



**International Rescue Committee, UK**

Annual Report and Financial Statements

Financial Year 2018



Cover image: Domitila Kaliya, a Congolese refugee, sews dresses with other women in her shared workspace in Kampala, Uganda. She started her own clothing business after joining an IRC Village Savings & Loan Association.

This page: Safiah Abu Sharef, one of the midwives of the IRC's health clinic in Za'atari camp in Jordan, checks in on her patients.



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The trustees present their statutory report together with the financial statements of International Rescue Committee, UK ('IRC-UK') for the year ended 30 September 2018 (FY 2018).

IRC-UK is affiliated with the International Rescue Committee Inc., a not-for-profit agency based in New York, USA, ('IRC NY'); the International Rescue Committee Belgium ASBL, based in Brussels; and associated agencies and offices worldwide. Collectively, these agencies make up the network referred to as the International Rescue Committee ('IRC').

This trustees' report has been prepared in accordance with Part 8 of the Charities Act 2011 and the statement of recommended practice (SORP). It also meets the requirements for a directors' report set out in the Companies Act 2006 and the requirements for a strategic report as outlined in 'The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013'.

The financial statements have been prepared in accordance with the accounting policies set out on pages 44 to 48 and comply with the charitable company's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective for accounting periods commencing 1 January 2015 or later.

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Charity registration number 1065972



# A Letter from the Executive Director



## Sanj Srikantthan

Senior Vice President,  
Europe, and Executive  
Director, International Rescue  
Committee, UK

Opposite, top: A family at an IRC/ACF nutrition stabilisation centre in Cox's Bazaar District, Bangladesh.

Opposite, below: An IRC mobile health clinic provides health and nutrition services to IDPs and host community members living in the remote mountain village of Okiba, Yemen.

Dear Friends,

As many of the world's most powerful governments have continued to turn inward and human-made global crises have further deteriorated, the IRC has stepped up to respond in an increasingly strained humanitarian system.

**While immediate challenges to our clients remain severe, the long-term impacts of conflict threaten to leave the world's most vulnerable behind.**

In Yemen and Syria, we entered yet another year of emergency response for two of the world's worst humanitarian crises. In Bangladesh, we scaled our lifesaving assistance for the nearly one million Rohingya refugees facing an uncertain future.

And in the central Mediterranean, we worked to reduce death and suffering for those fleeing conflict, disaster and extreme poverty from Africa and the Middle East.

This year once again saw an increase in the number of people displaced globally to over 68 million, with one in 50 people trapped in a humanitarian crisis somewhere in the world. The majority of those displaced continue to be women and girls, and over half are children. In Europe, disagreement on how to respond to the global refugee and migration crisis not only threatens to undermine EU cooperation, but also results directly in worsening outcomes for those forced to flee their homes. The IRC has continued to lead efforts towards an inclusive European refugee resettlement policy, which is crucial if better managed migration is to become a reality.

While the number of people seeking asylum in Europe has decreased, the scale of emergencies forcing people to flee their homes has magnified. European donors have been generous in providing aid to these settings, but the international community as a whole has so far failed to ensure de-escalation of conflict in a number of long running crises.

In Yemen, for example, 12 million people are at risk of starvation in what the United Nations has deemed the world's worst humanitarian emergency. The IRC began work in Yemen in 2012. We continue to provide lifesaving food, economic support and healthcare to the Yemeni people. We have also mobilised resources to push for a ceasefire to the conflict—but without international political action to end the violence, our work is not yet complete.

**As we often work with communities at their most vulnerable, in 2018 the IRC renewed our standing commitment to safeguarding our clients.**

The IRC is determined to create a culture of zero tolerance of sexual harassment, exploitation and abuse in our workplace and in our programmes—as well as a safe environment for anonymous reporting. We will protect our beneficiaries and staff through prevention and, where misconduct is alleged, address it without fear or favour.

In 2018, we furthered this effort through our commitments alongside partners at the Department for International Development (DFID) Safeguarding Summit. We have also created a dedicated Board Safeguarding Committee charged with maintaining oversight of our safeguarding prevention and response work.



We have operated Village Savings and Loans Associations to encourage peer-to-peer lending amongst women in their communities and have championed the role of women in designing humanitarian programmes themselves.

We have partnered with Citi through the Citi Foundation on a landmark project to train youth across Africa and the Middle East to acquire job skills to then be able to support themselves and their families. Above all we believe humanitarian aid may help people survive a crisis, but we need to think about helping people to recover and thrive without aid in the long term.

With great sadness, we must also honour our IRC colleagues who tragically lost their lives working in pursuit of our common humanity. Abdulqadir Saeed Al-Ghafri, who leaves behind a wife and four children, was killed in an explosion outside of the IRC livelihoods centre in Syria where he worked.



Mohamoud Sheik Nur, who was killed in a motor vehicle incident in Ethiopia, leaves behind a wife and four children. And Fareedullah Noori, who leaves behind four children under the age of nine, was killed in an attack on the Ministry of Refugees and Repatriations in Afghanistan. I remain in awe of the dedication and tireless work of my colleagues in the field who take the risks we are increasingly forced to take in the delivery of lifesaving humanitarian aid, and tragically sometimes pay the ultimate price.

