we are able to have greater impact in the world. As such, we place the highest importance on our approach to fundraising, and we believe this approach is why some of our loudest and most committed champions are our supporters themselves.



THANK YOU

THANK YOU TO ALL OUR WONDERFUL SUPPORTERS AND PARTNERS FOR GIVING US SUCH GENEROUS BACKING IN 2019. HERE WE ACKNOWLEDGE SOME OF THE ORGANISATIONS AND PEOPLE WHOSE CRUCIAL SUPPORT ENABLED US TO HELP PEOPLE PROVIDE FOR THEMSELVES AND SEE THEIR CHILDREN GROW UP STRONG.

OUR SUPPORTERS

Bakkavor, Busaba, Caffé Musetti, Carluccio's, Champagne Taittinger, D&D London, Ecole Jeannine Manuel, EIFA International School, Farmer J, Fazenda, Hakkasan, Hawksmoor, Lycée Français Malraux School, North Bar, North Brewing Co, Palringo, Shake Shack, Starbucks, Taste, The ALBORADA Trust, the innocent foundation, The People's Postcode Lottery, The Stewart International School, The Waterloo Foundation, unearthed® and all our Love Food Give Food partners.

OUR CHEF, CELEBRITY AND COMMITTEE SUPPORTERS

Adam Gahlin, Angela Hartnett, Anouschka Menzies, Bill Knott, Candice Brown, Carl Clarke, Chantelle Nicholson, Chase Lovecky, Chris Whitney, David Gleave, Elly Curshen, Eneko Atxa, Erica Schecter, Gizzi Erskine, Harneet Baweja, Jackson Boxer, Jacob Kenedy, James Chase, Jason Atherton, Jeremy Lee, Karan Gokani, Ken Hom, Mark Hix, Monica Galetti, Neil Borthwick, Neil Rankin, Nick Gibson, Nieves Barragán Mohacho, Nud Dudhia, Omar Allibhoy, Pandora, Peter Gordon, Peter Nagle, Richard Hodsden, Richard Turner, Robin Freeman, Robin Gill, Robin Hutson, Romy Gill, Mariella Frostrup, Sam Hainsworth, Selin Kiazim, Sophie Michell, Soren Jessen, Tim Anderson, Tom Anglesea, Tom Brown, Tom Kerridge.



THE YEAR AHEAD

PRIORITIES FOR 2020

OUR PRIORITIES FOR 2020 ARE ALIGNED WITH OUR INTERNATIONAL 2016-2020 STRATEGIC PLAN. THEY ARE:

- We will mobilise resources to respond, prevent and mitigate nutrition and food crises.
- We will provide immediate assistance to populations affected by disasters.
- We will inform and influence decisions and strategies through our expertise.
- We will amplify voices to achieve impactful actions that help tackle the causes and effects of hunger.



FINANCIAL PERFORMANCE

Action Against Hunger UK's income for the year ended 31 December 2019 increased from £43.0m in 2018 to £46.0m in 2019. As in prior years, total income includes the full amount of multi-year grants, accounted for in accordance with the Charities SORP and Accounting Standards, which require us to recognise the full amount of income on most grants when agreements are signed. The majority of the increase in income in the year came from additional grants received from institutional donors for our humanitarian work, although there was also a further increase in income received from supporter donations and from fundraising events and other activities.

The Accounts show that in 2019, 90 per cent of the total annual expenditure was allocated to charitable projects and services, with the remaining spend mostly used to support fundraising and, to a lesser extent, indirect support costs.

We ended the year with a net unrestricted funds deficit of £76,263, which has been deducted from accumulated general reserves. The Board of Directors has reviewed the reserves policy of the Charity and consider it appropriate to seek to maintain unrestricted free reserves equivalent to six months of general expenditure, to cover eventual risks including property liabilities and staff redundancies, as well as the closure of the Charity, to provide a cushion against seasonal variations in income and expenditure, to costs and to fund strategic plans outside of its normal operations. Unrestricted reserves as at 31 December 2019 were £1.6m (which represents more than six months of general expenditure).

The Charity's memorandum of association provides the Trustees with the authority to invest in such assets as they see fit, in order to benefit the Charity and its continued financial wellbeing. The Charity is committed to using any surplus cash funds in the most effective way possible. However, the Charity is occasionally required to react quickly to particular emergencies and has a policy of investing any surplus funds in relatively short-term deposits, ranging from one month to immediate access.

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

RISK STATEMENT

The trustees are pleased to report that provisions are in place to mitigate the risks considered to be potentially the most harmful. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

Action Against Hunger is a responsible organisation with a duty of care to both its staff and the population it assists. Action Against Hunger is a forward thinking organisation with high appetite for risks on innovation, complex programming, leading consortium, creative fundraising, partnership with corporate and non CSOs organisations, new ways of working, embracing digital technologies, exploring new technical approaches that challenge existing ones and any other thing that would improve the performance of the charity. The charity will take risks as long as it does not breach its principles, values, policies and legal obligations. The charity is committed to make the best use of these resources and has low appetite for risks in money investment.

