



# ANNUAL REPORT & FINANCIAL STATEMENTS

**ACTION AGAINST HUNGER (UK)**  
FORMERLY ACTION AGAINST HUNGER (UK) LIMITED  
COMPANY 3069468

**YEAR ENDED 31 DECEMBER 2020**

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**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.**

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*Cover: "We make a sacrifice to bring our children to safety using a bucket." Nyalong Wal, 36, carries her daughter to dry land after extreme flooding forced them to flee their home in South Sudan.*

© Peter Caton for Action Against Hunger

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**REGISTERED OFFICE: 6 MITRE PASSAGE, LONDON SE10 0ER**

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

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

# WELCOME

Nobody has been left untouched by the pandemic. It has shaken the world to its core and it is difficult to put into words how different our lives have become, the hardships we have faced, and the damage Covid-19 has brought to our families, our friends and our society.

While Covid-19 has been our greatest challenge in decades, for many of the countries we support, it is only the latest crisis to afflict communities already struggling under the weight of conflict, climate change and growing hunger crises. Covid-19 has pushed health services in the poorest countries to breaking point. As a primary healthcare provider, we realised very quickly that we had an important role to play in responding to this crisis. From establishing track and trace in Cameroon to running quarantine hospitals in Somalia, I am incredibly proud of our teams for the roles they are playing in tackling this global pandemic.

In 2020, we supported the Disasters Emergency Committee (DEC) in their Covid-19 appeal, and with the funds raised we are strengthening our Covid-19 responses in Somalia, South Sudan and Yemen. Importantly, for the first time, we began programmes in the UK, partnering with the Antonio Carluccio Foundation, Barclays and local partners to provide support for families struggling due to Covid-19. This is a new venture for our organisation, but we are keen to explore how our expertise could be of benefit to people at home.

We know that at least 155 million people were acutely food insecure and in need of urgent assistance in 2020 – the highest levels in five years. The outlook for 2021 doesn't look any brighter, and our work has never felt more important or necessary. We remain at the coalface of a growing hunger crisis and are indebted to our partners and supporters who, despite the many challenges this pandemic has created, continue to share our mission; supporters like His Excellency Sheikh Thani bin Abdallah bin Thani Al Thani, who last year funded the treatment of 240,000 severely malnourished children across the Horn of Africa.

But despite the many successes we had in 2020, Action Against Hunger UK was not immune from the economic impact of Covid-19. The closure of hospitality and restrictions on fundraising seriously impacted our revenue in 2020 and we were forced to make incredibly difficult decisions. It was with great sadness that we had to make redundancies. Words cannot express the gratitude I feel for the tremendous work contributed over the years by the staff we lost. At this time of great personal difficulty for them, they showed passion for Action Against Hunger, kindness towards us and a commitment to our cause. Thank you.

Despite the drastic actions we took to control our costs, we couldn't have weathered the financial storm without the extraordinary support of our public donors, the innocent foundation, the People's Postcode Lottery, and all of our longstanding supporters in the food and hospitality industry. Your faith in us and your belief in our mission never wavered, and we are eternally grateful for the support you have shown us during these unprecedented times.

The pandemic is far from over, particularly in our countries of focus, and the humanitarian challenges ahead are large, but we are looking to the future with renewed ambition and an unflinching commitment to achieve a world that is free from hunger.

## THANK YOU



**PAUL WILSON**

**CHAIR, ACTION AGAINST HUNGER UK**



# OUR GLOBAL REACH AND IMPACT IN 2020



**25M**  
PEOPLE



**46**  
COUNTRIES



**66**  
EMERGENCIES



**12.4 MILLION PEOPLE REACHED WITH NUTRITION AND HEALTH**



**9.6 MILLION PEOPLE REACHED WITH WATER, SANITATION AND HYGIENE**



**2.2 MILLION PEOPLE SUPPORTED WITH FOOD SECURITY AND LIVELIHOODS**



**186 PROJECTS DELIVERING MENTAL HEALTH AND CARE PRACTICES**

# DIRECTORS' REPORT

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

The directors of Action Against Hunger UK – hereafter referred to as Action Against Hunger – present their annual report and audited accounts for the year ended 31 December 2020, and confirm they comply with the Companies Act 2006 and the Charities Statement of Recommended Practice (FRS 102) 2019.

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

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

# OUR STRATEGIC PRIORITIES

We know that hunger and undernutrition are preventable. In a world in which conflict, natural disasters, pandemics, poverty and threats to natural resources present enormous challenges, our strategic plan has a bold vision to increase our impact and influence. We set out to relieve the consequences of hunger, tackle its causes and change the way it is addressed. In 2020, in unity with our global partners, we continued to work hard to further reduce and prevent hunger and undernutrition among the most vulnerable people in 46 countries.

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

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

## OUR UK OBJECTIVES IN 2020

Our annual objectives set out what we need to achieve each year in the context of our five-year strategy. In setting these objectives and planning our activities, Action Against Hunger's directors give careful consideration to the Charity Commission's general guidance on public benefit. Our objectives in 2020 were:

- **TO RAISE £50M TO RESPOND, PREVENT AND MITIGATE FOOD AND NUTRITION CRISES**
- **TO INFORM AND INFLUENCE DECISIONS AND STRATEGIES THROUGH OUR EXPERTISE ON MONITORING & EVALUATIONS, NUTRITION CAUSAL ANALYSIS, COVERAGE STUDIES, LEARNING, FEASIBILITY STUDIES, AND COST OF DIET**
- **TO SCALE UP TREATMENT AND INVESTMENT FOR THE PREVENTION OF ACUTE MALNUTRITION**
- **TO INFLUENCE AND SHAPE THE FUTURE ROLE AND EFFECTIVENESS OF ACTION AGAINST HUNGER'S INTERNATIONAL NETWORK**
- **TO AMPLIFY THE VOICES OF AFFECTED COMMUNITIES SO AS TO INSPIRE ACTION AGAINST HUNGER**
- **TO IMPROVE THE ENGAGEMENT WITH OUR AUDIENCES THROUGH POSITIVE STORIES, A NEW WEBSITE, PUBLIC AWARENESS CAMPAIGNS AND COMMUNICATION ON EMERGENCIES**
- **TO IMPROVE OUR EFFICIENCY BY CONSOLIDATING THE FOUNDATION BLOCKS OF THE CHARITY: ITS PEOPLE, AUDIENCE, QUALITY STANDARDS AND FINANCES**

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The Covid crisis seriously affected Action Against Hunger's capacity to deliver some of its objectives. A three-stage crisis management approach was developed in March 2020 to mitigate the impact of the crisis. An immediate 'Act now' survival phase to protect the charity was implemented between March and June 2020, followed by a 'Recovery' phase between June 2020 and June 2021.

Crises are accelerators of change. The Covid-19 crisis has been an opportunity to reshape Action Against Hunger's future and make the charity even more relevant and, importantly, more resilient. Therefore, a 'Retool' phase, looking forward, was initiated in June 2020, which should last until the end of December 2022.



*Action Against Hunger volunteer Tondrua Ali visits the communities of Juba to teach about wearing masks to prevent the spread of Covid*



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# STRATEGIC REPORT

## AGAINST HUNGER AND MALNUTRITION

### WHY FOCUS ON NUTRITION?

The 2020 'State of Food Security and Nutrition in the World' (SOFI) report from the UN confirmed that the number of people affected by hunger, globally, continues to rise. There has been progress in exclusive breastfeeding and in reducing low birthweight and child stunting, but indicators are that the world is not presently on track to meet global nutrition targets. In addition, the full ravages of the Covid-19 pandemic in 2020 have yet to be assessed, although it has already been estimated that there will be an additional 13.6 million wasted children due to Covid and more than 250 child deaths every day. Inevitably, food security has been affected and nutrition among vulnerable population groups deteriorated further, especially where health, food and social protection programmes are fragile or where it has not been possible to scale them up.

The social and economic impacts of the pandemic on hunger and malnutrition<sup>i</sup> have undoubtedly compounded the effects of inequality, poverty and climate chaos. A key cause of the failure to progress further with the global goals around hunger has been the growth in global conflict, with the large majority of food-insecure people living in conflict-affected countries.

According to the 2020 'Global Hunger Index', nearly 690 million people were suffering from undernutrition prior to the pandemic. In 2019, nearly 50 million children under the age of five were suffering from malnutrition and 16.6 million were affected by the most severe form of life-threatening malnutrition. Acute malnutrition is one of the greatest challenges to child survival in the world today. Every year, undernutrition kills 3 million children under the age of five, but it is also a contributing factor in nearly half of all deaths in children under five because malnutrition puts the vulnerable, especially babies and young children, at greater risk of dying from common infections and diseases. Children with the most severe form of acute malnutrition are nine times more likely to die from infections such as diarrhoea, dysentery, respiratory infections and measles.