Their work this year was only made possible due to your immense generosity, and it is with your support that we will continue our work on behalf of the world's most vulnerable. On behalf of the Board and my colleagues in Europe and across the globe, thank you for your support for our mission, one that believes in the fundamental value of human life and the immense resilience, potential and agency of every human being.



# A Letter from Sadiya Hamza



Sadiya Hamza

Dear IRC supporters,

I would like to share with you my experiences of the IRC's work.

## Do you know what I mean by exclusive breastfeeding?

If you're a parent, perhaps you do. Not long ago my answer to this question would have been no. But learning about exclusive breastfeeding has changed the health of my youngest child Mustapha and many other children in my community.

I come from a village in Michika, northeast Nigeria. All year round the weather is very hot; and like most people here, I believed that my baby would be thirsty and did not think my breast milk would be enough to sustain him.

One day, I attended a gathering in my village with people from the International Rescue Committee, and they told us about the benefits of breastfeeding. I found out that giving my baby water is dangerous as it may not be clean and spreads disease. I learnt about exclusive breastfeeding—when you give your baby only breast milk from birth to six months, with no water and no solids—and that my breast milk naturally contains water.

My mother-in-law was very sceptical, and she begged me to give Mustapha

water, but I was determined to try exclusive breastfeeding.

I have four children. With the first three I followed the traditional practice of giving them water when they were born. They were often sick with stomach aches and other problems. But Mustapha is never sick! He is bouncy! Once Mustapha reached six months old even my mother-in-law saw that I was doing the right thing. She told me, "Look at your boy, he's not getting sick at all!" She even told her own daughter to breastfeed exclusively.

I am now part of the IRC's mother-to-mother support group, going to remote areas to share my experience with other mothers.

## I tell them, "Inside the breast there is everything your baby needs!"

Since the International Rescue Committee arrived, the health of our children has improved.

I'm very happy with the way I'm raising my children. I want them to grow up well, go to school and get a small job. If they can earn enough money to buy me a large tub of Buon Vita chocolate powder, well, then I'll be happy when I'm old!

Thank you for your support,  
Sadiya

Right: Sadiya's newest family member and youngest participant in exclusive breastfeeding.

Opposite, top: Sadiya and her son, Mustapha, in their home in Nigeria.

Opposite, below: Sadiya's family outside of the IRC mother-to-mother support group meeting.



**Each year, the IRC globally helps millions of people to survive and thrive in communities new and old. In Nigeria, the IRC provides vital support to people struggling to overcome a daunting combination of poverty, natural disaster and conflict.**

Sadiya had to flee her home in 2014 when armed men occupied her village. She was nine months pregnant with her third child, Aisha, and gave birth in a stranger's house whilst on the run.

Since returning home she has become an advocate for the IRC's nutrition programme funded by European Union Emergency Trust Fund for Africa.

She's spreading the word about the importance of exclusive breastfeeding in combatting malnutrition, referring mothers to local IRC-supported maternity clinics, explaining the importance of vaccinations and screening young children for malnutrition.



She is a force of nature and an inspiring voice for change in her community. Her letter exemplifies the spirit and resilience of our clients, and we are proud to work with people like Sadiya each and every day.





## Crisis Watch 2018 – the global picture



## Our work this year

The IRC's mission is to help people whose lives and livelihoods have been shattered by conflict and disaster to survive, recover and regain control of their futures.

We serve people in crisis across the globe who have fled their homes or remained resilient in their communities.

Our vision is to lead the humanitarian field by implementing high-impact, cost-effective programmes for people affected by crisis, and by using our experience to shape policy and push for change from a local to global level.

Our strategy defines success as the number of people who see improvement in the following five focus areas:



**Reduced risk of ill health**  
and better chances of recovery from ill health

**Safety**  
from physical, sexual and psychological harm

**Education**  
in terms of literacy and numeracy, as well as foundational, vocational and life skills

**Economic wellbeing**  
by addressing basic material needs, income and asset growth

**Power**  
to influence decisions that affect their lives

Given our duty to protect our clients and staff, in 2018, we renewed our commitment to safeguarding throughout our organisation.

We strengthened our safeguarding structures by creating dedicated staff positions and organisational review bodies, enhancing our policies and undergoing external auditing of our safeguarding procedures.

This report demonstrates IRC-UK's achievements in service to our clients this year, highlighting our commitment to ensure no one is left behind.



Opposite page:  
Storm clouds gather over Kutupalong Refugee Camp in Bangladesh, home to some 700,000 Rohingya refugees who have fled Myanmar since August 2017.

Left: Thou Deng Akuei with his sister at their home in Panthou, South Sudan. Thou is a 7-month-old boy who was recently discharged from the IRC's Panthou primary health care and stabilisation centre. The centre supports children to overcome acute malnutrition.



# Priority Crises: Yemen

The people of Yemen are enduring the worst humanitarian crisis of our time, with 12 million people on the brink of starvation.

Nearly four years of conflict have left the country's critical civilian and economic infrastructure in ruins and the majority of Yemenis without food, clean water and healthcare. Today, three quarters of Yemenis need emergency humanitarian assistance.

The IRC has continued to call for an immediate cessation of hostilities, steps to better protect civilians and the services they need to survive from attack, and an end to restrictions imposed by all parties to the conflict that prevent lifesaving supplies from getting to those most in need.

"The world urgently needs a wake-up call on Yemen and a new strategy to prevent the suffering of civilians," said Frank McManus, IRC's Yemen Country Director. "It is far past time the international backers of this war use their influence to stop the suffering of the Yemeni people."