The organisation also has a formal risk management policy to assess business risks and implement risk management strategies. This involves identifying the type of risk faced, prioritising them in terms of potential impact and the likelihood of occurrence and, finally, identifying means of mitigating risk.

The Board appoint members of the Risk and Ethics Committee. Four trustees sit on this committee, whose main functions are:

- To review and monitor the risks and mitigation measures identified in the annual Risk Register.
- To advise the executive on risk mitigation and to inform the Board of any new major risks.
- To set up monitoring, reporting and accountability processes.
- To be the reference body for staff to raise concerns.
- To assess reports and oversee subsequent actions following breaches of the ethics policy or allegations of misconduct.
- To file serious incidents to the Charity Commission.

A risk assessment exercise is undertaken and the Risk Register is reviewed on an annual basis. The trustees have identified the following major risks to which the Charity is exposed:

RISK	MEASURES IN PLACE TO MANAGE THE RISKS
FIELD SECURITY INCIDENTS	<ul style="list-style-type: none"> • Detailed security plans and guidelines are updated on an annual basis in every country • Staff receive comprehensive security training before assignment • Ensure security consciousness among staff • Each country is equipped with all the necessary equipment • Critical incident management procedures and training are in place and continually updated
SAFEGUARDING	<ul style="list-style-type: none"> • Zero tolerance policy on safeguarding • Safeguarding policies and measures are communicated to all employees, partners and suppliers and are implemented and monitored in all countries • Undertake awareness raising and related trainings • Complaints and whistleblowing mechanisms are in place and effective
FRAUD, CORRUPTION AND BRIBERY	<ul style="list-style-type: none"> • Zero tolerance policy for fraud, corruption and bribery • Full implementation of Action Against Hunger Risk Management Policies (Anti-bribery, Fraud, Corruption, Abuse of Power) • Senior Management and Trustees sign Conflict of Interest forms • Whistleblowing and complaints mechanisms are in place
HIGH DEPENDENCY ON FUNDRAISING WITHIN THE HOSPITALITY SECTOR IN THE LAST QUARTER OF THE YEAR	<ul style="list-style-type: none"> • Diversify fundraising activities • Scaling up fundraising activities in the first six months of the year and monthly direct debit donations • Invest in digital individual giving
PUBLIC DONOR FATIGUE/ BAD PRESS REGARDING THE CHARITY SECTOR	<ul style="list-style-type: none"> • Provide more evidence of impact of programmes • Transparency and regular communication on the use of all funds raised • Publication of annual review • Highlighting values and ethics driving the organisation's decisions and actions
POLITICISATION, MILITARISATION AND COMMODIFICATION OF AID	<ul style="list-style-type: none"> • Stand firm on humanitarian principles (humanity/impartiality/neutrality) and ethics • Advocate against the diversion of humanitarian aid from the purpose of alleviating poverty to serving trade, security and/or foreign agendas • Increase financial independence with increased share of private funding • Maintain involvement in dialogue with host governments, donors, military, warring parties

SERIOUS INCIDENTS: In 2019, there were 12 allegations related to fraud, abuse of power, sexual exploitation, harassment, terrorism or bribery in programmes funded by Action Against Hunger. All cases were investigated. As a result, three cases of fraud/abuse of power were proven and led to disciplinary action; one case of fraud/abuse of power led to a partnership with one of our downstream partners being terminated; and one safeguarding incident and one incident relating to terrorism/extremism were reported to local authorities. The cases meeting the Charity Commission's criteria for serious incidents were duly reported.

The case related to terrorism was the kidnapping of six humanitarian workers in Borno State, Nigeria, in July 2019. The armed group responsible executed five hostages. The last hostage, a female employee of Action Against Hunger, has been condemned to 'life of slavery' by this group. Action Against Hunger extended its deepest sympathies to families of the colleagues executed. Action Against Hunger publicly condemned these killings in the strongest terms and continues to work for the release of its staff member who remains in captivity.



STRUCTURE, GOVERNANCE AND MANAGEMENT

Action Against Hunger UK is a registered charity (number 1047501 in England and Wales and from April 2018 SC048317 in Scotland) and is constituted as a private company limited by guarantee (registered in England number 3069468). Its objectives and powers are set out in its Memorandum and Articles of Association.