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<sup>i</sup> These impacts include: steep economic decline leading to lost jobs and livelihoods, meaning that people cannot afford food; temporary movement restrictions leading to food price rises; reduced access to health services or unwillingness to visit clinics so children go without both severe and moderate acute malnutrition (SAM & MAM) treatment; restrictions of movement on humanitarian aid workers; steep cuts to Overseas Development Aid, meaning reduced access to basic services for aid-dependent communities.

# LEADING AND INNOVATING IN NUTRITION

Our mission to fight hunger includes preventing malnutrition before it happens. Throughout 2020, we continued to position Action Against Hunger as a leader and innovator in nutrition programming, research, information and surveillance. We achieved this through several different initiatives.

In the context of Covid-19 guidance, we developed a [multisectoral surveillance system](#) with the Action Against Hunger network. This has provided an alert system to give early warning of emerging threats. The information helps with identifying priorities as well as informing quality interventions and programming. The Global Nutrition Cluster, whose aim is to improve the effectiveness of humanitarian response programmes, adopted this system.

We also supported the Global Nutrition Cluster in their quest to enable countries to achieve timely, appropriate and quality responses to emergencies, by providing support to a small NGO in Afghanistan, Action for Development (AfD), and helping them develop their Monitoring, Evaluation and Learning (MEAL) framework for their Family Mid-upper arm circumference (MUAC) programme.

We piloted an adapted methodology of 'Coverage survey' in Cameroon, which we are replicating in other contexts where remote support is more appropriate.

We continued to conduct Link Nutrition Causal Analyses (Link NCA) to help identify the causes of undernourishment, thereby contributing to our efforts to prevent undernutrition. In 2020, we finalised four Link NCAs, in Liberia, Bangladesh, Burkina Faso and Uganda. These can be found on the [revived Link NCA website](#).

We evaluated the Community Management of Acute Malnutrition programmes supported by UNICEF Afghanistan to improve access and coverage.

We used our learning on best-programming to write two successful proposals. The first, for our country office in Liberia, seeking Irish Aid in a programme to reduce stunting (see case study below). The second, for our country office in the Democratic Republic of Congo, seeking development assistance from the Foreign, Commonwealth & Development Office (FCDO) in a multi-sectoral programme to reduce mortality and the prevalence of wasting in children under five.

We also supported the use of existing and new data to improve global estimates on burden, coverage, and programme impact:

- Through our roles on the Strategic Advisory Group of the Global Nutrition Cluster and Infant Feeding Core Group, and as Co-Chair of the Global Technical Mechanism Assistance for Nutrition on Nutrition Information System, we played a key part in adapting programmatic guidance to the context of Covid-19.
- With Tufts University, we co-organised a [set of three webinars](#) on the topic of revisiting the evidence of Kwashiorkor – a unique form of malnutrition that kills tens of thousands of children each year, but whose etiology is unclear.

- With UNICEF East Asia, we co-authored and published an [article to determine the prevalence, predictors and levels of wasting and stunting in Southeast Asia](#) (and drafted a second article for subsequent publication).
- We published a further article on [the use of MUAC to detect childhood obesity in children under two-years-old in South Africa](#).
- We published five methodological articles [on the Link NCA website](#), showcasing the use of new tools to further the understanding of the methodology and how it can help define the pathways leading to both wasting and stunting.

## CASE STUDY

### USING LINK NUTRITIONAL CAUSAL ANALYSIS TO INFORM PROGRAMME DESIGN

In 2020, the Liberian WASH Consortium (LWC) commissioned Action Against Hunger to conduct a Link Nutritional Causal Analysis (NCA) in five counties, as part of a series of formative research. The aim was to build a solid evidence base for future interventions, through an in-depth understanding of context and community priorities.

The Link NCA study was a critical part of this approach, allowing a better understanding of the underlying causes of stunting and the linkages between nutrition, food security and livelihoods, water, sanitation and hygiene, gender and other thematic areas.

The main objective was to identify the major risk factors and causal pathways leading to stunting in the five counties, which were grouped into three regions. Among the major risk factors, two were identified in the sector of water, sanitation and hygiene – namely, low access to water and non-optimal sanitation practices. The third major risk factor – low access to food – was identified in the sector of food security and livelihoods.

The LWC then contracted Action Against Hunger to lead the development of a proposal that subsequently led to the nutrition strategy of Irish Aid in Liberia. The team that was hired had also led the Link NCA, and they ensured, wherever possible, that the recommendations of the formative research were used (with its strong emphasis on community preferences). A strong component of the proposal was therefore to design community engagement strategies advancing access to basic sanitation, nutrition security and maternal health, including for adolescents.

During the four-week proposal-development process, Action Against Hunger - led by the Link NCA technical advisor for the study - coordinated inputs from the LWC. These inputs were gathered during several rounds of sectoral technical discussions with advisors, regional sectoral experts and sectoral programme managers. There were also regular multisectoral coordination calls including operational team members. All contributions were maintained in a collaborative online platform, so that inputs could be routinely reviewed, and the project was successfully awarded.

An emphasis was placed on a robust monitoring, evaluation and learning (MEL) framework, sensitive to the learnings gleaned during the Link NCA. The implementation of this is now led by Action Against Hunger's Monitoring Evaluation and Learning (MEAL) team. This project showcased how future projects aimed at reducing malnutrition should be based on findings of Link NCAs.

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# WE USE OUR EXPERIENCE AND EXPERTISE TO INFLUENCE

Advocacy to address the underlying political drivers of hunger is now more important than ever. Action Against Hunger advocates both in countries with a high burden of malnutrition and in countries like the UK, where aid and foreign policy decisions can affect the vulnerability to, and recovery from, undernutrition of people all around the world. However, the pandemic has diverted political attention and priorities, making for a challenging environment.

In the UK, we work with our country programmes to deliver their evidence and advocacy demands to UK decision makers. In 2020, we began building a base of public supporters for our advocacy for the first time, now reaching 2,000 people. We also continued our advocacy on nutrition, co-chairing the International Coalition for Advocacy on Nutrition (ICAN UK), a coalition of NGOs advocating for nutrition as a UK aid priority. We have been able to engage our supporters in taking targeted actions to reach decision makers, such as writing directly to Prime Minister Boris Johnson and Foreign Secretary Dominic Raab on defending UK aid for hunger and nutrition. Supporter names were also included in a petition with over 20,000 signatories (developed in collaboration with ICAN UK allies), handed in to the Foreign Secretary in December.

We also undertook coordinated campaign actions on World Food Day, 16 October 2020, including leading on a letter signed by 65 global nutrition experts, published in The Telegraph, calling for nutrition to be a UK aid priority, and calling on our supporters to write to their MP asking them to back our asks, in alliance with ICAN UK members. 26 MPs shared our campaign ask on social media that day. Actions such as this contributed to a UK Ministerial Statement at the global launch event for the Nutrition for Growth Year of Action, expressing the UK's continued commitment to action on nutrition.

By working with the Action Against Hunger network to build the evidence base on the impact of the Covid-19 pandemic on global hunger, we have been able to establish ourselves as a leading voice on food security and nutrition in the UK. We are frequently briefing and meeting with MPs and officials to communicate the humanitarian situation in countries in hunger crises and the aid and policy responses we are calling for from the UK.

## CASE STUDY

Conflict is the leading driver of rising global hunger. It leads to the displacement of large populations and results in communities caught up in violence losing their homes and livelihoods, and too often being unable to access humanitarian aid.

Action Against Hunger has an ongoing global advocacy initiative aimed at breaking the cycle of conflict and hunger, and ensuring people have access to the food and basic services they need. In 2020, the merger of the UK's Department for International Development (DFID) and Foreign and Commonwealth Office (FCO) into the Foreign and Commonwealth Development Officer (FCDO) was an opportunity to advocate for improved diplomatic action to tackle conflict-induced hunger.

When a Special Envoy for Famine Prevention and Humanitarian Affairs was appointed by the new department, Action Against Hunger led on cross-sector efforts to brief the envoy and the ministerial team, with written and oral briefings and presentations on global food insecurity and on the political action the UK can take to reduce famine risk.

Through these briefings, drawing on evidence from Action Against Hunger's direct engagement with affected communities, we were able to help shape the FCDO strategy and priorities on famine prevention. This includes a commitment to advance UN Security Council Resolution 2417 on conflict and hunger, and ensure that the resolution has a more tangible impact on current crises.



*After walking three hours to reach a water point, two women fill their jerry cans in Borena, Ethiopia*

© Lys Arango for Action Against Hunger

# RESPONDING IN EMERGENCIES

In 2020, Action Against Hunger successfully secured more than £37m of UK Government (UK aid) funding to support 23 projects across 13 countries.