The IRC globally is responding with emergency health, nutrition and water sanitation services for the most vulnerable people in Yemen. Thanks to donors such as the Swedish International Development Cooperation Agency (Sida) and the European Commission Directorate-General for Humanitarian Aid and Civil Protection (ECHO), we operated 134 healthcare facilities providing reproductive health, vaccination and disease treatment services for over 794,000 Yemenis.

We also treated over 23,000 children for malnutrition and trained government health workers to build local capacity.

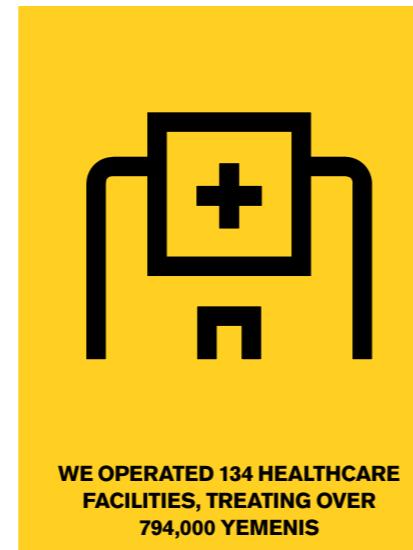
To combat the deadly outbreak of cholera, the IRC repaired and sanitised water sources for over 78,000 people. Further, we rehabilitated toilets in Yemeni schools and ensured that girls could access them safely.

2018 was the conflict's deadliest year for civilians, including the bombing of a school bus killing dozens of children. An IRC-supported health clinic in Hodeidah was damaged by an airstrike. IRC-UK has stepped up our advocacy at home and abroad, pushing for a reset of UK policy on Yemen to end military and diplomatic support to the Saudi-led coalition and encourage the UK to lead immediate UN Security Council action.

Alongside sustained parliamentary advocacy, we launched a report setting out the devastating impact the war has had on Yemen's public services—ultimately leading to their collapse and impacting the health and livelihoods of millions of civilians. With 9.8 million Yemeni people, especially women and girls, lacking access to lifesaving health services, the IRC helped to drive international attention towards a crisis too often forgotten.

Despite the extreme humanitarian need, Yemen has been difficult to keep in the public eye. To combat this, IRC spokespeople have appeared frequently in the media to help keep political and public attention focused on the humanitarian need and our proposed solutions.

We also launched an online petition that gained 15,000 signatures in a week, demonstrating a welcome increase in public awareness of the impact the war is having on civilians.



Above: Destroyed buildings like these former homes, schools and businesses have become the norm for many families living in Yemen as the destruction continues to escalate.



Sarah Abdulhakim Shamsan, IRC nutritional manager for clinics in Sana'a and Hodeidah, faces the grim realities of the humanitarian crisis in Yemen every day.

She oversees the screening of children under 5 years old for malnutrition. She also consults with pregnant and nursing mothers about the importance of breast-feeding and their babies' nutritional needs.

Now, Sarah is pregnant with her first child; and she fears for the future of her own baby. "I got married during the war," says Sarah.

Below: In the village of Mosuk, about a five-hour drive from the port city of Aden, IRC teams treat malnourished children, many suffering from cholera.

Below left: Nutrition Manager Sarah Abdulhakim Shamsan at an IRC-supported Al Sayla health centre in Sana'a, Yemen.

"Why? Because I cannot stop my life and wait for this war to end. Now I am wondering, OK, if I am having a baby, how is his life going to be?"

Seeing severely malnourished children recover fills Sarah with pride and hope. At the same time, she is highly aware of the dangers and risks involved in bringing up a child in Yemen. Most families cannot afford to feed their children, so even 'cured' babies often return to the clinics.

"We don't want to hear bombing or shooting—we just want peace," says Sarah.



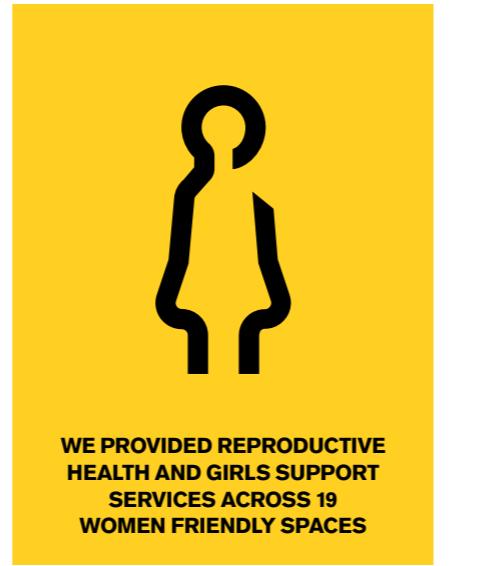
## Priority Crises: The Rohingya crisis

Just shy of one million Rohingya refugees now call the world's largest refugee camp, Kutupalong, home in Bangladesh.

Fleeing decades of oppression and extreme violence in neighbouring Myanmar, the Rohingya are considered by many to be the most persecuted group on Earth. Over half of the Rohingya refugees are women and children, and nearly one-fifth are single mothers.

Having escaped unimaginable violence, the refugees now live in temporary shelters in extremely crowded and dangerous conditions where health, nutrition and extreme poverty remain at crisis levels. The Rohingya displacement has also had a severe impact on the host community, with mass deforestation and reported depression of local wages.