DIRECTORS:

Mr Paul Wilson
(Chairman)

Mrs Frances Pasteur
(Chair of Ethics and
Risk Committee)

Mr Tim Wright

Mr Nicolas Sarkis

Mr Sanjay Dhiri

Ms Eleanor White

Ms Jordan Winokur

SENIOR MANAGEMENT TEAM:

Mr Jean-Michel Grand Chief Executive

Ms Maria Franklin Director of Human
Resources

Ms Alison McNulty Director of Operations

Mr Steve Notman Director of Finance
and Administration

Mr Matthew White Director of Fundraising
and Communication

AUDITORS:

BDO LLP
2 City Place
Beehive Ring Road
Gatwick RH6 0PA

SOLICITORS:

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

TRUSTEES

The Directors of Action Against Hunger are the Trustees. The Memorandum and Articles of the Association of the Company set out the way in which trustees may be appointed. All new trustees are provided with a structured induction programme. This covers, trustees' roles and responsibilities; the objectives of the charity, its vision and strategy; principles and values articulated in the charity's Code of Conduct and Charter; an introduction to some of its main policies, risks, meetings with the executive teams and a field visit of its overseas programmes.

The Board of Trustees meet on a quarterly basis. The Board delegates the use of certain powers, related to the management and administration of the Charity, to Mr Jean-Michel Grand, the chief executive. The chief executive is responsible for the day-to-day management of the Charity's affairs, and for implementing the Charity's strategy, annual plans and policies agreed by the Board. The chief executive also ensures full accountability and transparency of the organisation's accounts and reports to the Board on a regular basis. He leads the senior management team.

The chief executive and the senior management team are responsible for making day-to-day decisions.

FINANCIAL RISK MANAGEMENT

Our principal financial risks are those arising from the financial consequences of the Covid-19 pandemic and the anticipated impacts on Action Against Hunger's fundraising income. This is discussed in detail in the Basis of Accounting note on page 37.

In order for informed decisions to be made, members of the senior management team and the chief executive respond to the board's questions at meetings. The Board takes a majority vote on decisions (simple majority), communicating them through minutes and resolutions. A quorum of three is necessary.

Any change in strategy, action plan, policy or procedure proposed by the chief executive is examined and ratified by the Board. The Board approves the delegation of financial authority through the chief executive to the Charity, within specific limits.

In 2018, the Charity conducted a review of its governance against the guidelines set up by the Charity Governance Code. Several recommendations were provided. The Charity is on course to complete the implementation of all the recommendations.

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

Action Against Hunger operates an incremental pay structure for all roles, including senior management. Grades are established by assessing the job description against the organisation's job evaluation tool. Where appropriate, roles are also periodically benchmarked against the annual Croner Charity Rewards Survey and comparable roles in similar organisations. The Trustee Remuneration Committee meets annually in December, to review all remuneration, including pension arrangements and annual cost of living awards. Remuneration Committee recommendations are ratified by the full Board of Trustees.

CONNECTED CHARITIES

The Directors consider Action Contre la Faim, a charity registered in France, to be a connected charity. Action Contre la Faim has the same objectives to that of the Company and works closely with it. Other connected charities are Action Against Hunger USA, a charity registered in the US, and Fundación Acción Contra el Hambre, a charity registered in Spain, Action Against Hunger Canada, a charity registered in Canada and Fight Hunger Foundation, a charity registered in India. Expenses are recharged between the connected charities where staff and other resources are used on projects run by the other charity. This gives rise to the balances at the year end referred to in Notes 11 and 12.

RELATED PARTIES/SUBSIDIARIES

Action Against Hunger UK has a subsidiary trading company called Action Against Hunger Enterprises Limited (company no: 6569439). This company's principal activity is to raise funds for Action Against Hunger through various trading avenues.

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

GOING CONCERN

In the opinion of the Trustees there is no material uncertainty relating to going concern. Starting in early 2020 and continuing to the current date, the impact of the Covid-19 pandemic and its financial effects on the Charity have been significant. This required the executive team and trustees to prepare revised budgets for 2020 and 2021 to ensure that Action Against Hunger would be able to continue its core activities and remain a going concern. In 2020, in response to lower income forecasts, a range of cost reductions to mitigate the future impacts were carried out. The cost cutting measures, combined with exceptional generosity from some of our key donors in 2020, means that the Charity will be able to enter 2021 with unrestricted reserves at a similar level to the end of 2019, which will help mitigate against reductions in our fundraising income beyond our 2021 budget.