These included funding Action Against Hunger's responses to emergencies across 10 countries – natural disasters, conflicts and health crises (such as Ebola and Covid-19). Examples include:

## **DEMOCRATIC REPUBLIC OF CONGO – EMERGENCY AND PREPAREDNESS RESPONSE TO THE SPREAD OF THE EBOLA VIRUS EPIDEMIC**

To mitigate the spread of the Ebola Virus Disease among vulnerable populations in Bikoro and Boende, Action Against Hunger took steps to strengthen their health systems. This included a focus on response and preparedness capacities within Infection Prevention and Control practices. The project, funded by the FCDO, was completed over five months. (£750,000)

## **YEMEN – SUPPORTING THE PREPAREDNESS, MITIGATION AND RESPONSE TO THE PRIMARY AND SECONDARY IMPACTS OF COVID-19 ON THE INTERNALLY DISPLACED PEOPLE AND VULNERABLE POPULATIONS IN YEMEN**

This nine-month project, funded through the FCDO's Rapid Response Facility (RRF), was focused on preventing, mitigating and responding to the Covid-19 pandemic, by providing life-saving assistance through targeted and coordinated activities in health, nutrition, Water Sanitation and Hygiene (WASH), protection and cash to IDPs and vulnerable populations. Action Against Hunger led a consortium of four international and national agencies and reached a total of 150,183 beneficiaries. (£3,000,000)

## **PERU – RAPID RESPONSE TO URGENT UNMET NEEDS OF VENEZUELAN MIGRANT AND REFUGEE POPULATIONS IN THE CONTEXT OF COVID-19**

In the context of the Covid-19 crisis, this rapid response programme, funded by the Start Fund, focused on supporting Peruvians and Venezuelan migrants and refugee populations in areas of Peru's capital city, Lima, between April and June 2020. Alongside Save the Children, World Vision and CARE International, Action Against Hunger assisted vulnerable populations in areas of the city with high infection rates, providing food support and Covid-19 transmission protection over 45 days. This provided crucial and timely support to those most in need. The project reached a total of 39,093 people. (£60,000)

## **AFGHANISTAN – RECOVERY, REINTEGRATION AND RESILIENCE**

Over four years, 2020–2024, Action Against Hunger will be working alongside the Norwegian Refugee Council and other NGOs to provide nutrition, mental health and psychosocial support for several regions in Afghanistan. The project will focus on promoting sustainable return and reintegration of internally displaced people (IDPs), through improved resilience capacity, risk reduction and protection. It will also help communities reduce negative coping strategies and strengthen resilience to future shocks. The consortium as a whole aims to support 400,000 IDPs. (£4,904,962).

# FOR A POWERFUL MOVEMENT IN THE UK

OVER 140  
RESTAURANTS  
TOOK PART IN 'LOVE  
FOOD GIVE FOOD'  
RAISING OVER  
**£100,000**

OUR STUDENT  
SUPPORTERS  
RAISED NEARLY  
**£318,000**  
TAKING PART IN  
ACTIVE CHALLENGES

40 OF OUR  
AMBASSADORS  
RAISED MORE THAN  
**£192,000**  
TREKKING IN JORDAN

18 CORPORATE  
PARTNERS  
RAISED MORE THAN  
**£705,000**  
TO SUPPORT  
LIFE-SAVING WORK  
AROUND THE WORLD



Volunteers shake their buckets at the Love Food Street Feast event in London.

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# MOBILISING PUBLIC SUPPORT

Despite the many difficulties faced by our partners in the hospitality sector due to the pandemic, many of our chefs, street food traders and restaurants continued to support us: for which we are sincerely grateful. We humbly thank new members of the hospitality sector for coming on board during this challenging year.

We would also like to thank our corporate partners, private donors, supporters and volunteers who have continued to support our vital work and together contributed £4.7m to our income. This has allowed us to reach many more families in need in nearly 50 countries around the world.

## CORPORATE AND PHILANTHROPY PARTNERSHIPS

In 2020, we were thrilled to receive a grant of £568,000 from the innocent foundation's newly formed Partnership Fund. This grant brought much needed financial stability to our organisation, in a challenging year. It protected our ability to support thousands of vulnerable children in food crisis, while providing a catalyst for recovery and growth.

Thanks to players of the People's Postcode Lottery (PPL), we continued to increase access to vital health services for children suffering from life-threatening hunger in Tanzania. Closer to home, PPL funding enabled us to develop our new website, strength our advocacy activities and invest in new fundraising campaigns.

The ALBORADA Trust continues to provide vital funding so that we can respond to humanitarian crises across the world. In 2020, the trust generously supported our Covid-19 response in Haiti and South Sudan, as communities faced the crippling impact of the pandemic.

As part of our partnership with the Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund, Action Against Hunger received \$6.7m to scale up our response to the escalating hunger crisis hitting West Africa and the Sahel region. We were able to support 554,345 of the most vulnerable people in Mauritania, Niger, Senegal and The Gambia.

Many of our hospitality partners continued their fantastic support through 2020, despite extremely challenging circumstances for the industry as a whole. The steak restaurant Hawksmoor raised £34,000 through a 50p donation on a dessert in their restaurants, donating all profits from their cookbook and through the Love Food Give Food fundraising initiative.

We launched a new corporate partnership in March 2020 with Kelly Deli, owner of leading sushi franchise Sushi Daily, and through sales of zero-waste products and employee fundraising this raised over £60,000 in the year. This three-year partnership will also support our Power of Nutrition project, tackling child malnutrition in Gujarat, India.

The food brand Unearthed® raised £173,000 for us through a 1p donation from every product sold, and by doubling their donation in October as part of Love Food Give Food.



And thanks to the gaming app WOLF (formerly Palringo) we received an incredible £75,000 from their annual Ramadan charity campaign.

We are delighted that our food waste initiative in partnership with Starbucks raised £64,000. We also received a generous donation of £40,000 from Ooni Pizza Ovens. The Antonio Carluccio Foundation donated £25,000 to support

our response to rising hunger in the UK as a result of the Coronavirus crisis, in addition to continuing their donation of 50p from every Penne Giardiniera dish sold at Carluccio's restaurants.

Following our initial UK response to the pandemic, Barclays generously donated a grant of £100,000 to help us continue scaling up our UK programmes.

## WORKING WITH THE HOSPITALITY INDUSTRY

We continue to be one of the hospitality industry's charities of choice. We have worked with the sector for two decades and are very proud to share with them our passion both for food and for building a world free from child hunger.

As in so many aspects of our work in 2020, we had to think creatively in the way we ran our usual fundraising events. To this end, the annual Fine Wine and Art Dinner turned virtual, with a live auction streamed direct from the restaurant 1 Lombard Street. Hosted by the TV presenter Mariella Frostrup, the event raised more than £260,000. Thank you to the committee for their continued commitment during these difficult times.

Huw Gott – co-founder of the restaurant Hawksmoor – and Libby Andrews – Marketing Director of Pho – rallied hospitality businesses from across the country to deliver an online charity auction, Today's Special, in July, raising over £225,000 for Action Against Hunger and Hospitality Action. At an incredibly difficult time for the industry, the generosity from restaurants, bars, chefs and hotels saw donations of more than 150 money-can't-(normally)-buy prizes. The best of these were auctioned off live on Zoom in an event hosted by Great British Menu judges Andi Oliver and Oliver Peyton, and comedian Tom Allen.

## LOVE FOOD GIVE FOOD

Despite everything, we were able to continue our annual Love Food Give Food campaign. The campaign was supported by over 140 restaurants, raising over £100,000. Many of our long-standing restaurant, hotel and pub partners took part, including Hawksmoor, Hakkasan, Harts Group, Shake Shack and The Pig.

We welcomed new pub partner Brewdog and for the first time, we expanded the campaign to other companies from the wider food and hospitality industry. Long-term partners unearthed® took part and by doubling their 1p donation on every pack of food, for the month of October, raised £6,750. In addition, new partners Pasta Evangelists, Detox Kitchen, Jing Tea, Red Rickshaw and Feast Box turned their love for food into action by raising money in different ways during the two months, such as added donations at checkouts and donations from product sales.

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## PUBLIC ENGAGEMENT

We began 2020 with a focus on growing our public supporter numbers through digital recruitment and maximising return on our Challenge events. The pandemic meant that the majority of our community and Challenge events couldn't take place, so we had to react quickly and adjust our plans overnight. We kick-started our digital new-donor recruitment with our Facebook Coronavirus appeal. This was very successful and set the ground for further 'paid social' donor recruitment throughout the year, which is now our main donor acquisition channel.

### LEGACIES

In 2020 we received we received income from legacies of over £67,000 In addition, supporters are already making use of our online will-writing service Bequeathed and we received three pledges totalling £16,600.

