

**Registered Charity Number: 1126281**  
**Company Number: 06195282**  
**Scottish Charity Number: SC 038671**

**Human Relief Foundation**  
**(Company Limited by Guarantee)**

**Report and Financial Statements**

**for the year ended 31 December 2014**

# Human Relief Foundation

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# **Human Relief Foundation**

## **Company Information**

### **Trustees**

Dr Haytham Al-Khaffaf (Chairman)  
Dr Haitham Al-Rawi  
Dr Nooh Al-Kaddo  
Mr Wael Musabbah  
Mr Mohammed Rahman

### **Company Secretary**

Mr Kassim Tokan

### **Registered charity number**

1126281

### **Company number**

06195282

### **Scottish Charity Number**

SC 038671

### **Principal and registered office**

2-4 Claremont  
Bradford  
BD7 1BQ

### **Auditors**

Garbutt & Elliott Audit Limited  
Arabesque House  
Monks Cross Drive  
York  
YO32 9GW

### **Bankers**

National Westminster Bank  
699 Wilmslow Road  
Manchester  
M20 1YW

HSBC  
47 Market Street  
Bradford  
BD1 1LW

Al Rayan Bank  
44 Hans Crescent  
Knightsbridge  
London  
SW1X 0LZ

### **Solicitors**

Fieldings Porter Solicitors  
Silverwell House  
Bolton  
BL1 1PT

# **Human Relief Foundation**

## **Report of the Trustees for the year ending 31 December 2014**

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 December 2014, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities in the UK.

### **Mission and strategic objectives**

Human Relief Foundation (HRF) is an International Non-Governmental Charitable Organisation. HRF seeks to promote sustainable economic and social development by working with local communities through relief and developmental programmes, supporting them to build a better life and find their own solutions to global problems. For over two decades HRF has been instrumental in helping to save lives and relieve human suffering in some of the poorest regions of the world.

We provide emergency relief and assistance to people caught up in extraordinary, life-threatening situations. With permanent offices strategically located around the world (Bradford, Amman, Baghdad, Mosul, Islamabad, Kartoum, London, Glasgow, Birmingham, Manchester, Lyon and Paris), we actively provide global assistance whenever and wherever it is needed.

Our mission is to achieve lasting improvement in the quality of life of people, regardless of their gender, race, religion, class or political affiliation, by mobilising resources, building partnerships and developing local capacities to:

- Enable individuals, groups and communities to mitigate the effects of disaster and crises, prepare for their occurrence and provide humanitarian relief and recovery;
- Assist the disadvantaged in becoming self-reliant by developing their own solutions to development challenges and creating sustainable livelihoods;
- Promote sustainable development and address the root causes of conflict through programmes that target education, shelter, water and sanitation, health and nutrition and humanitarian dialogue;
- Support the vulnerable, disadvantaged and marginalised and enable them to voice their needs; and
- Build local capacities.

The charity relies heavily on the generous donations it receives from fellow charities, individuals and other organisations.

This annual report details what we have achieved during the year to 31 December 2014.

### **Achievements and performance**

#### **Jordan and Syria**

Over three million people have left Syria as a result of conflict, which began in 2011 and continues today. They have sought refuge in neighbouring countries, such as Jordan, in search of safety.

HRF Jordan office has worked for two and a half years (since September 2012) in partnership with the World Food Programme (WFP), supporting 85,000 Refugees in the food programme through the use of vouchers. The programme worked in seven governorates and in two camps (Cybre City and King Abdullah Park).

As a response to the Syrian refugee crisis in Jordan and the big need of winterisation aid, HRF implemented a winterisation project in northern areas of Jordan. In February 2014 we distributed parcels of aid including heaters, blankets, and food packages reaching over 1,000 households.

## Human Relief Foundation

### Report of the Trustees for the year ending 31 December 2014 (continued)

**Food packages:** HRF is keen to secure food for families, so each year we distribute food parcels to families most in need. In the summer of 2014, HRF provided food packages to over 600 families.

**Child care:** HRF provides support for children through several projects applied annually such as orphan sponsorship where in 2014 more than 45 children had enrolled, or other sponsorship projects.

School bags and stationery were distributed in March to more than 130 children to encourage them to back to school.

In Ramadan 2014, HRF held an Iftar for Jordanian and Syrian children where each one of them received a gift and money vouchers to cover a month's worth of needs.

#### Iraq

**Student Sponsorship:** Poverty in Iraq has had a very negative effect on education. Many educational institutions have been forced to close down. Furthermore, students have been forced out of education so they can work and provide for their families. Many students are also postponing their studies because families can't afford the expenses that university and education incurs. A survey was carried out by the Central Bureau of Statistics and Information which showed that in most provinces in Iraq, 40% of people live in poverty.

**Emergency:** A terrifying conflict and social instability has left hundreds of thousands of Iraqis fleeing for their lives. Those who have been left behind are suffering through poverty and fear. Thousands are stranded in the hot, sandy desert. Many more are struggling to find supplies in their own villages. Some are too afraid to leave their homes.