The Trustees consider that Action Against Hunger has adequate resources to continue in operational existence for the foreseeable future and have not identified any material uncertainties related to going concern. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

APPROVAL

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

MR PAUL WILSON
CHAIR OF TRUSTEES



STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report, incorporating the strategic report, and the financial statements, in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for the charity for each financial year. Charity law requires the trustees to prepare group financial statements for the charity and its subsidiary undertakings. The financial statements must be prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) and are required to give a true and fair view of the state of affairs of the charity and the group, and of the incoming resources and application of resources of the group for the year. In preparing the financial statements the trustees are required to:

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

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

Financial statements are published on the charity's website in accordance with legislation in the UK governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Each of the directors has confirmed that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and that he/she has taken all the steps that he/she ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

MR PAUL WILSON

APPROVED BY THE BOARD ON 26 FEBRUARY 2021



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS AND TRUSTEES OF ACTION AGAINST HUNGER (UK)

OPINION

We have audited the financial statements of Action Against Hunger (UK) (“the Parent Charitable Company”) and its subsidiaries (“the Group”) for the year ended 31 December 2019 which comprise the consolidated statement of financial activities, the Group and Parent Charitable Company balance sheets, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group’s and of the Parent Charitable Company’s affairs as at 31 December 2019 and of the Group’s incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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



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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 require us to report to you if, in our opinion:

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

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the statement of directors' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal

control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members 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 and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

FIONA CONDRON (SENIOR STATUTORY AUDITOR) FOR AND ON BEHALF OF BDO LLP, STATUTORY AUDITOR, GATWICK, UNITED KINGDOM

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 Unrestricted £	2019 Restricted £	2019 Total £	2018 Total £
Income from:					
Donations and legacies	2a	2,922,795	1,459,772	4,382,567	4,140,938
Charitable activities	2b	2,114,791	39,462,024	41,576,815	38,769,311
Investment and other income		27,892	-	27,892	46,495
Total income		5,065,478	40,921,796	45,987,274	42,956,744
Expenditure on:					
Raising funds	3	1,935,447	42,660	1,978,107	2,321,711
Charitable activities	4	3,206,294	41,179,679	44,385,973	40,702,767
Total expenditure		5,141,741	41,222,339	46,364,080	43,024,478
Net expenditure	7	(76,263)	(300,543)	(376,806)	(67,734)
Net movement in funds		(76,263)	(300,543)	(376,806)	(67,734)
Reconciliation of funds:					
Total funds brought forward	13	1,663,877	1,155,120	2,818,997	2,886,731
Total funds carried forward	13	1,587,614	854,577	2,442,191	2,818,997

The group has no other recognised gains or losses.

All income comes from continuing activities.



STATEMENTS OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2019

COMPANY NUMBER: 3069468		Group	Group	Charity	Charity
	Notes	2019	2018	2019	2018
		£	£	£	£
Fixed assets					
Tangible assets	9	87,946	7,840	87,946	7,840
Investment in subsidiary	10	-	-	1	1
Current assets					
Debtors	11	24,914,030	28,731,738	24,914,030	28,721,472
Cash at bank and in hand		8,611,638	6,349,622	8,608,299	6,329,123
		33,525,668	35,081,360	33,522,329	35,050,595
Creditors					
Amounts falling due within one year	12	(31,171,423)	(32,270,203)	(31,168,085)	(32,265,694)
Net current assets		2,354,245	2,811,157	2,354,244	2,784,901
NET ASSETS		2,442,191	2,818,997	2,442,191	2,792,742
FUNDS					
Unrestricted funds	13	1,587,614	1,663,877	1,587,614	1,641,947
Restricted funds	13	854,577	1,155,120	854,577	1,150,795
		2,442,191	2,818,997	2,442,191	2,792,742

The deficit for the financial year dealt with in the financial statements of the parent Company was £376,806 (2018: deficit of £79,334).

Approved and authorised for issue by the Board on 26 February 2021, and signed on their behalf by:

Mr Paul Wilson (Director)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Net cash provided by operating activities	1	2,344,062	789,404
Cash flows from investing activities			
Investment income received		10,587	5,061
Purchase of fixed assets		(92,633)	(2,091)
Net cash (used in)/provided by activities		(82,046)	2,970
Change in cash and cash equivalents in the year		2,262,016	792,375
Cash and cash equivalents at 1 January		6,349,622	5,557,247
Net cash provided by activities		8,611,638	6,349,622
1. Reconciliation of net expenditure to net cash flow from operating activities			
Net expenditure		(376,806)	(67,734)
Depreciation of tangible fixed assets		12,527	5,684
Decrease/(increase) in debtors		3,817,708	(13,879,840)
(Decrease)/increase in creditors		(1,098,780)	14,736,355
Investment income receivable		(10,587)	(5,061)
Net cash provided by operating activities		2,344,062	789,404



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011.

The Trustee Directors (who are the Directors of Action Against Hunger UK for the purposes of company law and the trustees of Action Against Hunger UK for the purposes of charity law) reviewed the Charity's business plans and budget in late 2020 and were content that these plans were affordable and that the accounts should be prepared on a going concern basis.