### AMBASSADOR CHALLENGE

We ran two back-to-back Ambassador Challenge treks to Jordan, in February and March, with more than 40 of our high-profile supporters, including the chefs Angela Hartnett and Nieves Barragán Mohacho. In total, the treks raised over £192,000– one of our most financially successful Challenges to date.

### DATA AND SUPPORTER CARE

In March, we upgraded our Raiser's Edge Customer Relationship Management (CRM) system with RE:NXT API, which is more accessible and intuitive than our previous CRM. This important upgrade means we can more effectively analyse our supporter data to create seamless supporter journeys, create high-value donor pipelines and income reporting.

### FACEBOOK

At the end of March, we launched a Coronavirus appeal on Facebook, which ran for over six weeks. During the campaign, we saw an uplift of 100 per cent in the number of people making a regular gift via our website.

On our old website and with our old donation pages, our Facebook campaign used to have a conversion rate of only 3.56 per cent. Following changes to the website, our Facebook campaign then generated a conversion rate of 20 per cent.

### NEW DONATION PLATFORM

In May, we launched our new digital donation platform on our website. This was our first step in the journey to modernise our digital fundraising and communications. For the first time, we were able to take recurring donations via PayPal and ApplePay. These are now one of the most popular ways for our supporters to donate to Action Against Hunger.

### WINTER FUNDRAISING CAMPAIGN: SIX WEEKS TO SAVE A LIFE

At the beginning of November, we launched our Six Weeks to Save a Life campaign, featuring the story of Halima, in Somalia. Not yet two years old, Halima had severe acute malnutrition, the most life-threatening type of hunger. Without our support, she might well have died. Thanks to our donors, we put her on a six-week treatment programme, by the end of which, she had fully recovered. The winter campaign raised over £50,000, so that we could treat many other children suffering from malnutrition.

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## GATHERING AND COMMUNICATING CONTENT

### NEW WEBSITE LAUNCH

At the beginning of November, we launched our new website. The site, with new landing pages, embedded donation forms and intuitive navigation, has been designed to optimize the fundraising journey.

For every lead generated from our Facebook ads, the conversion rate used to be 20 per cent. Our previous Facebook campaign, on our old website and with our old donation pages, generated a similar amount of traffic, but the conversion rate was only 3.56 per cent.

### TRAINING COLLEAGUES OVERSEAS

In 2020, we started a new initiative to train in-country comms staff so that they could carry out interviews, photograph and film people we support. We provided training and professional equipment to colleagues in Tanzania and Somalia, who both produced high-quality content which was used not only by Action Against Hunger in the UK, but also by other network members around the world. We also supported in-country programme staff to collect video footage and testimonies, which were used to create video content to help secure donor funding.

### GAINING COVERAGE IN THE MEDIA

We played a pivotal role in the launch of the DEC's Coronavirus Appeal and our spokespeople appeared across all major UK broadcast and print platforms. Other highlights included hosting ITV News in Kenya for a report on Desert Locusts, and the coverage we secured for our Covid response in Somalia - which featured on BBC News as well as being the subject of a photo essay published in the Guardian.

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# A HIGH PERFORMING ORGANISATION AND A FIRST-CHOICE EMPLOYER

## OUR PEOPLE

Action Against Hunger is proud to have such a committed and passionate team of people driving its mission to end world hunger. Despite the extreme challenges, and at times, very difficult decisions they have faced as a consequence of the global pandemic throughout 2020, this commitment has prevailed throughout, and our sincere gratitude and appreciation is extended to the whole team.

In 2020 the average number of staff employed by Action Against Hunger and working in the UK office was 70. The average number of staff contracted by Action Against Hunger UK and working overseas was 68. These included staff who worked overseas on projects run by both Action Against Hunger and other members of the Action Against Hunger International network in 13 countries.

Although Action Against Hunger employs fewer than 250 people in the UK – and is, therefore, not obliged by law to do so – we have committed to publishing our gender pay gap (GPG). In April 2018, there was no difference in the median pay gap between female and male employees. However, in April 2020 a negative gender pay gap in favour of women of -2.5% was reported. In April 2020 this negative gender pay gap in favour of women has decreased to -1%.

In 2020, we provided placements for 10 volunteers, each seeking to gain exposure and valuable experience through working in our HR, Fundraising and Operations departments. Our sincere thanks go to our volunteers for their support for our work.

## OUR COMMITMENTS

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

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

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

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# HOW WE RAISE OUR MONEY

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

In 2020, we are proud to say 96 pence in every pound we raised was spent on our charitable activities. The remaining 4 pence was primarily used for support activities and fundraising. These activities enable us to increase the number of children's lives we save now and in the future, and to find new ways to drive down the cost of treatments so that the money we do raise goes further.

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

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

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

On the rare occasion that we do have a complaint about our fundraising – in 2020 we recorded four complaints – we follow a clear process of recording and investigating the complaint, working toward a positive end. We do not put undue pressure on people to make donations, and we use fundraising channels we consider to be engaging and not unreasonably intrusive.

We are careful to ensure we do not accept donations from anyone we suspect to be vulnerable. As well as following the Code of Fundraising Practice, we are members of the Institute of Fundraising and we seek guidance from them in any such instances. Every pound we raise makes a difference to people's lives worldwide. And with increasing numbers of people donating and levels of support, we are able to have greater impact in the world. As such, we place the highest importance on our approach to fundraising, and we believe this approach is why some of our loudest and most committed champions are our supporters themselves.

# THANK YOU

THANK YOU TO ALL OUR FANTASTIC SUPPORTERS AND PARTNERS FOR YOUR GENEROSITY IN 2020. WE ARE GRATEFUL TO ALL THOSE WHO HAVE HELPED US EMPOWER FAMILIES AND PROVIDE VITAL CARE SO THAT CHILDREN CAN GROW UP STRONG AND HEALTHY.

## OUR SUPPORTERS

The ALBORADA Trust, The Thani Bin Abdullah Bin Thani Al-Thani Humanitarian Fund, Antonio Carluccio's Foundation, Bakkavor, Barclays, Hakkasan, Hawksmoor, the innocent foundation, Kelly Deli, Mowgli, Ooni Pizza Ovens, People's Postcode Lottery, Starbucks, unearthed®, The Waterloo Foundation, WOLF, and all our Love Food Give Food partners.

## OUR CHEF, CELEBRITY AND COMMITTEE SUPPORTERS

Adam Gahlin, Andi Oliver, Angela Hartnett, Asma Khan, Bill Knott, Candice Brown, Carl Clarke, Chantelle Nicholson, Chris Whitney, Claude Bosi, Cyrus Todiwala, Dan Joines, David Gleave, Elly Curshen, Eneko Atxa, Erica Schecter, Felicity Clarke, Gizzi Erskine, Harneet Baweja, Hus Vedat, Huw Gott, Jackson Boxer, Jacob Kenedy, James Chase, James Knappett, Jason Atherton, Jeremy Lee, Joe Fattorini, Karan Gokani, Ken Hom, Lawrence Dallaglio, Libby Andrews, Mariella Frostrup, Mark Hix, Michel Roux Jr., Mitch Tonks, Monica Galetti, Neil Borthwick, Neil Rankin, Nick Gibson, Nieves Barragán Mohacho, Nud Dudhia, Oliver Peyton, Omar Allibhoy, Paulo de Tarso, Peter Nagle, Raymond Blanc, Richard Hodsdon, Richard Turner, Robin Freeman, Robin Gill, Robin Hutson, Romy Gill, Sam Buckley, Sam Hainsworth, Selin Kiazim, Shaun Searley, Soren Jessen, Tim Anderson, Tom Allen, Tom Brown, Tom Kerridge, Will Greenwood.



# THE YEAR AHEAD

## PRIORITIES FOR 2021

OUR PRIORITIES FOR 2021 ARE ALIGNED WITH OUR NEW INTERNATIONAL STRATEGIC PLAN FOR 2021-2025. THEY ARE TO:

- Mobilise resources to respond, prevent and mitigate nutrition and food crises
- Provide immediate assistance to populations affected by disasters
- Inform and influence decisions and strategies through our expertise
- Amplify voices to achieve impactful actions that help tackle the causes and effects of hunger

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# FINANCIAL PERFORMANCE

Action Against Hunger's income for the year ended 31 December 2020 increased from £46.0 million in 2019 to £50.8 million in 2020. As in prior years, total income includes the full amount of multiyear grants, accounted for in accordance with the Charities SORP and Accounting Standards, which require us to recognise the full amount of income on most such grants when agreements are signed. The majority of the increase in income in the year came from additional grants received from institutional donors for our humanitarian work.

The Accounts show that in 2020, 96 per cent of the total annual expenditure was allocated to charitable projects and services, with the remaining spend mostly used to support fundraising and, to a lesser extent, indirect support costs. With 96 per cent, Action Against Hunger is at the top end of UK charities in terms of the percentage of funds spent on charitable activities.