From our offices in Baghdad and Mosul, Human Relief Foundation provides much needed aid including; blankets, shelter, food, health kits, air coolers and clothes in Baghdad and surrounding areas, Erbil, Salahuddin and specific areas in Al-Anbar.

#### Sudan

Humanitarian need in Sudan is driven by conflicts, displacement and vulnerability. Sudan was the ninth largest recipient of official humanitarian assistance in 2013.

In Sudan, HRF provides crucial emergency medical assistance to those from disadvantaged communities, emergency aid in times of disaster and long term sustainable projects to promote a better way of life.

**Provision of health services to Internally Displaced Persons (IDP's) in West Darfur:** During the year, HRF has run four health facilities in West Darfur, two in Riyadh IDP's camp and one in Abuzer IDP's Camp. The service in these clinics covers reproductive health, outpatient consultation, vaccination, nutrition, pharmacy services, capacity building for medical cadres besides community awareness sessions on health issues.

The project was funded by WHO, UNFPA, UNICEF and UMR by signed agreements with HRF to support health services. The total number of direct beneficiaries during the year has amounted to 52,000.

All clinic staff are seconded from State Ministry of Health, with staff numbers totalling 47. HRF provided incentives, Sudan Ministry of Health covered salaries and agencies such as WHO, UNICEF and UNFPA have provided drugs and medical consultations.

## Human Relief Foundation

### Report of the Trustees for the year ending 31 December 2014 (continued)

During this period HRF conducted four training workshops to medical cadres on reproductive health services. The total number of cadres who attended this training amounted to 100. 10 community awareness sessions were held in Fistula community IDP's camps (Abuzer), girls schools and in the markets in Genina, Morni and Zalingi to support IDP's to take HIV prevention messages to their homes and communities, raise awareness and strengthen the capacity of communities, camp coordinators and other relevant stakeholders to prevent and respond to HIV in a safe and timely manner, and provide access for women of reproductive age to reproductive health services. During the year HRF also rehabilitated Riyadh RH centre and constructed a new extension and delivery room in collaboration with UNFPA.

**Ramadan project:** The project targeted 396 families to provide an assortment of food commodities for vulnerable families during Ramadan. The targeted group included orphans, women headed households, poor families and IDP's.

**Emergency relief activities:** HRF provided relief assistance (non-food items) to 600 households in the El-Mata locality in the River Nile State. The relief items provided included blankets, plastic sheets, tents and mosquito nets.

**Future plans:** The plan is to seek new partnerships to expand the activities to involve other sectors such as water and sanitation, education and food.

### Pakistan

Poverty is still prevalent in Pakistan. In 2013, the country was still the fifth largest recipient of aid in the world. There is a constant and ongoing need for public service provision and humanitarian intervention, as well as governance and peace operations.

The following includes the main programmes that have been implemented in Pakistan by HRF up to the end of August 2014:

**Water:** Building of water hand pumps in remote areas for people affected by regular disasters; currently focusing in Isakhel, Mianwali Punjab. Over 35 wells were constructed which benefited at least 7,000 people.

**Emergency response:** HRF relief response has benefited over 11,500 IDPs since the beginning of the conflict. HRF relief response included providing hygiene kits, medical camps, donation of medicines to public health facilities and cooked food distribution.

**Ramadan project:** Ramadan Project 2014 provided food packets to 6,000 beneficiaries.

**Isakhel Hospital:** This hospital is part funded by HRF. The hospital provides primary services free of charge and secondary services (gynecology, eye care and general surgery) to a catchment area of 600,000 people. In 2014, the hospital had cared for well over 12,000 patients from the Isakhel area.

### Orphans

An estimated 153 million children around the world are orphans. Most of them reside in Asia, which is home to over 60 million children who have lost their parents. The most prominent cause of death resulting in orphans is AIDS.

Human Relief Foundation has been working to improve the lives of orphans around the world since we began operating in 1991. Through our dedicated sponsorship programme, Human Relief Foundation has sponsored over 4,000 orphans. Our sponsorship packages help provide food, water, shelter, education and accommodation. We do this to give our orphans a chance at normal life, free from prostitution, slavery and exploitation.

We sponsor orphans all across the world. We have orphans sponsored in Iraq, Palestine, Jordan, Pakistan, Sudan, Syria, Lebanon and Bangladesh.

# **Human Relief Foundation**

## **Report of the Trustees for the year ending 31 December 2014 (continued)**

### **Qurbani**

Human Relief Foundation has expanded its capacity during the past several years to be able to perform Qurbani in fifteen separate countries including Palestine, Syria and Iraq.

In 2014 alone, Human Relief Foundation implemented over 5,000 Qurbani's. In 2014, prices started at just £25 and fed people in India, Pakistan, Bangladesh, Afghanistan, Syria, Lebanon, Iraq, Sri Lanka, Kashmir, Sudan, Burma, Somalia, Palestine, Ethiopia and Ghana.