During 2020, the impact of the Covid-19 pandemic and its financial effects on the Charity have been significant, primarily due to the impact that the pandemic had and continues to have on the food and hospitality industry in the UK upon which Action Against Hunger has a close relationship in respect of its private fundraising. This required the executive team and trustees to prepare revised budgets for 2020 and 2021 to ensure that Action Against Hunger would be able to continue its core activities and remain a going concern. Shortly after the first lockdown was announced, as a response to our revised expectations of unrestricted income we carried out a range of immediate cost reductions to mitigate the future impacts including, unfortunately, a reduction in our UK office staffing by about 20%. We made use of the government furlough scheme for staff whose activity has stopped under Covid-19 restrictions but despite this had to make some staff redundant and carry out a number of other significant reductions in our cost base. In total, the revised 2020 budget, which was reviewed and approved by the Trustee Directors in June 2020, recognised cost savings in unrestricted expenditure of around £1.1m in 2020 (30%) compared to the original 2020 budget approved in December 2019. The 2021 unrestricted expenditure is being held at the same level as the 2020 revised budget.

Poor economic conditions and the impact of Covid on fundraising can be expected to continue into 2021 and will challenge our traditional fundraising activities through the uncertainties around major events we run, engagement with restaurants and corporates, and our work with students and the general public. There remains much uncertainty around the duration and impacts of the Covid-19 pandemic and we will continue to review income on a regular basis in the weeks and months ahead and review our financial stability as matters progress. We believe our revised 2021 forecasts for income and expenditure are achievable, but we recognise that the current uncertainties might require us to take additional cost-saving measures in future. Through the tough cost cutting measures we have taken 2020, combined with exceptional generosity from some of our key donors in 2020, we are likely to be able to enter 2021 with unrestricted reserves at a similar level to 2019, which will help mitigate against reductions in our fundraising income beyond our 2021 budget.

Our overseas operations, which are funded largely by DFID FCDO trusts and foundations through restricted grants have not been significantly impacted, although some ongoing activities have been pivoted to Covid specific responses on the request of our donors.

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

(b) Basis of consolidation

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

(c) Income

Income is included in the SoFA when the charity is entitled to it, the receipt is probable and the amount can be quantified with reasonable accuracy. Donations from supporters are accounted

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

for when received. Legacies are included in the Statement of Financial Activities at the earlier of receipt and the date the estate accounts are approved or a distribution authorised by the executors. Income from monitoring and evaluation services is recorded on a stage of completion basis. For restricted grants from institutional donors (eg charitable entities, governments or other non-governmental organisations), where receipt of funding is conditional only on administrative requirements such as the submission of a claim, it has been recognised. Where there are restrictions on the time period in which funding received can be spent, or where there are other conditions that specify the services to be performed under the grant agreement or contract, the income has not been recognised.

(d) Expenditure recognition

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

Sub contracted grants

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

(e) Basis of allocation or apportionment of expenditure

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

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

(f) Tangible fixed assets

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

- Fixtures, fittings and equipment – 25% on cost
- Leasehold property improvements – over the term of the lease

(g) Operating leases

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

(h) Foreign currencies

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

(i) Fund accounting

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

(j) Pension

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered scheme. The pension cost charge payable by the Charity in the year amounted to £77,105 (2018: £52,422). At the end of the financial year there were no contributions (employee and employer) still to be paid over to the scheme (2018: £Nil).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

(k) Gifts in kind

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

(l) Accounting estimates and key judgements

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

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

2 INCOME

2 (a) Donations and legacies

	2019 Unrestricted £	2019 Restricted £	2019 Total £	2018 Unrestricted £	2018 Restricted £	2018 Total £
Donations and legacies						
Individuals (including legacies and events)	1,544,544	38,584	1,583,128	2,137,486	123,036	2,260,522
Corporate donors	1,102,531	174,720	1,277,251	483,835	91,381	575,216
Trusts & Foundations	135,327	977,757	1,113,084	61,839	721,246	783,085
International partners	-	268,711	268,711	-	319,688	319,688
Gifts in kind	140,393	-	140,393	202,427	-	202,427
Total donations and legacies	2,922,795	1,459,772	4,382,567	2,885,587	1,255,351	4,140,938

2 (b) Charitable activities

	2019 Unrestricted £	2019 Restricted £	2019 Total £	2018 Unrestricted £	2018 Restricted £	2018 Total £
Grant based activities						
UK Government - DFID START	-	4,806,135	4,806,135	-	393,968	393,968
UK Government - DFID other	-	25,948,811	25,948,811	-	33,523,419	33,523,419
Al-Thani Foundation	-	5,569,042	5,569,042	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