We ended the year with a net unrestricted funds surplus of £151,773, which has been added to accumulated general reserves. The Board of Directors has reviewed the reserves policy of the Charity and consider it appropriate to seek to maintain unrestricted free reserves equivalent to six months of general expenditure, to cover eventual risks including property liabilities and staff redundancies, as well as the closure of the Charity, to provide a cushion against seasonal variations in income and expenditure, to costs and to fund strategic plans outside of its normal operations. Unrestricted reserves as of 31 December 2020 were £1.7 million (which represents around 7 months of general expenditure).

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

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



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# RISK STATEMENT

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

Whilst the Charity operates necessarily in high-risk contexts to save the lives of these children and provide them and their families with opportunities for a better life, Action Against Hunger remain we remain prudent on how we mitigate these risks.

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

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

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

In 2020, Action Against Hunger carried out a review of its risk management framework and processes to assess and strengthen its identification and response to key risks. This included a comprehensive review of the key risks facing the Charity and the processes in place to manage and mitigate these, including the development of a more detailed organisation risk register and more regular review of key risks by the board and senior management team.

The board is responsible for appointing members of the Charity's Risk and Ethics Committee, of which four trustees were members in 2020. The main functions of the Committee are:

- To review and monitor the key risks and mitigation measures identified in the Charity's Risk Register (from 2020, the Risk Register is reviewed by the Risk and Ethics Committee on a quarterly rather than an annual basis)
- To oversee, support and advise the executive team on the assessment, management and mitigation of key risks and to inform the board of any new major risks or key changes in the risk environment
- To monitor the implementation of the existing mitigation measures and proposed mitigation action plans
- To review serious incident reports reported by the executive team and confirm authority for these to be reported to the Charity Commission
- To ensure that risk management is mainstreamed and embedded within the culture of the Charity

In 2020, the Covid-19 pandemic presented unique challenges for international humanitarian organisations all over the world, including Action Against Hunger. This required a rapid and dynamic response and the Charity acted quickly to manage the situation and mitigate the risks arising from the crisis.

## KEY RISKS

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

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

## SERIOUS INCIDENTS

In 2020 there were twelve allegations related to fraud, abuse of power, sexual exploitation, harassment, terrorism or bribery. All cases were investigated. As a result, three cases of fraud/abuse of power were proven and led to disciplinary action; one case of fraud/abuse of power led to a partnership with one of our downstream partners being terminated; and one safeguarding incident and one incident relating to terrorism/extremism were reported to local authorities. The cases meeting the Charity Commission's criteria for serious incidents were duly reported. None of the incidents occurred in the UK.

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# ENERGY USE AND GREENHOUSE GAS EMISSIONS

In the year ended 31 December 2020, Action Against Hunger UK consumed less than 40,000 kWh of energy and therefore is exempt from the requirements to publish information regarding its annual emissions and energy consumption.

## STAKEHOLDER ENGAGEMENT

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

### GENERAL CONFIRMATION OF TRUSTEE DIRECTORS' DUTIES

Action Against Hunger UK's Board has a clear framework for determining the matters within its remit and has approved Terms of Reference for the matters delegated to its Committees. Page 30 explains the roles and responsibilities of the Board Sub Committees. When making decisions, each Trustee Director ensures that they act in good faith to best promote the company's success for the achievement of its charitable purposes, and in doing so will have regard (among other matters) to:

#### **S172(1) (a) 'THE LIKELY CONSEQUENCES OF ANY DECISION IN THE LONG TERM'**

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

### **S172(1) (b) 'THE INTERESTS OF THE COMPANY'S EMPLOYEES'**

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

### **S172(1) (c) 'THE NEED TO FOSTER THE COMPANY'S BUSINESS RELATIONSHIPS WITH SUPPLIERS, CUSTOMERS AND OTHERS'**

Action Against Hunger UK's key business relationships are with: other members of the Action Against Hunger international network; the communities with whom we work; our suppliers; and our donors and supporters. Our engagement with these stakeholders is referenced within this report.

In order to deliver our mission and strategy, and to create impact at scale, we need to work with others. We will continue to work primarily through the implementing members within our Network and also build our capacity to work through other partnerships, alliances, and networks

### **S172(1) (d) 'THE IMPACT OF THE COMPANY'S OPERATIONS ON THE COMMUNITY AND THE ENVIRONMENT'**

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

### **S172(1) (e) 'THE DESIRABILITY OF THE COMPANY MAINTAINING A REPUTATION FOR HIGH STANDARDS OF BUSINESS CONDUCT'**

It is important that Action Against Hunger UK continues to maintain its reputation for high standards of conduct in all its work. As part of the Action Against Hunger network all of its employees and trustees are required to sign and abide by a Global Code of Conduct and we ensure compliance at all times with the high standards of business conduct attached to receiving funding from many important in institutional and private donors including FCDO/UK Aid. Reputational risk is addressed within our Corporate Risk Register and informs all key decision-making. Currently, the Trustee Governance and Remuneration Committee is supervising the implementation of the Code of Good Governance to ensure that recommended practices set out in the Code are in place.

### **S172(1) (f) 'THE NEED TO ACT FAIRLY AS BETWEEN MEMBERS OF THE COMPANY'**

This is not relevant to Action Against Hunger's organisational structure, as the charity is run in the interests of its charitable objects rather than in the interests of its members.

# STRUCTURE, GOVERNANCE AND MANAGEMENT

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

## DIRECTORS:

Mr Paul Wilson (Chair of Board)  
Mrs Frances Pasteur (Safeguarding Trustee)  
Mr Tim Wright (Chair of the Audit, Risk and Compliance Committee)  
Mr Nicolas Sarkis (Chair of the Fundraising, Engagement and Ethics Committee)  
Mr Sanjay Dhiri (Elected in September 2020)  
Ms Eleanor White (Elected in September 2020)  
Ms Jordan Winokur (Elected in September 2020)  
Mrs Pilar Junco (Resigned in September 2020)

## SENIOR MANAGEMENT:

Mr Jean-Michel Grand (Chief Executive)  
Ms Maria Franklin (Director of Human Resources)  
Mrs Juliet Parker (Director of Operations; left in September 2020)  
Ms Alison McNulty (Director of Operations; joined in November 2020)  
Mr Steve Notman (Director of Finance and Administration)  
Mr Matthew White (Director of Fundraising and Communications)

## AUDITORS:

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

## SOLICITORS:

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

## TRUSTEES

The Directors of Action Against Hunger are the Trustees. The Memorandum and Articles of the Association of the Company set out the way in which trustees may be appointed. The Board has reviewed its composition based on the recommendations of a Board development review. The trustees identified some gaps in skills and diversity. Three new Trustees were elected in September 2020.

All new trustees were provided with a structured induction programme. This covered, but was not limited to, trustees' roles and responsibilities; a clear understanding of the objectives of the charity, its vision and strategy; principles and values articulated in the charity's Code of Conduct and Charter; an introduction to some of its main policies, risks, and financial situation; meetings with the executive teams and a field visit of its overseas programmes.

Trustees are elected for a three-year term and cannot serve more than three successive terms. The Code of Conduct and conflict of interest forms are signed by the Trustees every year. Trustees' self-assessments are carried out annually. The assessment also includes some questions on the performance of the Chair. The outcomes of the assessments were discussed at the following Board meeting.

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

They define and propose the following to the Board for approval: Strategies (five-year plan)

1. Annual action plan
2. An annual risk register
3. Policies
4. Investment plans
5. Budgets

Board sub-committees meet regularly to oversee the following areas:

- **Audit, Risk and Compliance:** ensures the organisation's key risks are adequately managed through financial and nonfinancial internal controls. This committee also provides oversight to the development of Action Against Hunger UK's safeguarding culture and handles and reviews all reported safeguarding incidents across Action Against Hunger UK and its partners.
- **Fundraising, Engagement and Ethics:** oversees and advises on Action Against Hunger's UK fundraising and marketing activities and considers whether relationships meet certain ethical criteria.
- **Governance and Remuneration Committee:** ensures good Governance practices for the organisation and reviews financial and non-financial remuneration, including pension arrangements and annual cost of living awards for employees.

The Board has delegated approval for day-to-day operational decisions up to certain financial thresholds to the Chief Executive and other Executive team members under a Scheme of Delegation to enable them to coordinate and direct Action Against Hunger UK's work worldwide. All decisions above this threshold must be approved by the Board. The Board has also reserved to itself certain important decisions, such as major initiatives, appointment of the senior executives and approval of the long-term objectives and strategy.

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

Any change in strategy, action plan, policy or procedure proposed by the Chief Executive is examined and ratified by the Board. In December 2020, the Board approved a new 5 year UK strategy for the period 2021-2025.

The Board approves the delegation of financial authority through the chief executive to the charity, within specific limits.