### **Our volunteers**

The charity gratefully accepts the help of its 25 volunteers who help the charity to raise funds by working in its shops. Without the commitment of these individuals the contribution made by the sale of donated goods could not be achieved.

Volunteers undertake a variety of roles within retail fundraising including collecting donated goods, sorting and merchandising as well as staffing our 5 retail outlets. The time donated by volunteers amounts to the equivalent of 20 (2013: 20) full time equivalent staff.

### **Financial review**

The Trustees are pleased with the Charity's financial performance for the year ended 31 December 2014.

The results on the Consolidated Statement of Financial Activities show an overall surplus of £395,390, compared to a deficit of £110,444 in the previous financial year.

The Charity had an operational surplus before taxation of £556,594 (2013 – loss £110,444) but reported a loss on revaluation of investment property of £175,000.

Voluntary income was higher than in the previous financial year as a result of increased donations from both individuals and organisations. Income from activities for generating funds was comparable to the previous year due to the ongoing success of the sale of donated goods in shops.

The trading subsidiary company, Delta One Limited, continues to sell donated goods and the Trustees are pleased with its contribution to the funding of the Charity.

The Trustees are satisfied that the Charity's assets are available and adequate to fulfil its obligations for the foreseeable future.

### **Reserves Policy**

In assessing the appropriate level of reserves to be maintained by the Charity, the Trustees take historic and forecast levels of income and expenditure and their volatility into account. This has resulted in a current policy of maintaining the level of free reserves in the range of 4 to 6 months forward expenditure. The Board reviews the policy on reserves annually.

The current level of funds held by the charity at the year-end amounted to £2,287,141 (2013 - £1,891,751) and included restricted funds of £131,592 (2013: £nil). After deducting restricted funds, the Charity had free reserves of £1,461,774 (2013: £1,023,133). This represents 5.5 months forward expenditure which is an increase of 2.5 months compared to last year end.

### **Plans for future periods**

The Trustees intend to expand our offices geographically and have identified Ghana and Bangladesh as potential locations. The refugee crisis is growing and HRF intends to provide more support in aid.

# Human Relief Foundation

## Report of the Trustees for the year ending 31 December 2014 (continued)

### Reference and administrative Details

England and Wales Charity Number: 1126281  
Company Number: 06195282  
Scottish Charity Number : SC 038671  
Registered Office: 2 – 4 Claremont, Bradford, BD7 1BQ

### Our advisors

Auditors	Garbutt & Elliott Audit Limited	Arabesque House, Monks Cross Drive, York, YO32 9GW
Bankers	HSBC Bank PLC	47 Market Street, Bradford, BD1 1LW
	National Westminster Bank PLC	699 Wilmslow Road, Manchester, M20 1YW
	Al Rayan Bank PLC	44 Hans Crescent, Knightsbridge, London, SW1X 0LZ
Solicitors	Fieldings Porter Solicitors	Silverwell House, Bolton, BL1 1PT

### Structure, Governance and Management

The Directors of the Charitable Company are its Trustees for the purposes of charity law. The Trustees and Officers serving during the year and since the year end were as follows:

Dr Haytham Al-Khaffaf (Chairman)  
Dr Haitham Al-Rawi  
Dr Nooh Al-Kaddo  
Mr Wael Musabbah  
Mr Mohammed Rahman

Company Secretary - Mr Kasim Tokan

The Senior Management Team takes day to day responsibility for operational management of the Charity. During the year the Senior Management Team comprised the following key individuals:

Dr Nabeel Ramadhani – Chief Executive Officer/President  
Mr Kassim Tokan - Deputy Chief Executive Officer  
Dr Salah Daak - International Programmes and Field Office Manager  
Mr Mohammed Rahman – Finance and Compliance Manager

### Constitution

Human Relief Foundation is a company limited by guarantee, governed by its articles of association which have not been amended since incorporation on 30 March 2007. The liability of members is limited to £1 per member.

The Charity registered with the Charity Commission on 14 October 2008 after receiving a gift in kind upon the dissolution of its predecessor charity also named Human Relief Foundation. If upon winding up or dissolution of the Charity there remain any assets, after satisfying all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having objects similar to the Charity.



# **Human Relief Foundation**

## **Report of the Trustees for the year ending 31 December 2014 (continued)**

The Charity has a trading subsidiary, Delta One Limited, a company limited by shares, registered company number 07461733.

### **Appointment of trustees**

The Board of Trustees consists of local people that collectively have the skills, expertise and experience to ensure that the Charity is managed effectively.

Where a vacancy arises a new trustee is appointed only by the passing of a resolution of the Board of Trustees.

### **Trustee induction and training**

Trustees are inducted by the Board approving their applications, having regard to their potential contribution towards the Charity's objectives and the need for a broad range of experience amongst Trustees. Once appointed, new Trustees are briefed and given a training handbook. In some cases it may be mutually agreed that a formal course will be beneficial; the Charity will arrange formal tuition with NCVO or other provider as appropriate.

### **Organisation**

The Board of Trustees administers the Charity. The Board normally meets 4 times per year. The Board of Trustees cover matters pertaining to finance, investment, governance, human resources, fundraising, public relations and retail.