Following registration with the Government of Bangladesh in March of 2018, the IRC scaled up our emergency assistance, reaching over 68,000 clients with lifesaving health and protection programming.



"A year on from the start of the violence that forced Rohingya to flee their homes in Myanmar, conditions for this population remain dire," said Manish Kumar Agrawal, IRC's Bangladesh Country Director. "The trauma amongst the refugee population—especially for women and children—is among the worst the International Rescue Committee has ever seen."

The IRC and our partners provided gender-based violence recovery services across 20 health facilities, as well as reproductive health and adolescent girls support across 19 women friendly spaces. Through our five mobile medical teams and six health facilities, we further provided health and protection services to both refugees and host communities throughout the monsoon season.

In Myanmar itself, the IRC has been delivering services to Rohingya and ethnic Rakhine communities for a decade.

Since the August 2017 violence, we have continued services across central and northern Rakhine, delivering health care, supporting community development projects and advocating for efforts to improve conditions for all communities in the state.

In Europe, we worked with governments and parliamentarians across the UK and EU to keep a focus on the crisis. During the Commonwealth Heads of Government meeting in London, at which the crisis was not on the agenda, our work helped to increase pressure on Heads of Government to discuss the crisis, which was ultimately included in the final communiqué.

At the onset of Bangladesh's monsoon season in June, IRC President David Miliband visited Cox's Bazar and met with IRC's clients as well as senior international and government officials.

His visit was covered by media across the UK and Europe, and the IRC used the opportunity to highlight the severity of the crisis with UK and EU policymakers.

The IRC continued to build our network in UK and European Parliaments, with briefings to cross-party groups of MEPs and Parliamentary Groups in the UK. We also facilitated a field visit for UK MP Rushanara Ali who is the UK's Trade Envoy to Bangladesh and an outspoken advocate on behalf of the Rohingya for many years.

In July, we co-hosted a high-level roundtable on the crisis with the

Opposite page: Community health workers measure the arm circumference of a child at an IRC clinic on the outskirts of Sittwe, Rakhine State, in Myanmar.

Below: Fatima, right, visits Shahera and her newborn at the women's health centre in Kutupalong. Volunteers like Fatima go door-to-door in the camp to encourage expectant mothers to visit the centre before they are due.

Overseas Development Institute (ODI). The roundtable was attended by actors including DFID, the Foreign & Commonwealth Office (FCO), UN Refugee Agency (UNHCR), Asian Development Bank, Sida and Rohingya rights groups to analyse and discuss the role of regional actors in a long-term response. The discussion was recognised by UNHCR as a key event supporting their own approach to the crisis. We have now secured funding to continue our partnership with the ODI to conduct research in Bangladesh on the long-term aspirations of Rohingya refugees to inform a second high-level roundtable.



### Shahera's story

At four days old, he didn't yet have a name or a birth certificate. The young Rohingya baby boy embarked on a life already more challenging than most—born an unregistered refugee in the world's biggest refugee camp.

The baby was cradled in his mother's arms as they waited for his first check-up at a health centre supported by the IRC. "This is the first time I have given birth in a health facility," said Shahera, who has four other children.

Every day around 60 babies are reportedly born in Kutupalong refugee camp in Bangladesh. An estimated 60 percent of mothers in the camp give birth inside their makeshift homes rather than in health centres, meaning they don't have access to medicine and are at risk of complications.

Shahera and her husband were grateful for the care and nurturing that would have been otherwise unavailable. "I got strong within two days, but this would not have been possible at home," said Shahera. "I could not afford all the things I need and there would be no one there to take care of me."



## Priority Crises: Syria

As the war in Syria extends into its eighth year, conditions remain dire for the Syrian people.

13 million people need humanitarian assistance. The country has seen attacks on homes, schools and hospitals—including IRC-supported facilities—in a pattern of widespread destruction of lifesaving civilian infrastructure.

In the Northeast, we were one of the largest international nongovernmental organisations providing humanitarian assistance. Our teams delivered medical care, psychosocial support and economic support through skills trainings and entrepreneurial grants to affected communities.

In the Northwest, we provided emergency medical care, child protection, cash assistance and vocational support to those in and around Idlib. A 2017 IRC survey found only half of people living in Idlib had enough food to eat each day, and one in five families had to support someone with a disability or chronic illness.

As the possibility for a Syrian government advance on Idlib mounted, the IRC joined with other humanitarian agencies to call on world powers to avoid humanitarian catastrophe.

In September, Turkey and Russia reached a deal sparing the three million Syrians living in Idlib from immediate devastation.

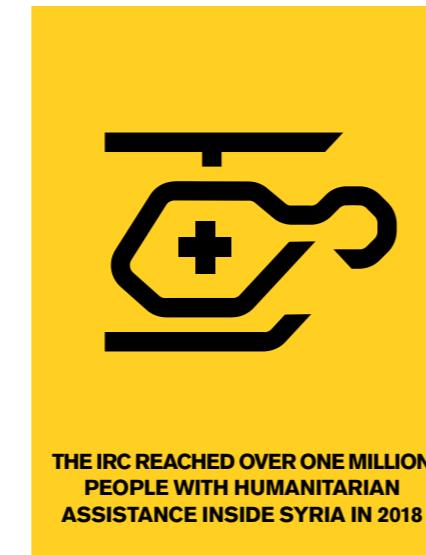
Right: Mohammad in a cauliflower field in Northeast Syria. He recently attended a workshop at an IRC livelihoods centre to improve his farming techniques, where he also received a grant to buy greenhouse supplies.