The Trustee Governance and Remuneration Committee is supervising the implementation of the Code of Good Governance.

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

Action Against Hunger operates an incremental pay structure for all roles, including senior management. Grades are established by assessing the job description against the organisation's job evaluation tool. Where appropriate, roles are also periodically benchmarked against the annual Croner Charity Rewards Survey and comparable roles in similar organisations. Incremental increases are service related and awarded annually to the top of the designated grade. The Trustee Governance and Remuneration Committee meets in December, to review financial and non-financial remuneration, including pension arrangements and annual cost of living awards, which are applied to uplift the salary scales.

The Governance and Remuneration Committee recommendations are ratified by the full Board of Trustees.

## **INTERNAL CONTROL AND RISK MANAGEMENT**

The Trustee Directors have overall responsibility for Action Against Hunger's system of internal control. Such a system can provide only reasonable, and not absolute, assurance against errors or frauds. There is a clear delegation of the Trustee Directors' authority through the Chief Executive and SMT to the rest of the organisation.

Action Against Hunger operates an annual planning and budgeting process with reference to the 5-year Strategic plan and with a start of year and mid-year revised budgets approved by the Board of Trustee Directors. Significant changes during the year are subject to specific approval.

The financial reporting systems provide monthly comparison of actual results with budget. Forecasts of the expected results for the year are undertaken on a regular basis.

Action Against Hunger maintains a comprehensive register of corporate-level risks, the most significant of which are stated on page 26. The register identifies the major strategic and operational risks faced and how they are being managed.

As part of the annual three-year planning process, the key risks are considered by the Trustee Directors and the risks Action Against Hunger faces are reviewed quarterly during the year by the Executive team. The Trustee Directors are satisfied that systems are in place to monitor, manage and mitigate Action Against Hunger's exposure to major risks.

They consider that maintaining Action Against Hunger's general reserves at the levels stated on page 36, and reviewing internal controls and risks through an internal audit programme will provide Action Against Hunger with adequate risk assurance and sufficient resources in the event of adverse conditions. They also recognise that the nature of some of Action Against Hunger's work requires active acceptance and management of some risks when undertaking activities to achieve the objectives of the charity.

## THE ACTION AGAINST HUNGER INTERNATIONAL NETWORK

Action Against Hunger International is a global humanitarian organisation that is committed to saving the lives of malnourished children and supporting their families to beat hunger. In 2020, the Action Against Hunger International network was made up of seven separate legal entities (and their branches and subsidiaries) which were active in 46 countries around the world. The entities that make up the Action Against Hunger International network share the same objectives and operate under common International Co-Operation Protocols including an International Charter of Principles and a number of common policies agreed by the International Committee of Chairs and International Executive Committee.

In 2020, the entities that made up the Action Against Hunger International network were:

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

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

## RELATED PARTIES/SUBSIDIARIES

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

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

## APPROVAL

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



**MR PAUL WILSON**  
**CHAIR OF TRUSTEES**



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# STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The Trustees are responsible for preparing the Strategic Report, the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing the financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



**MR PAUL WILSON**  
**CHAIR OF TRUSTEES**

**APPROVED BY THE BOARD ON 26 OCTOBER 2021**

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF ACTION AGAINST HUNGER UK

### OPINION ON THE FINANCIAL STATEMENTS

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Action Against Hunger UK ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the Group and Parent Charitable Company Statements of Financial Position, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

### BASIS FOR OPINION

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

## INDEPENDENCE

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

## CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

## OTHER INFORMATION

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

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

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

We have nothing to report in this regard.

## OTHER COMPANIES ACT 2006 REPORTING

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

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

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

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

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

## RESPONSIBILITIES OF THE TRUSTEES

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

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## USE OF OUR REPORT

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

DocuSigned by:



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### **HEATHER WHEELHOUSE (SENIOR STATUTORY AUDITOR)**

**FOR AND ON BEHALF OF BDO LLP, STATUTORY AUDITOR,  
LONDON, UNITED KINGDOM**

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

28 October 2021

# FINANCIAL STATEMENTS

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
**ACTION AGAINST HUNGER UK**

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Total £
<b>Income from:</b>					
Donations and legacies	2a	2,578,146	995,725	<b>3,573,871</b>	4,382,567
Charitable activities	2b	2,496,129	44,449,375	<b>46,945,504</b>	41,576,815
Investment and other income		271,226	-	<b>271,226</b>	27,892
Total income		5,345,501	45,445,100	<b>50,790,601</b>	45,987,274
<b>Expenditure on:</b>					
Raising funds	3	1,504,742	139,686	<b>1,644,428</b>	<b>1,978,107</b>
Charitable activities	4	3,688,986	45,935,312	<b>49,624,298</b>	<b>44,385,973</b>
Total expenditure		5,193,728	46,074,998	<b>51,268,726</b>	<b>46,364,080</b>
<b>Net incoming resources/(resources expended)</b>	7	151,773	(629,898)	<b>(478,125)</b>	<b>(376,806)</b>
<b>Net movement in funds</b>		151,773	(629,898)	<b>(478,125)</b>	<b>(376,806)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	13	1,587,614	854,577	<b>2,442,191</b>	<b>2,818,997</b>
<b>Total funds carried forward</b>	13	<b>1,739,387</b>	<b>224,679</b>	<b>1,964,066</b>	<b>2,442,191</b>

The group has no other recognised gains or losses.

COMPANY NUMBER: 3069468

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
**ACTION AGAINST HUNGER UK**  
**STATEMENTS OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Fixed assets</b>					
Tangible assets	9	68,236	87,946	68,236	87,946
Investment in subsidiary	10	-	-	1	1
<b>Current assets</b>					
Debtors	11	37,094,959	24,914,030	37,094,959	24,914,030
Cash at bank and in hand		6,990,839	8,611,638	6,990,839	8,608,299
		44,085,798	33,525,668	44,085,798	33,522,329
<b>Creditors</b>					
Amounts falling due within one year	12	(42,189,968)	(31,171,423)	(42,189,969)	(31,168,085)
<b>Net current assets</b>		1,895,830	2,354,245	1,895,829	2,354,244
<b>NET ASSETS</b>		<b>1,964,066</b>	<b>2,442,191</b>	<b>1,964,066</b>	<b>2,442,191</b>
<b>FUNDS</b>					
Unrestricted funds	13	1,739,387	1,587,614	1,739,387	1,587,614
Restricted funds	13	224,679	854,577	224,679	854,577
		<b>1,964,066</b>	<b>2,442,191</b>	<b>1,964,066</b>	<b>2,442,191</b>

The surplus for the financial year dealt with in the financial statements of the parent Company was £141,062 (2019: deficit of £376,806).

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



Mr Paul Wilson (Chair of Trustees)

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
**ACTION AGAINST HUNGER UK**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Net cash (used in)/provided by operating activities</b>	<b>1</b>	<b>(1,625,106)</b>	<b>2,344,062</b>
<b>Cash flows from investing activities</b>			
Investment income received		5,025	10,587
Purchase of fixed assets		(718)	(92,633)
<b>Net cash provided by/(used in) activities</b>		<b>4,307</b>	<b>(82,046)</b>
Change in cash and cash equivalents in the year		(1,620,799)	2,262,016
Cash and cash equivalents at 1 January		8,611,638	6,349,622
<b>Net cash provided by activities</b>		<b>6,990,839</b>	<b>8,611,638</b>
<b>1. Reconciliation of net expenditure to net cash flow from operating activities</b>			
Net outgoing resources		(478,125)	(376,806)
Depreciation of tangible fixed assets		20,428	12,527
(Increase)/decrease in debtors		(12,180,929)	3,817,708
Increase in creditors		11,018,545	(1,098,780)
Investment income received		(5,025)	(10,587)
<b>Net cash (used in)/provided by operating activities</b>		<b>(1,625,106)</b>	<b>2,344,062</b>



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# COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL

## **ACTION AGAINST HUNGER UK**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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## **1 ACCOUNTING POLICIES**

### **(a) Basis of accounting**

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

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

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

Poor economic conditions and the impact of Covid on fundraising have continued into 2021 and will challenge our traditional fundraising activities through the uncertainties around major events we run, engagement with restaurants and corporates, and our work with students and the general public. There remains much uncertainty around the duration and impacts of the Covid-19 pandemic and we will continue to review income on a regular basis in the weeks and months ahead and review our financial stability as matters progress. We believe our revised 2021 forecasts for income and expenditure are achievable, but we recognise that the current uncertainties might require us to take additional cost-saving measures in future. Through the tough cost cutting measures we took in 2020 and 2021, combined with exceptional generosity from some of our key donors in 2020, we are likely to be able to enter 2022 with unrestricted reserves at a similar level to those we held pre-Pandemic at the end of 2019, which will help mitigate against any reductions in our fundraising income beyond our 2021 and 2022 budgets.