The Board of Trustees includes a range of individuals with the appropriate knowledge and experience, external advisors may be engaged, be they paid or voluntary, where the Board deem it necessary to support them in their role.

A President and Senior Management Team are appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operations the President and the Senior Management Team under the direction of the President have delegated authority for operational matters.

### **Related parties and co-operation with other organisations**

None of our Trustees receive remuneration or other benefit from their work with the Charity. Any connection between a Trustee or member of the Senior Management Team, a supplier, funder, supporter, organisation working collaboratively with or beneficiary of the Charity must be disclosed to the Board of Trustees in the same way as any other contractual relationship with a related party.

The work of the Charity is internationally recognised and in April 2003 Special Consultative Status with the Economic and Social Council of the United Nations was granted. HRF is a signatory of the Code of Conduct for the International Red Cross and Red Crescent Societies and has a partnership agreement with the European Commission Humanitarian Aid (ECHO). It is also a member of the British Overseas National Development Forum (BOND).

The Charity's wholly-owned subsidiary company, Delta One Limited, trades on the Charity's behalf to generate income from the sale of donated goods in its charity shops.

### **Pay policy for senior staff**

The pay of the President and Senior Management Team is reviewed annually and is normally increased in line with inflation and comparable roles within the sector.

# **Human Relief Foundation**

## **Report of the Trustees for the year ending 31 December 2014 (continued)**

### **Principal risks and uncertainties**

The Trustees have identified resources and established review systems to manage organisational risk.

The Trustees maintain a risk register of the risks faced by the Charity and its subsidiary that is reviewed at least annually. The risk register records the risks that may arise in each area of the Charity's operations, along with the policies, systems and procedures in place to mitigate them. Risks are identified, assessed, and scored according to their likelihood and impact. Appropriate steps are then taken to mitigate them in day to day operations.

The principal risks and uncertainties faced by the Charity at the time of writing are as follows:

- Increase in competition where a growing number of charities are seeking funds from the same donors.
- Foreign exchange risk.
- Safeguarding assets against unauthorised use.
- Compliance requirements with relevant laws and regulations.

### **Trustees' responsibilities in relation to the financial statements**

The Charity Trustees are responsible for preparing a Trustees' Annual Report and Financial Statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

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

Each of the Trustees have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information, and to establish that the Charity's auditors were aware of that information, and as far as each of the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Human Relief Foundation**

### **Report of the Trustees for the year ending 31 December 2014 (continued)**

#### **Statement as to disclosure to our auditors**

In so far as the Trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the Trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **Auditors**

Garbutt & Elliott Audit Limited were appointed auditors during the year, and in accordance with section 487(2) of the Companies Act 2006 are deemed to be re-appointed annually.

The Trustees' Report was approved by the Board of Trustees and signed on its behalf by:

Mr Mohammed Rahman  
**Trustee**

18 September 2015

# **Human Relief Foundation**

## **Independent Auditors' Report to the Members of Human Relief Foundation**

We have audited the group financial statements of Human Relief Foundation for the year ended 31 December 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable for Smaller Entities).

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charity's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body and its Trustees as a body, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and Auditors**

As explained more fully in the Trustees' Responsibilities Statement set out in the Trustees Report, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## **Human Relief Foundation**

### **Independent Auditors' Report to the Members of Human Relief Foundation (continued)**

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

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

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company's financial statements are not in agreement with the accounting records or returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

**Alan Sidebottom**  
**Senior Statutory Auditor**

24 September 2015

**For and on behalf of Garbutt & Elliott Audit Limited**  
**Statutory Auditor**

Arabesque House  
Monks Cross Drive  
York  
YO32 9GW

# Human Relief Foundation

## Consolidated Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the year ended 31 December 2014

	Notes	Unrestricted funds £	Restricted funds £	2014 Total £	2013 Total £
<b>Incoming resources</b>					
<b>Voluntary income:</b>					
Donations	2	1,964,284	1,272,438	3,236,722	2,973,419
<b>Activities for generating funds:</b>					
Retail income from subsidiary		385,204	-	385,204	399,951
<b>Investment income</b>	2	91	-	91	10,668
<b>Incoming resources from generated funds</b>		2,349,579	1,272,438	3,622,017	3,384,038
<b>Incoming resources from charitable activities</b>					
Grants receivable	2	-	216,807	216,807	568,055
<b>Total incoming resources</b>		2,349,579	1,489,245	3,838,824	3,952,093
<b>Resources expended</b>					
Costs of generating voluntary income	3	334,976	-	334,976	279,741
Costs of generating funds:	3	377,027	-	377,027	372,011
Charitable expenditure:	3	1,176,938	1,357,653	2,534,591	3,395,761
Governance costs	3	35,636	-	35,636	15,024
<b>Total resources expended</b>		1,924,577	1,357,653	3,282,230	4,062,537
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>	4	425,002	131,592	556,594	(110,444)
<b>Other recognised losses</b>					
Losses on revaluation of investment property	8	(175,000)	-	(175,000)	-
<b>Net incoming resources before taxation</b>		250,002	131,592	381,594	(110,444)
Taxation credit/(charge)	6	13,796	-	13,796	-
<b>Net movement in funds</b>		263,798	131,592	395,390	(110,444)
Total funds brought forward at 1 January 2014		1,891,751	-	1,891,751	2,002,195
<b>Total funds carried forward at 31 December 2014</b>	<b>11 &amp; 12</b>	2,155,549	131,592	2,287,141	1,891,751

There are no recognised gains or losses other than those shown above, and there were no acquisitions or discontinued operation in either this or the preceding period.