Far right: Rahma operating her sewing machine in a light-filled room at an IRC livelihoods centre Hasakah, Syria.

"Though we are prepared to respond to any emergency, if this deal falls short and military operations start, many hundreds of thousands will struggle to get the help they will so badly need," said Lorraine Bramwell, IRC Syria Country Director.

The IRC also took our concerns on the international response and advocated on behalf of our clients at the Second Brussels Conference on Syria. Through extensive lobbying efforts with key EU stakeholders, we were able to push for more meaningful NGO participation in conference preparations and proceedings.

We successfully advocated for the conference to be utilised to support Syrian refugees in the region and long-term resilience efforts inside Syria. We also worked to ensure that no Syrian refugee would be forced back to Syria, and that the EU joined NGOs in calling for increased humanitarian access.



Below: Alia, an IRC cash recipient and displaced herder, and her son with their livestock in Idlib, Syria.



## Priority Crises: Europe and Mediterranean migration

Left: Lena Headey talks to Amal, who is part of a group of Syrian women who went through a program to help prepare them for work in Germany, at the CareForward offices in Berlin, Germany.

Below: Lena Headey talks with Marwa, a Syrian refugee, as she holds her son, Werner, at her home in Germany. Lena and Marwa first met on the island of Lesvos in 2016.



The IRC's work in Europe began in 2015 in response to the more than one million refugees and migrants arriving on European soil.

While migration to Europe has decreased, challenges remain in providing adequate reception to those who do arrive, integrating those who have made the journey and making routes safer for refugees and migrants desperately trying to reach European shores.

In July, the IRC published a report on the dangers of the Central Mediterranean route, stretching from sub-Saharan Africa to Italy. People moving along this route experience severe humanitarian need and grave risk, including exploitation and abuse at the hands of smugglers and security services. We used our findings, along with our report on integration in Europe, to influence policy and raise public awareness at the height of the EU debate on migration and asylum in 2018.

In response, thanks to the support of DFID, the IRC began a Mediterranean Mixed-Migration programme in

partnership with the Danish Refugee Council and Start Fund. The programme, covering Mali, Niger and Libya, will work to make migration safer and more orderly, resulting in fewer deaths and less suffering along the route. The IRC will be leading the advocacy component of the programme in light of our networks and access to European decision makers.

In Greece, we work with asylum seekers to provide mental healthcare in the face of not only the trauma they have fled, but also the unacceptable conditions in which they now live.

The IRC rang the alarm with a report on the appalling mental health conditions of asylum seekers at Moria, the reception and identification centre of Lesvos. 30 percent of those interviewed had attempted suicide, while 60 percent had considered attempting suicide. We used these findings to put forward recommendations to relieve suffering to the Greek government, EU leaders and key donors, and to refocus media attention on the situation in Moria.

To combat this mental health epidemic, the IRC mobilised mental health and psychosocial support teams on the islands of Lesvos and Chios. We have provided services to 300 people, many of whom are survivors of torture and/or gender-based violence.





## Our approach

At the IRC, we define success in terms of measurable, positive changes in people's lives, across the areas of health, economic wellbeing, safety, education and power.

Across all five areas, we also prioritise narrowing the gap between men and women and boys and girls.



Our five outcome areas are broken down into 32 outcomes, representing the specific changes we seek to make. In every country where the IRC works, country programmes have developed Strategy Action Plans which prioritise the outcomes we are working towards in that context. These plans lay out our vision for where we want to work, whom we want to serve, the ways we want to make a difference and how we can deliver the most impact.

Defining success in relation to outcomes means that everything we do drives toward positive change in people's lives.

To do this, our programmes must have four key ingredients. They must be:

- (1) based on the best available evidence; (2) adapted to context; (3) responsive to client needs and preferences; and (4) continuously learning and improving, by measuring what we do, generating evidence and acting on what we learn.

Below: "Food can connect people." Moussa, pictured here in Athens, believes that eating together can help to open minds.

Above, right: Moussa's friends particularly like his plantain – they've inspired him to keep cooking.

## Our approach: Refugee livelihoods

The humanitarian landscape is changing. Predominantly, refugees and internally displaced people (IDPs) now settle in cities over camps.

In fact, 60% of the world's refugees and 80% of IDPs now live in urban areas. New arrivals set upon finding work, but unemployment in host countries is often already high. This can lead to tensions within host communities.

To counter this, we believe we need to collectively boost job opportunities while encouraging governments to end policies that restrict the work of refugees, stifling the economy for everyone.

### **Back My Business: Citi Foundation**

To this aim, in partnership with Citi through the Citi Foundation, the IRC is providing business and entrepreneurship training to 990 young refugees across Athens (Greece), Amman (Jordan) and Yola (Nigeria). Focused on 16 to 30-year-olds, each entrepreneur is taking part in an apprentice-style business programme, receiving mentoring, training and acquiring knowledge about the needs of the local market. The business plans deemed most likely to succeed by a panel of entrepreneurs and financiers receive seed funding to kick-start their enterprise. Those not funded are introduced to mentors and other resources.