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

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

### **(b) Basis of consolidation**

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

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**COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL**  
**ACTION AGAINST HUNGER UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

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**(c) Income**

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

**(d) Expenditure recognition**

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

*Subcontracted grants*

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

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

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

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

**(f) Tangible fixed assets**

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

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

**(g) Operating leases**

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

**(h) Foreign currencies**

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

**(i) Fund accounting**

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

**(j) Pension**

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered scheme. The pension cost charge payable by the Charity in the year amounted to £82,874 (2019:£77,105 ). At the end of the financial year there were no contributions (employee and employer) still to be paid over to the scheme (2019: £Nil).

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
**ACTION AGAINST HUNGER UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020 (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

	2020	2020	2020	2019	2019	2019
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
<b>Donations and legacies</b>						
Individuals (including legacies and events)	1,013,415	54,513	1,067,928	1,544,544	38,584	1,583,128
Corporate donors	648,438	42,883	691,321	1,102,531	174,720	1,277,251
Trusts & Foundations	842,892	898,329	1,741,221	135,327	977,757	1,113,084
International partners	34,864	-	34,864	-	268,711	268,711
Gifts in kind	38,537	-	38,537	140,393	-	140,393
<b>Total donations and legacies</b>	<b>2,578,146</b>	<b>995,725</b>	<b>3,573,871</b>	<b>2,922,795</b>	<b>1,459,772</b>	<b>4,382,567</b>

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
**ACTION AGAINST HUNGER UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

2 (b) Charitable activities

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Unrestricted £	2019 Restricted £	2019 Total £
<b>Grant based activities</b>						
UK Government - DFID START	-	600,633	600,633	-	4,806,135	4,806,135
UK Government - DFID other	-	33,960,028	33,960,028	-	25,948,811	25,948,811
Al-Thani Humanitarian Fund	-	5,373,317	5,373,317	-	5,569,042	5,569,042
Children's Investment Fund Foundation	-	-	-	-	469,376	469,376
Disasters Emergency Committee	-	570,000	570,000	-	-	-
Others	-	362,956	362,956	-	-	-
	-	40,866,934	40,866,934	-	36,793,364	36,793,364
	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Unrestricted £	2019 Restricted £	2019 Total £
<b>Monitoring and evaluation services</b>						
UK Government - DFID	-	2,776,775	2,776,775	-	1,694,590	1,694,590
UN Agencies	-	259,115	259,115	-	357,255	357,255
Others	-	222,056	222,056	-	616,815	616,815
	-	3,257,946	3,257,946	-	2,668,660	2,668,660
<b>Provision of other services</b>						
Provision of employees to Action Against Hunger missions	2,496,129	-	2,496,129	2,114,791	-	2,114,791
Other services for Action Against Hunger network partners	-	324,495	324,495	-	-	-
	2,496,129	324,495	2,820,624	2,114,791	-	2,114,791
	<b>2,496,129</b>	<b>44,449,375</b>	<b>46,945,504</b>	<b>2,114,791</b>	<b>39,462,024</b>	<b>41,576,815</b>

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
**ACTION AGAINST HUNGER UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

**2 (c) Investment and other income**

Bank interest received	-	5,025	5,025	-	10,587	10,587
Other income	-	266,201	266,201	-	17,305	17,305
		271,226	271,226	-	27,892	27,892

Other income in 2020 is related to payments from HMRC as part of the Coronavirus Job Retention Scheme, in which organisations were able to claim for 80% of employee's wages plus any employer National Insurance and pension contributions for staff put on furlough or flexible furlough because of coronavirus.

**3 EXPENDITURE ON RAISING FUNDS**

	Direct £	Support costs £	Total 2020 £	Total 2019 £
Fundraising events	163,126	-	163,126	764,537
Other fundraising activities	1,263,556	217,746	1,481,302	1,213,570
	1,426,682	217,746	1,644,428	1,978,107

All fundraising events expenditure in 2020 and 2019 relates to unrestricted expenditure. Within other fundraising activity costs, £139,686 relates to restricted expenditure (2019: £42,660).

**4 CHARITABLE ACTIVITIES**

	Direct £	Support costs £	Total 2020 £	Total 2019 £
Overseas projects	46,654,473	273,003	46,927,476	41,878,081
Supply of aid workers	2,184,392	45,501	2,229,893	2,182,292
Advocacy/awareness raising	230,558	22,750	253,308	71,793
Monitoring and evaluation services	99,870	113,751	213,621	253,807
	49,169,293	455,005	49,624,298	44,385,973

Of total charitable activities, £3,688,986 related to unrestricted expenditure (2019: £3,107,701) and £45,935,312 related to restricted expenditure (2019: £40,485,719).

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
**ACTION AGAINST HUNGER UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

**5 SUPPORT COSTS**

	Executive Office £	Admin £	Finance and IT £	Total 2020 £	Total 2019 £
<b>Allocated to project costs</b>					
Overseas projects	55,947	133,308	83,748	273,003	311,314
Recruitment of aid workers	9,325	22,218	13,958	45,501	51,885
Advocacy/awareness raising	4,662	11,109	6,979	22,750	25,943
MEAL and Nutrition services	23,311	55,545	34,895	113,751	129,715
	93,245	222,180	139,580	455,005	518,857
<b>Allocated to fundraising</b>	23,518	146,613	47,615	217,746	219,825
	<b>116,763</b>	<b>368,793</b>	<b>187,195</b>	<b>672,751</b>	<b>738,682</b>

**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.

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
**ACTION AGAINST HUNGER UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

**6 STAFF COSTS**

	2020	2019
	£	£
<b>Staff costs for employees on UK contracts</b>		
Wages and salaries	4,920,661	4,769,695
Employer pension contributions	82,874	77,015
Social security costs	287,543	307,658
	<b>5,291,078</b>	<b>5,154,368</b>

The above amounts represents costs for the parent charity and the group (the parent charity's subsidiary does not employ any staff). The total emoluments earned and paid to the Chief Executive, Jean-Michael Grand, for the year, including pension contributions, was £102,072 (2019: £105,061).

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

	2020	2019
£90,001 to £100,000	-	1
£70,001 to £80,000	2	2
£60,001 to £70,000	4	4

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

Excluding the Chief Executive, total emoluments paid to other members of the Senior Management Team totalled £284,721 (2019: £305,678) in the year.

The average number of staff working overseas employed by Action Against Hunger under UK contracts during the year was 68 (2019: 68). At the year-end, staff numbers overseas were 64 (2019: 63). These amounts include staff that worked overseas on projects run by both Action Against Hunger and other members of the Action Against Hunger International network. The average number of staff employed by Action Against Hunger and working in the UK in 2020 was 70 (2019: 73). At the year-end, UK staff numbers were 59 (2019: 77).

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

Trustees are not remunerated and no expenses were claimed in 2020 (2019: £Nil).

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
**ACTION AGAINST HUNGER UK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

**7 NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

	2020	2019
	£	£
<b>Incoming resources/(resources expended) is stated after charging:</b>		
Depreciation of tangible fixed assets	20,428	14,526
Operating lease payments – property	192,512	187,523
Auditor’s remuneration: Charity	33,000	26,184
: Trading subsidiary	2,500	2,500

**8 TAXATION**

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

**9 TANGIBLE FIXED ASSETS**

Group and Charity	Leasehold property improvements £	Fixtures fittings & equipment £	Total £
<b>Cost</b>			
At 1 January 2020	248,626	79,053	327,679
Additions	-	718	718
At 31 December 2020	248,626	79,771	328,397
<b>Depreciation</b>			
At 1 January 2020	184,741	54,992	239,733
Charge for the year	11,824	8,604	20,428
At 31 December 2020	196,565	63,596	260,161
<b>Net book value</b>			
At 31 December 2020	<b>52,061</b>	<b>16,175</b>	<b>68,236</b>
At 31 December 2019	63,885	24,061	87,946



COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
**ACTION AGAINST HUNGER UK**  
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**FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

**10 INVESTMENT IN SUBSIDIARY UNDERTAKINGS**

Action Against Hunger Enterprises Limited (Company number 06569439) is a wholly owned subsidiary and is a company incorporated in England & Wales. The principal activity is conducting trading fundraising activities for the charity.