Under the provisions under Section 408 of the Companies Act 2006, a separate Statement of Financial Activities for the Charity alone is not required.

The notes on pages 14 to 25 form part of these financial statements.

# Human Relief Foundation

## Balance Sheet as at 31 December 2014

	Notes	Group		Charity	
		As restated		As restated	
		2014	2013	2014	2013
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	<b>7</b>	568,775	868,618	549,847	853,359
Investment Properties	<b>8</b>	125,000	-	125,000	-
Investments	<b>8</b>	-	-	1	1
		693,775	868,618	674,848	853,360
<b>Current Assets</b>					
Debtors	<b>9</b>	361,119	94,239	395,255	149,947
Cash at Bank and in Hand		1,452,486	992,551	1,435,361	955,230
		1,813,605	1,086,790	1,830,616	1,105,177
<b>Creditors:</b> Amounts falling due within one year	<b>10</b>	(220,239)	(63,657)	(218,341)	(48,161)
<b>Net Current Assets</b>		1,593,366	1,023,133	1,612,275	1,057,016
<b>Total Assets less Current Liabilities</b>		<b>2,287,141</b>	<b>1,891,751</b>	<b>2,287,123</b>	<b>1,910,376</b>
<b>Reserves</b>					
<b>Unrestricted Funds</b>					
General Funds		2,155,549	1,891,751	2,155,531	1,910,376
<b>Restricted Funds</b>	<b>11</b>	131,592	-	131,592	-
<b>Total Funds</b>	<b>12</b>	<b>2,287,141</b>	<b>1,891,751</b>	<b>2,287,123</b>	<b>1,910,376</b>

The accounts have been prepared in accordance with the special provisions relating to small companies in Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard of Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the Trustees on 18 September 2015 and signed on their behalf by:

Mr Mohammed Rahman  
Trustee

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2014

### 1. Accounting policies

#### 1.1 Company status

The Charity is limited by guarantee and does not have share capital. The liability of members is limited to £1 per member.

If upon winding up or dissolution of the charity there remain any assets, after satisfying all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having objectives similar to the Charity.

#### 1.2 Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities 2005 (SORP), the Financial Reporting Standard for Smaller Entities (effective April 2008) and the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

#### 1.3 Basis of consolidation

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity and its subsidiary company. The results of the subsidiary are consolidated on a line by line basis.

The Charity has adapted the Companies Act formats to reflect the special nature of its activities. No separate SOFA has been presented for the Charity alone as permitted by Section 408 of the Companies Act 2006 and Paragraph 397 of the SORP.

#### 1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for a particular purpose. Where no on-going restriction remains and all original conditions and restrictions have been met in relation to the original grant or donation, funds are transferred to general funds.

#### 1.5 Incoming resources

Donations, grants, investment and other income are credited as income in the year in which they are receivable.

The value of donated goods is credited as income at the time of sale. The value of donated goods unsold at the year-end is excluded from the Statement of Financial Activities.

Gifts in kind are recognised at the value of the good or service transferred to the charity.

No amounts are included in the financial statements for time and services donated by volunteers.

#### 1.6 Charitable expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been apportioned on a basis consistent with the use of the resources.

The cost of generating voluntary income includes fundraising event costs, direct campaigns, general information and public relation costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity.



# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2014 (continued)

### Charitable expenditure (continued)

Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Irrecoverable VAT is allocated to the cost to which it relates.

### 1.7 Fixed assets and depreciation

Fixed assets are included on a historical cost basis. It is a policy of the trustees that individual items with a cost below £500 are not capitalised.

Depreciation is provided at the following rates and bases to write off the cost of tangible fixed assets over their estimated useful lives by annual instalments, with a full year's charge in the acquisition year and no charge in the year disposed:

Fixtures and fittings	- 20% straight line
Motor vehicle	- 20% reducing balance
Computer equipment	- 25% straight line

No depreciation is provided on freehold land. Additionally, no depreciation is provided on freehold buildings currently held by the Charity as their residual valued are considered to approximate to or exceed cost.

### 1.8 Investment property

Investment properties are included in the balance sheet at their open market value. Depreciation is not provided only on investment properties. Although this accounting policy is in accordance with the applicable accounting standard, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the Trustees, compliance with the standard is necessary for the accounts to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the revaluations and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

### 1.9 Stock

Stock held represents donated goods which include second hand clothes, bric-a-brac and furniture to which no value can reasonably be attributed.