Brandee McHale, Head, Corporate Citizenship, Citi and President, Citi Foundation said, "Refugees contribute to the vibrancy of our urban centres. If cities are going to unlock their economic potential, it will take combining the expertise of private and nonprofit sectors to reach vulnerable refugees — many who are under the age of 25 — with the tools and knowledge they need to set up their own businesses."



"Through the Rescuing Futures programme with the IRC, we are empowering young adult refugees today and helping create greater economic prosperity tomorrow, not just for the individual, but their families and the community at large."

Refugees are natural entrepreneurs. Everyone has ideas – refugees, citizens – it's important to have help to make your dream come true" said Moussa, who aspires to set up the first Ivorian restaurant in Athens. Moussa is one of the hundreds of refugee entrepreneurs whose business idea is being turned into a business venture as part of the Rescuing Futures programme.

Moussa's business idea was inspired by his childhood in Ivory Coast and his friends' demands for his tasty Ivorian food. He plans to open a restaurant called 'Our Home', which will bring people together through the power of food and open minds about his culture.

### **Cash relief**

Cash relief is one of the most efficient and effective forms of aid for people struggling to survive in times of crisis. Cash meets the daily needs of refugees and supports people to take back control of their lives. This is why the IRC has continued to make the case for cash relief and our cash programming over the last year.

In June, the IRC presented 'Seven Steps to Scaling Cash Relief: Driving Outcomes and Efficiencies' at the Grand Bargain cash workstream plenary meeting in Rome.

We also presented with USAID on the Cost Efficiency and Effectiveness workstream and facilitated a session on next steps for cash sector reform.

As part of our innovative cash programming, for example, the IRC continued to distribute DFID-funded assistance to conflict-affected households in Iraq. In particular, the IRC focused on the internally displaced and host communities in Anbar, Kirkuk and Ninewa governates.



WE REACHED 1,615 IRAQI HOUSEHOLDS WITH OVER 3,800 TOTAL CASH TRANSFERS IN 2018



## Our approach: Women and girls

Women and girls are the worst affected by conflict and disaster, but their needs often remain unmet by the humanitarian and development systems. Whether through violence, discrimination or disempowerment, women are regularly left on the margins of their communities and at highest risk when displaced. This threatens to leave women and girls behind in the drive towards the Sustainable Development Goals (SDGs).

The IRC has long recognised the need to speak out on behalf of marginalised and vulnerable women and girls and push for better recognition of their specific needs in humanitarian response and long-term development work.

Through a mix of programming expertise and global-level advocacy, we have continued to put women and girls front and centre in our work.

For example, in Lebanon, where Syrian refugee women and girls are especially vulnerable to intimate partner violence, early marriage and other forms of gender-based violence (GBV), the IRC



is taking a multi-faceted approach to protection programming by focussing on empowerment. In partnership with the Saïd Foundation and through informal education, apprenticeship opportunities, case management and psychosocial support, we have been able to give girls the tools they need to grow and learn safely.

We further trained 50 educators to identify and refer gender-based violence cases. By creating multiple access points at which a child can seek or be offered help, we are creating a safer environment for girls and for the whole community.

One participant from a women and girls centre in Arsal said, "I now have hope, persistence and determination. What is most important to me now is going back to Syria and supporting the people there, particularly girls in need."

In June, IRC-UK's Executive Director Sanjayan Srikanthan spoke on the need for gender-based violence prevention in emergencies and opportunities for more effective response at European Development Days, Europe's leading forum on development. Part of a high-level panel, he was joined by Christos Stylianides, European Commissioner for Humanitarian Aid and Crisis Management, and Linda McAvan, Chair of the International Development Committee of European Parliament.

In July, the IRC also spoke about the specific needs of girls in crises alongside the Swedish State Secretary for Foreign Affairs at Almedalen, an influential Swedish political festival. Sweden's trailblazing feminist foreign policy has helped raise the bar internationally for ensuring decisions that affect women and girls are taken with their needs in mind and with their participation.

Opposite: Domitila Kaliya, a Congolese refugee, sews dresses in her shared workspace in Kampala, Uganda. She started her own clothing business after joining an IRC Village Savings & Loan Association.

Right: Dalal, an 18-year-old Syrian refugee who has been living in Lebanon for six years, with her 10-month-old-daughter, Tasnim, in a tented settlement in Akkar, Lebanon. In partnership with the Saïd Foundation, the IRC offers safe spaces for women and adolescent girls to support one another.





# Standing up for our clients

## SDG Progress: Fragility, Crisis and Leaving No One Behind

Up to 82% of fragile and conflict-affected states—more than 4 in 5—are off track to achieve Sustainable Development Goal (SDG) targets. As revealed by our flagship joint report with the Overseas Development Institute (ODI) in 2018, this analysis shows that millions of people caught in crisis, many of whom the IRC works with every day, are being left behind.

Failure to act now  
means that the  
Sustainable Development  
Goals (SDGs) will not  
be met, undermining  
the credibility of the  
international community  
and leaving millions to  
die unnecessarily.

2019 is therefore the moment to review progress and revise the international community's strategy before it is too late.