	2020	2019
	£	£
<b>Share capital</b>		
Authorised	100	100
Called up	1	1

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

	2020	2019
	£	£
<b>Statement of income and retained earnings</b>		
Turnover	10,795	10,568
Cost of sales	(64)	(68)
Net profit before taxation	10,731	10,500
Taxation	-	-
Retained profit for the year	<b>10,731</b>	<b>10,500</b>
<b>Statement of financial position</b>		
Current assets	10,732	10,501
Current liabilities	-	-
Net current assets	10,732	10,501
Total assets less current liabilities	<b>10,732</b>	<b>10,501</b>
<b>Capital and Reserves</b>		
Called up share capital	1	1
Retained profit	10,731	10,500
Equity shareholders' funds	<b>10,732</b>	<b>10,501</b>

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
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**11 DEBTORS**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Institutional donors	36,597,285	23,769,981	36,597,285	23,769,981
Action Against Hunger – Canada	20,458	40,259	20,458	40,259
Action Against Hunger – India	168,603	288,420	168,603	288,420
Accrued income	191,041	540,404	191,041	540,404
Sundry debtors	29,716	121,812	29,716	121,812
Prepayments	87,856	153,154	87,856	153,154
	<b>37,094,959</b>	<b>24,914,030</b>	<b>37,094,959</b>	<b>24,914,030</b>

Included in the amounts due from Institutional donors above are amounts due after more than one year of £4,924,303 (2019: £9,153,569).

**12 CREDITORS**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Amounts falling due within one year:</b>				
Action Against Hunger - France	34,345,632	20,045,577	34,345,632	20,045,577
Action Against Hunger - Spain	3,839,093	2,192,401	3,839,093	2,192,401
Action Against Hunger - USA	2,218,658	7,798,994	2,218,658	7,798,994
Action Against Hunger Enterprises	-	-	-	7,162
Deferred income	629,411	772,892	629,411	772,892
Other creditors	906,773	243,426	906,774	232,926
Accruals	250,401	118,133	250,401	118,133
	<b>42,189,968</b>	<b>31,171,423</b>	<b>42,189,969</b>	<b>31,168,085</b>

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL  
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**13 STATEMENT OF FUNDS**

	As at 01 Jan 20	Income	Expenditure	As at 31 Dec 20
	£	£	£	£
FCDO DRC PUNCH	-	10,914,876	(10,914,876)	-
Health Resilience in North East (HeRoN) Nigeria	-	6,104,709	(6,104,709)	-
Al-Thani Humanitarian Fund	-	5,373,317	(5,373,317)	-
Recovery Reintegration Resilience Consortium Afghanistan	-	4,904,962	(4,904,962)	-
FCDO DRC PUNCH III	-	4,000,000	(4,000,000)	-
FCDO Rapid Response Fund Yemen	-	3,000,000	(3,000,000)	-
FCDO SHINE Somalia	-	2,746,775	(2,746,775)	-
FCDO Multisector Humanitarian Response Yemen	-	1,894,079	(1,894,079)	-
FCDO Strengthening National Response Plan for COV19 in DRC	-	1,500,000	(1,500,000)	-
FCDO Rapid Response Fund Activation Somalia	-	891,402	(891,402)	-
FCDO Ebola Emergency in DRC	-	750,000	(750,000)	-
CIFF SAM 2.0 Project	447,459	-	(343,831)	103,628
Start Fund alerts	-	596,001	(596,001)	-
DEC Covid 19 appeal	-	570,000	(570,000)	-
People's Postcode Lottery	-	450,000	(450,000)	-
UN projects	102,046	259,115	(361,161)	-
ALBORADA Trust	-	200,000	(200,000)	-
Soneva foundation	-	138,600	(138,600)	-
Power of Nutrition Gujarat	-	118,481	(118,481)	-
Barclays UK project	-	100,000	-	100,000
ELRHA R2HC: Research to support Covid-19	-	101,834	(101,834)	-
FCDO MERIAM	-	-	-	-
DFID START FUND (Bangladesh Secretariat)	-	-	-	-
Action Against Hunger Network	-	613,088	(613,088)	-
Others	305,072	217,861	(501,882)	21,051
<b>Total restricted funds</b>	854,577	45,445,100	(46,074,998)	224,679
<b>Unrestricted funds</b>	1,587,614	5,345,501	(5,193,728)	1,739,387
<b>TOTAL FUNDS</b>	<b>2,442,191</b>	<b>50,790,601</b>	<b>(51,268,726)</b>	<b>1,964,066</b>

# ACTION AGAINST HUNGER UK

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

<b>13 GROUP STATEMENT OF FUNDS (CONT.)</b>	As at			As at
	01 Jan 19	Income	Expenditure	31 Dec 19
	£	£	£	£
DFID Nigeria (SUNNY)	-	8,500,000	(8,500,000)	-
DFID Humanitarian response Cox's Bazar	-	7,999,997	(7,999,997)	-
Al-Thani Humanitarian Fund	-	5,569,042	(5,569,042)	-
DFID Nigeria 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
Antonio Carluccio's Foundation	91,179	55,574	(21,071)	125,682
CIFF SAM 2.0 PROJECT	280,948	469,376	(302,865)	447,459
Action Against Hunger Network	-	343,285	(343,285)	-
Others	534,297	728,845	(1,083,752)	179,390
<b>Total restricted funds</b>	<b>1,155,120</b>	<b>40,921,796</b>	<b>(41,222,339)</b>	<b>854,577</b>
<b>Unrestricted funds</b>	<b>1,663,877</b>	<b>5,065,478</b>	<b>(5,141,741)</b>	<b>1,587,614</b>
<b>TOTAL FUNDS</b>	<b>2,818,997</b>	<b>45,987,274</b>	<b>(46,364,080)</b>	<b>2,442,191</b>

# ACTION AGAINST HUNGER UK

COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

#### 14 ACCOUNTING ESTIMATES AND KEY JUDGEMENTS

Included in the income and expenditure for the year is an amount of £4.9 million relating to a FCDO grant funded programme:-Recovery Reintegration Resilience Consortium Afghanistan (R3). Action Against Hunger is working on this project as part of a consortium led by the Norwegian Refugee Council (NRC). FCDO has an Accountable Grant Agreement with NRC for this project with the reference number: 300420-103. The Action Against Hunger component of the programme is subcontracted by Action Against Hunger UK to Action Against Hunger France.

Immediately following the change of government in Afghanistan in August 2021, Action Against Hunger suspended its R3 programme activities, repatriated all expatriate staff from the country and withdrew all local staff from local field offices.

Subsequently, following consultation with the R3 consortium members, the donor, and in-country stakeholders some activities resumed and our expectation is that the programme will be able to proceed, with some adjustments, in the coming months. If the programme were required to be terminated, there would be no material impact of the net funds or cash flows of the Charity.

#### 15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2020 are represented by:

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	68,236	-	68,236
Net current assets	1,671,151	224,679	1,895,830
<b>Total net assets</b>	<b>1,739,387</b>	<b>224,679</b>	<b>1,964,066</b>

Fund balances at 31 December 2019 were:

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

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# **ACTION AGAINST HUNGER UK**

## **COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

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#### **16 OPERATING LEASE COMMITMENTS**

The company and the group have total outstanding operating lease commitments relating to the lease of its London office of £1,003,883 (2019: £1,221,606).

#### **17 CONNECTED CHARITIES**

The directors consider Action Contre la Faim ('Action Against Hunger'), a charity registered in France, to be a connected charity. Action Against Hunger has the same objectives to that of the Company and works closely with it. Its business address is 14/16 Boulevard Douaumont – CS 80060, 75017 Paris CEDEX, France, from which accounts incorporating the results of Action Against Hunger (UK) Limited can be obtained. Other connected charities are Action Against Hunger USA, a charity registered in the US, and Action Contra el Hambre, a charity registered in Spain, Action Against Hunger Canada, a charity registered in Canada and Fight Hunger Foundation, a charity registered in India. Expenses are recharged between the connected charities where staff and other resources are used on projects run by the other charity. This gives rise to the balances at the year end referred to in Notes 11 and 12.

#### **18 RELATED PARTIES**

Action Against Hunger is one of the five members of the trading company ACFIN Licensing Ltd, a company based in the UK (Company No. 06672034). One of its main roles is to license its Action Against Hunger members the right to use trademarks. The Action Against Hunger UK Chief Executive is a Director of that company. During the year UK license expenses totalling £536 were charged to Action Against Hunger UK by Action Against Hunger Licensing Ltd. At the year end an amount of £24,262 was due from Action Against Hunger Licensing Ltd to Action Against Hunger UK.

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

**FOR A WORLD FREE FROM HUNGER**

**FOR FOOD**

**AGAINST HUNGER AND MALNUTRITION.**

**FOR CLEAN WATER**

**AGAINST KILLER DISEASES.**

**FOR CHILDREN THAT GROW UP STRONG**

**AGAINST LIVES CUT SHORT.**

**FOR CROPS THIS YEAR, AND NEXT**

**AGAINST DROUGHT AND DISASTER.**

**FOR CHANGING MINDS**

**AGAINST IGNORANCE AND INDIFFERENCE.**

**FOR FREEDOM FROM HUNGER**

**FOR EVERYONE**

**FOR GOOD**

**FOR ACTION**

**AGAINST HUNGER.**