### 1.10 Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

### 1.11 Taxation

The company is a registered charity and has no liability to corporation tax on its charitable activities. The trading subsidiary is liable to corporation tax on its taxable profits to the extent that it does not pay profits up to the charity and claim charitable donations relief.

### 1.12 Foreign currency

The Charity undertakes transactions in foreign currencies. Exchange gains and losses arising due to translation into sterling are recognised by applying an average rate of exchange for the year and year end rate for assets and liabilities.

## Human Relief Foundation

### Notes to the Consolidated Financial Statements for the year ended 31 December 2014 (continued)

#### 2. Incoming resources

	2014 £	2013 £
<b><i>Voluntary income:</i></b>		
<b>Donations</b>		
Qatar Charity	594,364	462,835
NEMA	527,038	725,287
Al Eslah Society	91,475	113,326
Sharjah Charitable House	63,220	38,296
Islamic Development Bank	47,564	-
Sahara Hands	39,000	-
Islamic Help	38,804	-
Donations from individuals and charitable organisations	1,718,902	1,432,312
Gift Aid on donations from individuals	74,086	135,228
Gifts in kind	42,269	66,135
	3,236,722	2,973,419
<b><i>Investment income:</i></b>		
Bank deposit interest	91	10,668
<b><i>Incoming resources from charitable activities:</i></b>		
Grants Receivable:		
UN-Habitat	204,810	109,006
National Endowment for Democracy	11,997	46,955
Somali Community Concern	-	32,029
European Commission	-	109,567
Other grants	-	270,498
	216,807	568,055

## Human Relief Foundation

### Notes to the Consolidated Financial Statements for the year ended 31 December 2014 (continued)

#### 3. Analysis of total resources expended

	Direct costs £	Allocated costs £	Total 2014 £	Total 2013 £
<b>Costs of generating voluntary income:</b>				
Donations campaign	94,273	38,481	132,754	131,492
Donations - Fundraising activities	143,605	58,617	202,222	148,249
	237,878	97,098	334,976	279,741
<b>Costs of generating funds:</b>				
Shops	267,741	109,286	377,027	372,011
<b>Charitable expenditure:</b>				
Health, education and skills development	304,549	124,311	428,860	895,280
Widows and orphans support	872,064	355,958	1,228,022	907,088
Qurbani	110,637	45,160	155,797	521,511
Emergency and natural disasters	110,706	45,188	155,894	90,329
Sadaqa and Zakat	36,990	15,098	52,088	427,805
Grant funded programmes	222,336	90,753	313,089	411,661
Donations given	142,625	58,216	200,841	142,087
	1,799,907	734,684	2,534,591	3,395,761
<b>Governance costs:</b>				
Legal and professional	25,636	-	25,636	10,430
Auditors' remuneration	10,000	-	10,000	4,594
	35,636	-	35,636	15,024

## Human Relief Foundation

### Notes to the Consolidated Financial Statements for the year ended 31 December 2014 (continued)

#### 3. Analysis of total resources expended (continued)

##### Support costs

Allocated on a usage basis and included in the above totals are as follows:

	Employment costs	Premises costs	Administration costs	Total 2014	Total 2013
	£	£	£	£	£
Donations campaign	21,277	6,087	11,117	38,481	31,517
Donations - Fundraising activities	32,410	9,272	16,935	58,617	35,533
Shops	60,427	17,286	31,573	109,286	89,165
Health, education and skills development	68,734	19,663	35,914	124,311	214,585
Widows and orphans support	196,816	56,304	102,838	355,958	217,414
Qurbani	24,970	7,143	13,047	45,160	124,998
Emergency and natural disasters	24,985	7,148	13,055	45,188	21,650
Sadaqa and Zakat	8,348	2,388	4,362	15,098	102,538
Grant funded programmes	50,179	14,355	26,219	90,753	98,669
Donations made	32,189	9,208	16,819	58,216	34,056
	520,335	148,854	271,879	941,068	970,125

#### 4. Net incoming resources for the year

Net incoming resources for the year is stated after charging:

	2014 £	2013 £
Depreciation of owned assets	11,810	9,303
Foreign exchange losses	6,053	1,357
Auditors' remuneration:		
For the audit of the annual accounts	10,000	4,494
Rentals under operating leases	150,885	125,324

## Human Relief Foundation

### Notes to the Consolidated Financial Statements for the year ended 31 December 2014 (continued)

#### 5. Information regarding trustees and employees

	2014 £	2013 £
<b>Staff costs comprise</b>		
Wages and salaries	594,285	466,970
Social security costs	36,491	27,740
<b>Total employment costs</b>	<b>630,776</b>	<b>494,710</b>

During the year, the Charity employed an average of 26 staff (2013 – 19).

The Trustees received no remuneration during either year. Trustees received a total of £328 (2013 - £191) in respect of out of pocket expenses incurred during the year.

No employee earned over £60,000 in the year (2013 – nil).