IRC's President and CEO David Miliband launched our report at a high-level event on the margins of the UN General Assembly. The event included a film by Richard Curtis (*Notting Hill, Love Actually*) highlighting the threat conflict and fragility pose to the SDGs. The IRC was also spoke at the Bill and Melinda Gates Foundation's Goalkeepers event, bringing together philanthropists, activists and humanitarians to drive SDG progress and accountability.

The report lays out five recommendations to ensure people in crisis and other marginalised groups are prioritised in SDG implementation. The report was covered in a variety of print media in the US and UK.



### Together for Refugees

Together for Refugees,  
a campaign in  
partnership with  
Ben & Jerry's, peaked  
in March 2018 with  
a 50,000-signature  
petition handed in to  
embassies across six  
European cities.

The campaign called for an ambitious commitment to refugee resettlement through the EU's proposed Union Resettlement Framework.

Throughout the year, the campaign took a number of innovative actions toward mobilising our base. These included a UK-wide tour with an ice-cream van, a number of online actions, and an installation outside



Above and left: Together4Refugees supporters enjoy Ben & Jerry's and discuss the campaign in London (above) and Brighton (left).

the European Parliament that saw everyday items—representing the goals and aspirations of refugees such as education and family life—frozen in a giant block of ice, out of reach to those whose lives have been left in limbo while awaiting decisions about their fate.

In June, the IRC was invited by lead European negotiators to assist in drafting compromise amendments to the proposed legislation.

Ultimately, the technical agreement reached by negotiators has not yet been approved by EU member state ambassadors, as a particularly fraught political environment drove some to adopt a more cautious stance on migration as a whole.

However, we continue to work closely with key stakeholders in the negotiations to rally support for the adoption of the framework ahead of European elections next year.



### The Stranger's Case

To mark World Refugee Day, the IRC partnered with Shakespeare's Globe Theatre in solidarity with all those who have fled conflict overseas. Refugees from Syria, Sierra Leone and South Sudan, alongside renowned actors including Kim Cattrall and Lena Headey, performed Shakespeare's speech 'The Stranger's Case.' From Sir Thomas More, the speech is a call for humanity that remains relevant today.

Filmed at the historic Shakespeare's Globe Theatre, the piece was covered by national broadcast and print media as well as European press. The film garnered over two and a half million views online and saw engagement from IRC donors, partners and Members of UK Parliament.



"If Shakespeare is our greatest humanist writer, then it is our humanitarian duty to respond to his own clarion call," said Michelle Terry, Artistic Director at the Globe.

"I'm so pleased we've been able to partner with the IRC to bring to life Shakespeare's appeal to our 'mountainish inhumanity', in a rallying cry for compassion and empathy which echoes from his century to ours."

Above and below: Kim Cattrall (above) and Lena Headey (below) on set of The Stranger's Case at Shakespeare's Globe.

## Business Refugee Action Network

Businesses have the power to transform the lives of refugees and our society's attitudes towards them. The Business Refugee Action Network (BRAN) brings together European businesses to take action on the refugee crisis, supporting business opportunities and speaking up for refugees to both governments and the public.

The IRC came together with Virgin, Ben & Jerry's, the Tent Partnership for Refugees and the B Team to establish BRAN in 2018. BRAN enhances the choices, opportunities and skills of refugees whose lives have been torn apart and livelihoods destroyed. BRAN helps companies hire refugees and develop the goods and services they need, whilst fostering innovation in refugee-focused business models.

BRAN draws on pilots such as the IRC and ODI joint study on how business partners in the gig economy can create job opportunities for refugees in Jordan, as well as on pilots the IRC is conducting with private sector partners in Germany, including Starbucks, Care.com and Intel.

Done well, supporting  
refugees can help  
business meet labour  
and skills shortages,  
grow new markets  
and enhance  
productivity through  
diverse work forces.

With the right support and right opportunities, refugees can re-establish and grow their careers while building and planning for their futures.

Thanks to our committed and generous supporters, the IRC-UK private fundraising team experienced significant income growth again this year.

Individuals, companies, trusts and foundations and other organisations enabled us to respond to more of the world's worst humanitarian crises by donating a total of £7,412,004.

This is represented in the accounts by £5.8 million of income from donations recognised in the year by IRC-UK in these financial statements. A further £1.1 million was received by IRC NY and £0.5m by IRC Germany as a result of efforts of the IRC-UK fundraising team.



Left: Fatima Rawasdeh, an IRC clinic supervisor in Ramtha, Jordan, checks prescriptions with a Syrian volunteer pharmacist. The IRC works with local pharmacies and laboratories to provide comprehensive care to patients who need essential medications and lab tests at no cost.

Above right: A Syrian family wait for consultations at the IRC primary health clinic in Zaatari refugee camp in Jordan.



We further mobilised 49,000 people with our digital campaigns through petitions, pledges and other actions to stand with refugees and people in crisis. We are grateful to all of our digital supporters for making their voice heard.



### IRC fundraising team named a Fundraising Charity of the Year 2018

The UK private fundraising team entered the National Fundraising Awards competition in the category for charities with income of £5 million or more for the award recognising considerable fundraising success through teamwork.

Described as the "Oscars for Fundraising", the National Fundraising Awards are a prestigious annual event organised by the Institute of Fundraising. These are the only awards in the UK charity sector to recognise and reward fundraising excellence and best practice.

Twenty-nine charities entered the competition in this category and the judges commented that the standard of nominations received this year had been particularly high.