Children's Investment Fund Foundation	-	469,376	469,376	-	484,124	484,124
DEC appeal fund via Christian Aid	-	-	-	-	1,191,279	1,191,279
Disasters Emergency Committee	-	-	-	-	380,700	380,700
UNICEF	-	-	-	-	180,212	180,212
Others	-	-	-	-	-	-
	-	36,793,364	36,793,364	-	36,153,702	36,153,702
Monitoring and evaluation services						
UK Government - DFID	-	1,694,590	1,694,590	-	-	-
UN Agencies	-	357,255	357,255	-	-	-
Others	-	616,815	616,815	-	290,689	290,689
	-	2,668,660	2,668,660	-	290,689	290,689
Provision of other services						
Provision of employees to Action Against Hunger missions	2,114,791	-	2,114,791	1,993,607	-	1,993,607
Other services for Action Against Hunger network partners	-	-	-	-	331,313	331,313
	2,114,791	-	2,114,791	1,993,607	331,313	2,324,920
Total charitable activities	2,114,791	39,462,024	41,576,815	1,993,607	36,775,704	38,769,311

3 EXPENDITURE ON RAISING FUNDS

	Direct £	Support costs £	Total 2019 £	Total 2018 £
Fundraising events	764,537	-	764,537	1,253,800
Other fundraising activities	993,745	219,825	1,213,570	1,067,971
	1,758,282	219,825	1,978,107	2,321,771

All fundraising events expenditure in 2019 and 2018 relates to unrestricted expenditure.

Within other fundraising activity costs, £42,660 relates to restricted expenditure (2018: £50,940).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

4 CHARITABLE ACTIVITIES

	Direct £	Support costs £	Total 2019 £	Total 2018 £
Overseas projects	41,566,767	311,314	41,878,081	38,175,813
Supply of aid workers	2,130,406	51,886	2,182,292	2,297,215
Advocacy/awareness raising	45,850	25,943	71,793	103,209
Monitoring and evaluation services	124,093	129,714	253,807	126,530
	43,867,116	518,857	44,385,973	40,702,767

Of total charitable activities, £3,107,701 related to unrestricted expenditure (2018: £2,697,497) and £40,485,719 related to restricted expenditure (2018: £38,005,270).

5 SUPPORT COSTS

	Executive Office £	Admin £	Finance and IT £	Total support £
Allocated to project costs				
Overseas projects	55,693	152,294	103,327	311,314
Recruitment of aid workers	9,282	25,382	17,221	51,885
Advocacy/awareness raising	4,641	12,691	8,611	25,943
MEAL and Nutrition services	23,206	63,456	43,053	129,715
	92,822	253,823	172,212	518,857
Allocated to fundraising	21,574	157,462	40,789	219,825
	114,396	411,285	213,001	738,682

Basis for support cost allocation

Staff costs have been allocated on a basis consistent with the time spent on each activity. Office and administration costs are allocated based on number of staff. Direct support costs are allocated directly to project costs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

6 STAFF COSTS

	2019	2018
	£	£
Staff costs for employees on UK contracts		
Wages and salaries	4,769,695	4,627,937
Employer pension contributions	77,015	65,395
Social security costs	307,658	295,351
	5,154,368	4,988,683

The above amounts represents costs for the parent charity and the group (the parent charity's subsidiary does not employ any staff). The total emoluments earned and paid to the Chief Executive, Jean-Michael Grand, for the year, including pension contributions, was £105,061 (2018: £80,074).

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

	2019	2018
£90,001 to £100,000	1	-
£70,001 to £80,000	2	1
£60,001 to £70,000	4	4

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

Excluding the Chief Executive, total emoluments paid to other members of the Senior Management Team totalled £305,678 (2018: £261,623) in the year.

The average number of staff working overseas employed by Action Against Hunger under UK contracts during the year was 68 (2018: 64). At the year-end, staff numbers overseas were 63 (2018: 64). These amounts include staff that worked overseas on projects run by both Action Against Hunger and other members of the Action Against Hunger International network. The average number of staff employed by Action Against Hunger and working in the UK in 2019 was 73 (2018: 74). At the year-end, UK staff numbers were 77 (2018: 73).

Trustees' expenses and remuneration and related party transactions

Trustees are not remunerated and no expenses were claimed in 2019 (2018: £170).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

7 NET EXPENDITURE

	2019	2018
	£	£
Net expenditure is stated after charging:		
Depreciation of tangible fixed assets	14,526	5,684
Operating lease payments – property	187,523	76,636
Auditor's remuneration: Charity	26,184	23,287
: Trading subsidiary	2,500	2,588

8 TAXATION

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

9 TANGIBLE FIXED ASSETS

Group and Charity	Leasehold property improvements £	Fixtures fittings & equipment £	Total £
Cost			
At 1 January 2019	177,679	55,368	233,047
Additions	70,947	23,685	94,632
At 31 December 2019	248,626	79,053	327,679
Depreciation			
At 1 January 2019	176,929	48,278	225,207
Charge for the year	7,812	6,714	14,526
At 31 December 2019	184,741	54,992	239,733
Net book value			
At 31 December 2019	63,885	24,061	87,946
At 31 December 2018	750	7,090	7,840

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

10 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

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

	2019	2018
	£	£
Share capital		
Authorised	100	100
Called up	1	1

A summary of the company's trading results and statement of financial position is shown below.