During the year the brother of Mr M Rahman, a Trustee, was employed by the Charity on a full time basis as the Finance and Compliance Manager. The employee, Mr M Rahman, received a salary of £24,000 (2013 - £24,000) during the year.

#### 6. Taxation

In respect of Delta One Investments Limited only:

	2014 £	2013 £
UK Corporation tax	-	-
Adjustment for prior years	(13,796)	-
<b>Total current tax</b>	<b>(13,796)</b>	<b>-</b>

The charitable activities of Human Relief Foundation are exempt from taxation under Chapter 3 of part 11 of the Corporation Tax Act 2010.

## Human Relief Foundation

### Notes to the Consolidated Financial Statements for the year ended 31 December 2014 (continued)

#### 7. Fixed assets

Group	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	As restated Total £
<b>Cost</b>					
1 January 2014	831,549	40,039	8,993	31,714	912,295
Additions	2,970	8,997	-	-	11,967
Transfer to investment properties	(300,000)	-	-	-	(300,000)
31 December 2014	534,519	49,036	8,993	31,714	624,262
<b>Depreciation</b>					
1 January 2014	-	18,868	6,777	18,032	43,677
Charge for the year	-	6,806	443	4,561	11,810
31 December 2014	-	25,674	7,220	22,593	55,487
<b>Net book value</b>					
31 December 2014	534,519	23,362	1,773	9,121	568,775
31 December 2013	831,549	21,171	2,216	13,682	868,618

Charity	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	As restated Total £
<b>Cost</b>					
1 January 2014	831,549	15,776	8,993	31,714	888,032
Additions	2,970	-	-	-	2,970
Transfer to investment properties	(300,000)	-	-	-	(300,000)
31 December 2014	534,519	15,776	8,993	31,714	591,002
<b>Depreciation</b>					
1 January 2014	-	9,864	6,777	18,032	34,673
Charge for the year	-	1,478	443	4,561	6,482
31 December 2014	-	11,342	7,220	22,593	41,155
<b>Net book value</b>					
31 December 2014	534,519	4,434	1,773	9,121	549,847
31 December 2013	831,549	5,912	2,216	13,682	853,359

All tangible assets were used for charitable purposes.

# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2014 (continued)

### 8. Investments

#### The Charity and the Group

	2014 £	2013 £
<b>UK Investment Property</b>		
Value at 1 January 2014	-	-
Transfer from Fixed Assets	300,000	-
Revaluation	(175,000)	-
Market Value at 31 December 2014	125,000	-

A transfer has been made between fixed assets and investment properties in respect of a property to reflect a change in use. The property has an original cost of £300,000 and was independently valued by A J Idle MRICS of Andrew Idle Commercial Property Limited on 10 June 2015 on the basis of open market value. The Trustees believe that the valuation was comparable as at 31 December 2014.

#### Charity

	2014 £	2013 £
<b>Shares in subsidiary undertaking</b>		
Delta One Investments Limited	1	1

The Charity owns 100% of the ordinary share capital of Delta One Investments Limited, a company registered in England and Wales. Delta One Investments Limited's principal activity is the sale of donated goods.

The income and expenditure of Delta One Investments Limited, which have been included in these consolidated accounts, for the year ended 31 December 2014 is summarised below:

	2014 £	2013 £
Turnover	385,204	278,772
Administrative expenses	(267,741)	(143,361)
Profit on ordinary activities for the financial year	117,463	135,411
Gift aid payment	(112,616)	(208,000)
Profit on ordinary activities before taxation	4,847	(72,589)
Taxation	13,796	-
Profit retained for the financial year	18,643	-

## Human Relief Foundation

### Notes to the Consolidated Financial Statements for the year ended 31 December 2014 (continued)

#### 8. Investments (continued)

The aggregate of the assets, liabilities and funds was:

	2014 £	2013 £
Assets	46,941	61,756
Liabilities	(46,922)	(80,380)
	19	(18,624)
Represented by:		
Called up share capital	1	1
Profit and loss account	18	(18,625)
	19	(18,624)

#### 9. Debtors

	Group As restated		Charity	
	2014 £	2013 £	2014 £	2013 £
Trade debtors	4,799	5,948	4,799	5,948
Amount owed by subsidiary	-	-	45,024	64,884
Other debtors	356,320	88,291	345,432	79,115
	361,119	94,239	395,255	149,947

At the balance sheet date, the amount owed by Delta One Investments Limited was interest free and had no fixed date for repayment.

#### 10. Creditors – Amounts falling due within one year

	Group As restated		Charity	
	2014 £	2013 £	2014 £	2013 £
Trade creditors	37,070	35,065	37,070	35,065
Taxes & social security costs	505	21,563	-	7,767
Accruals & deferred income	182,664	7,029	181,271	5,329
	220,239	63,657	218,341	48,161



# Human Relief Foundation

## Notes to the Consolidated Financial Statements for the year ended 31 December 2014 (continued)

### 11. Movements in restricted funds

#### The Charity and the Group

	1 January 2014 £	Incoming £	Expenditure £	31 December 2014 £
Health, education and skills development	-	147,977	(147,977)	-
Widow and orphan support	-	758,115	(758,115)	-
Qurbani	-	78,860	(78,860)	-
Emergency appeals	-	287,486	(155,894)	131,592
UN Habitat – Somalia	-	204,810	(204,810)	-
NED: Building a new Libya	-	11,997	(11,997)	-
	-	1,489,245	(1,357,653)	131,592

Restricted funds as at 31 December 2014 consist of unspent restricted grants and donations.