	2019	2018
	£	£
Statement of income and retained earnings		
Turnover	10,568	56,680
Cost of sales	(68)	(1,731)
Net profit before taxation	10,500	54,949
Taxation	-	-
Retained profit for the year	10,500	54,949
Statement of financial position		
Current assets	10,501	59,461
Current liabilities	-	(4,511)
Net current assets	10,501	54,950
Total assets less current liabilities	10,501	54,950
Capital and Reserves		
Called up share capital	1	1
Retained profit	10,500	54,949
Equity shareholders' funds	10,501	54,950



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

11 DEBTORS

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Institutional donors	23,769,981	27,910,818	23,769,981	27,910,818
Action Against Hunger – Canada	40,259	-	40,259	-
Action Against Hunger – India	288,420	-	288,420	-
Accrued income	540,404	591,326	540,404	581,059
Sundry debtors	121,812	77,580	121,812	77,580
Prepayments	153,154	152,014	153,154	152,014
	24,914,030	28,731,738	24,914,030	28,721,471

Included in the amounts due from Institutional donors above are amounts due after more than one year of £9,153,569 (2018: £4,212,241).

12 CREDITORS

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Amounts falling due within one year:				
Action Against Hunger - France	20,045,577	18,545,896	20,045,577	18,545,896
Action Against Hunger - Spain	2,192,401	854,751	2,192,401	854,751
Action Against Hunger - USA	7,798,994	11,577,836	7,798,994	11,577,836
Action Against Hunger - Canada	-	30,871	-	30,871
Action Against Hunger - India	-	22,311	-	22,311
Action Against Hunger Enterprises	-	-	7,162	26,760
Deferred income	772,892	-	772,892	-
Other creditors	243,426	1,165,149	232,926	1,133,880
Accruals	118,133	73,389	118,133	73,389
	31,171,423	32,270,203	31,168,085	32,265,694

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

13 GROUP STATEMENT OF FUNDS	As at	Income	Expenditure	As at
	01 Jan 19			31 Dec 19
	£	£	£	£
DFID Nigeria (SUNNY)	-	8,500,000	(8,500,000)	-
DFID Humanitarian response Cox's Bazar	-	7,999,997	(7,999,997)	-
Al-Thani foundation	-	5,569,042	(5,569,042)	-
DFID Nigeria Integrated basic Nut 300432-107	-	3,127,113	(3,127,113)	-
DFID DRC PUNC	-	2,812,518	(2,812,518)	-
Start Fund ARC replica Senegal	-	1,987,054	(1,987,054)	-
DFID Somalia - SHINE	-	1,694,590	(1,694,590)	-
DFID HARP Myanmar	-	1,336,992	(1,336,992)	-
DFID MERIAM	-	697,160	(697,160)	-
DFID Somalia (SHARP)	-	674,433	(674,433)	-
R2HC Research for Health in Humanitarian Crises	-	525,544	(525,544)	-
ME Foundation - Yemen	-	343,320	(343,320)	-
START/DFID -various alerts	9,408	313,450	(322,858)	-
Somali Advocates for Health and Nutrition (SAHAN)	-	275,054	(275,054)	-
IARAN - Regional Analyst network	(6,518)	6,518	-	-
People's Postcode Lottery - Tanzania	-	300,000	(300,000)	-
tcc foundation - Myanmar	10,799	139,045	(149,844)	-
Alborada Trust	-	160,000	(160,000)	-
DFID START FUND (Bangladesh Secretariat)	137,760	2,505,631	(2,643,391)	-
UNICEF projects	97,247	357,255	(352,456)	102,046
Carluccio's	91,179	55,574	(21,071)	125,682
CIFF SAM 2.0 PROJECT	280,948	469,376	(302,865)	447,459
Action Against Hunger Network	-	343,285	(343,285)	-
Others	534,296	728,846	(1,083,752)	179,390
Total restricted funds	1,155,120	40,921,796	(41,222,339)	854,577
Unrestricted funds	1,663,877	5,065,478	(5,141,741)	1,587,614
TOTAL FUNDS	2,818,997	45,987,274	(46,364,080)	2,442,191



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

13 GROUP STATEMENT OF FUNDS (CONT.)

	As at			As at
	01 Jan 18	Income	Expenditure	31 Dec 18
	£	£	£	£
DFID UNOPS Humanitarian response Cox's Bazar	-	10,000,000	(10,000,000)	-
DFID Nigeria Integrated basic Nut 300432-107	-	3,097,087	(3,097,087)	-
DFID Somalia (SHARP)	-	8,709,453	(8,709,453)	-
DFID SOMALIA2 (AG4891)	-	1,092,579	(1,092,579)	-
DFID UNOPS Rohingya refugees	-	1,875,000	(1,875,000)	-
DFID via NRC Famine Prev Drought Impact Resp	-	1,312,036	(1,312,036)	-
DFID DRC PUNC	-	6,386,000	(6,386,000)	-
DFID START FUND (DEPP)	-	601,586	(601,586)	-
NRC - BRiCS - Somalia	-	462,017	(462,017)	-
UK AID MATCH TN4C (Teenage Nutrition for Change)	-	1,121,051	(1,121,051)	-
START/DFID -various alerts	9,408	409,482	(409,482)	9,408
Disasters Emergency Committee-Indonesia appeal	-	380,700	(380,700)	-
IARAN - Regional Analyst network	(41,348)	304,179	(269,349)	(6,518)
Yemen disaster response (DEC via Christian Aid)	-	1,191,279	(1,191,279)	-
DFID CARE Yemen MHRP revision (Note 1)	-	(1,133,390)	1,133,390	-
People's Postcode Lottery	-	300,000	(300,000)	-
tcc foundation	-	133,590	(122,791)	10,799
Kulcyk foundation	-	32,574	(29,781)	2,793
Waterloo foundation	-	50,000	(50,000)	-
James Percy Foundation	-	50,000	(50,000)	-
Soneva foundation	-	37,986	-	37,986
innocent Foundation	16,078	22,500	(24,328)	14,250
DFID START FUND (Bangladesh Secretariat)	137,760	-	-	137,760
Evaluations - in total	-	493,297	(491,746)	1,551
UNICEF projects	72,880	180,212	(155,845)	97,247
Joint India Project	155,385	-	(113,630)	41,755
Carluccio's	171,409	-	(80,230)	91,179
Appeal funds for Indonesian tsunami	-	65,025	(21,494)	43,531
CIFF SAM 2.0 Project	228,984	484,124	(432,160)	280,948
Others	428,419	373,988	(409,976)	392,431
Total restricted funds	1,178,975	38,032,355	(38,056,210)	1,155,120
Unrestricted funds	1,707,756	4,924,389	(4,968,268)	1,663,877
TOTAL FUNDS	2,886,731	42,956,744	(43,024,478)	2,818,997

Note 1: The budget for this multi-year programme was revised down by agreement between DFID and consortium partners for operational reasons. As a result, the income and expenditure recognised in prior years has been adjusted.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2019 are represented by:

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	87,946	-	87,946
Net current assets	1,499,668	854,577	2,354,245
Total net assets	1,587,614	854,577	2,442,191

Fund balances at 31 December 2018 were:

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	7,840	-	7,840
Net current assets	1,656,037	1,155,120	2,811,157
Total net assets	1,663,877	1,155,120	2,818,997

15 OPERATING LEASE COMMITMENTS

The company and the group have total outstanding operating lease commitments relating to the lease of its London office of £1,221,606 (2018: £57,402).

16 CONNECTED CHARITIES

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



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)

17 RELATED PARTIES

Action Against Hunger is one of the five members of the trading company ACFIN Licensing Ltd, a company based in the UK (Company No. 06672034). One of its main roles is to license its Action Against Hunger members the right to use trademarks. The Action Against Hunger UK Executive Director is a Director of that company. During the year UK license expenses totalling £536 were charged to Action Against Hunger UK by Action Against Hunger Licensing Ltd. At the year end an amount of £16,256 was due from Action Against Hunger Licensing Ltd to Action Against Hunger UK.

18 POST BALANCE SHEET EVENT

The impact of Covid 19 is considered to be a non-adjusting post balance sheet event. As noted on page 37, the impact of the Covid-19 pandemic and its financial effects on the Charity have been significant, primarily due to the impact that the pandemic had and continues to have on the food and hospitality industry in the UK upon which Action Against Hunger has a close relationship in respect of its private fundraising.

As a response to our revised expectations of unrestricted income, shortly after the first lockdown was announced in 2020 we carried out a range of immediate cost reductions to mitigate the future impacts. We made use of the government furlough scheme and we received exceptional financial support from some of our funding partners for which we are extremely grateful. Consequently, we are likely to enter 2021 with unrestricted reserves at a similar level to 2019, which will help mitigate against reductions in our fundraising income beyond our 2021 budget.

The Directors have assessed whether there is any known impact on the value of the assets and liabilities of the Charity at the balance sheet date and are satisfied that there is none and that it is appropriate that the accounts should be prepared on a going concern basis.

**FOR FOOD.
FOR WATER.
FOR HEALTH.
FOR NUTRITION.
FOR KNOWLEDGE.
FOR CHILDREN.
FOR COMMUNITIES.
FOR EVERYONE.
FOR GOOD.
FOR ACTION.
AGAINST HUNGER.**