Fund	Nature and application
Health, education and skills development	This fund provides support to beneficiaries in health care such as immunisations. It also provides beneficiaries with sponsorship in educational and skills courses to help them become self-reliant.
Widow and orphan support	This fund provides orphans and vulnerable families with food, water, shelter, education and accommodation.
Qurbani	This fund facilitates the requirements of the donors where it is obligatory to perform Qurbani. The beneficiaries of this fund are in the poorer countries who will benefit the most.
Emergency appeals	This is intended to aid those beneficiaries who urgently require assistance such as victims of earthquakes, internally displaced people as a result of conflict etc.
UN Habitat – Somalia	This fund is provided by UN Habitat and is to support the solid and liquid waste management activities in Somalia. Activities include assessments, providing technical assistance and capacity building to ongoing interventions as well as outlining approaches and strategies for future engagement.
NED: Building a new Libya	Funded by the National Endowment for Democracy. This fund is for the capacity building for civil society organisations to engage in conflict resolution and democratic inclusion, post conflict reconstruction and nation building.

## Human Relief Foundation

### Notes to the Consolidated Financial Statements for the year ended 31 December 2014 (continued)

#### 12. Analysis of assets and liabilities between funds

Group	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	568,775	-	568,775
Investments	125,000	-	125,000
Current assets	1,682,013	131,592	1,813,605
Current liabilities	(220,239)	-	(220,239)
Total net assets	2,155,549	131,592	2,287,141

Charity	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	549,847	-	549,847
Investments	125,001	-	125,001
Current assets	1,699,024	131,592	1,830,616
Current liabilities	(218,341)	-	(218,341)
Total net assets	2,155,531	131,592	2,287,123

#### 13. Leasehold property commitments (Charity and Group)

	The Charity and the Group	
	2014 £	2013 £
Within 1 year after the year end	16,348	8,273
Between 2 and 5 years after the year end	46,500	78,534
	62,848	86,807

#### 14. Post balance sheet events

There are no post balance sheet events to report.

#### 15. Charity results

No separate Statement of Financial Activities or Income and Expenditure Account have been reported for the Charity alone as permitted by section 408 of the Companies Act and Paragraph 397 of the Charities SORP. The income of the Charity for the year was £3,571,177 (including a Gift Aid Donation from the subsidiary). Expenditure and other recognised losses amounted to £3,080,399. The net increase in funds was £490,778.

#### 16. Related party transactions

##### The Charity and the Group

During the year, a gift in kind was made by Mr N Ramadhani, the President of Human Relief Foundation, for the rent free use of a property occupied by Human Relief Foundation. The gift has been recognised at a value of £15,000 per annum (2013 - £15,000).

##### The Charity

The Charity has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

## Human Relief Foundation

### Notes to the Consolidated Financial Statements for the year ended 31 December 2014 (continued)

#### 17. Prior year adjustment

The prior year included a freehold land and building with a historic cost to the charity of £79,000. Previously, it had been the intention that this property would be gifted the charity and, accordingly, the gift had been recognised. However due to legal difficulties the legal transfer has never formally taken place. Consequently a prior period adjustment has been included in the company and group Financial Statements to remove £79,000 from fixed assets and reduce unrestricted reserves by the same amount.

The comparative for the group Financial Statements also included assets belonging to a Jordanian charity, which is not legally controlled by Human Relief Foundation. Accordingly, the assets and liabilities have been derecognised from the comparative balance sheet with the net effect of reducing unrestricted reserves by £55,625.

#### 17. Prior year adjustment (continued)

The comparative figures have been restated as follows:

<b>Group</b>	<b>31 December 2013 previously reported £</b>	<b>Restatement £</b>	<b>31 December 2013 Restated £</b>
Freehold land and buildings	910,549	(79,000)	831,549
Jordan assets and liabilities			
- Fixtures, fittings & equipment	21,410	(239)	21,171
- Motor vehicles	29,636	(27,420)	2,216
- Computer equipment	29,290	(15,608)	13,682
- Debtors	112,152	(17,913)	94,239
- Cash	1,317,140	(324,589)	992,551
- Creditors	(393,801)	330,144	(63,657)
Total unrestricted funds	2,026,376	(134,625)	1,891,751

  

<b>Company</b>	<b>31 December 2013 previously reported £</b>	<b>Restatement £</b>	<b>31 December 2013 Restated £</b>
Freehold land and buildings	932,359	(79,000)	853,359
Total unrestricted funds	1,989,376	(79,000)	1,910,376