This achievement is a testament to the dedication, passion and teamwork of all the members of the private fundraising team working alongside the Communications, Advocacy and Programmes teams to help grow our income and support the work of the IRC.

### Extending our reach

The Digital fundraising team launched a number of successful appeals over the last year, both raising awareness of our work and generating the vital funds we need to deliver it.

The Asfari Foundation pledged a generous match for our Syria appeal, marking the seventh anniversary of this devastating conflict in March. The appeal supported families who had fled their homes for refuge in Idlib, in Northwest Syria.

Our summer appeal focused on child survival, highlighting the need for health, nutrition and care for new mothers. In addition, we marked Ramadan with a new appeal enabling those here in the UK to support displaced people at this special time of year.

### Our supporters

We would like to extend our sincere gratitude to the trusts, foundations, companies, organisations and individual donors that made our work possible in 2018. Their support continues to enable our response to those affected by disaster and conflict across the globe.

#### Trusts, foundations and companies

Asfari Foundation  
Ben & Jerry's  
Bernard van Leer Foundation  
Citi Foundation  
Comic Relief  
Genesis Prize Foundation  
Green Room Charitable Trust  
Hands Up Foundation  
Indigo Trust  
Levi Strauss & Co  
Megan Van't Hoff Charitable Trust  
Mistral Stiftung  
Oak Foundation  
Saïd Foundation  
UBS Optimus Foundation  
Vitol Foundation  
RELX Group

#### Individual donors

Anita Mendiratta  
Bill Winters  
Francesco Garzarelli and Elena Ciallié  
James T. and Hiroko Sherwin  
Rasha Mansouri Elmasry and Hassan Elmasry  
Susan Gibson and Mark Bergman  
Wendy Fisher  
Michael Lockett  
Richard Winter  
The Ulrich Family

#### Organisations

Action Against Hunger & The Childrens Investment Fund Foundation, as part of No Wasted Lives  
Christian Blind Mission

# Support for our work: Institutional grant-funded activities

The IRC-UK's Awards Management Unit continued to strengthen our relationships with government donors and institutions in 2018.

In addition to supporting the lifesaving humanitarian work of the IRC, these partnerships allow collaboration in thought leadership on the humanitarian sector's most pressing affairs. While we have continued to build on years of effective partnership with some of our largest donors, we have further pursued new European donors to diversify our funding base and establish similarly fruitful relationships over time.

Below: Athok Athian Nog carries water outside of her village in Panthou, South Sudan. Athok and her son were recently discharged from the IRC's stabilisation centre in Panthou, South Sudan. The centre supports children to overcome acute malnutrition.



## Institutional donors



Danish International Development Agency (Danida)



Ministry of Foreign Affairs of the Netherlands



Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH



European Commission – Directorate-General for Development and Cooperation (EuropeAid)



European Commission – Directorate-General for Humanitarian Aid and Civil Protection (ECHO)



Swedish International Development Cooperation Agency (Sida)



Swiss Agency for Development and Cooperation (SDC)



UK Department for International Development (DFID)

Below: Pharmacist Malak Shweqfeh works in the IRC Clinic in Zaatari camp. After patients are given prescriptions, they get the medicines from her pharmacy free of charge.



## Asia – Bangladesh

In support of our emergency assistance to Rohingya refugees in Bangladesh, both DFID and ECHO committed funding for the first time to scale our response. DFID committed over £550,000 towards emergency health and protection programming, which the IRC used to establish additional mobile medical teams operating in camps in Cox's Bazar. The teams provided lifesaving primary health consultations to the population, alongside service referrals for unaccompanied children and survivors of gender-based violence.

ECHO's generous contribution of over €700,000 has also led to the expansion of our mobile medical teams alongside the creation of an additional IRC-operated women's centre. These centres provide integrated sexual and reproductive health and gender-based violence services, including family planning and psychosocial support activities.



## East Africa – Yemen

To combat the worsening humanitarian crisis in Yemen, the IRC continued our health, nutrition and water sanitation and hygiene programming for some of the most vulnerable people in Yemen.

The IRC implemented a €1.8 million ECHO award providing emergency programming throughout Al Dhale'e governorate in Southwestern Yemen.

The German Federal Foreign Office also contributed €1.35 million to our emergency response efforts, allowing the IRC to scale programming in key sectors including economic recovery and development and combatting gender-based violence.

The IRC further secured over \$1.2 million USD from our partners at the Swiss Agency for Development & Cooperation to combat Yemen's cholera outbreak.



## Middle East – Syria

The seventh year of the Syrian conflict continued to exacerbate humanitarian need. UN assessments indicate gender-based violence has affected over one quarter of the population, and over half the basic social infrastructure within the country has been damaged or destroyed. The extreme poverty rate has doubled, and 11 million people are in need of health assistance.

Last year, the IRC continued to implement a £47 million DFID programme focusing on health, protection and economic recovery and development for Syrian host communities and the internally displaced. By the end of June 2018, the IRC had reached 2,645 individuals benefitting from gender-based violence services, supported 46 health facilities providing 125,000 health consultations, and provided 966 cash vouchers to vulnerable households.





## West Africa – Niger

Niger has long been prone to political instability, chronic food insecurity and natural disaster. In recent years, Niger has also been increasingly affected by conflict and terrorist groups operating in neighbouring countries. Overall, the number of vulnerable people in dire need of humanitarian aid across Niger is close to 2.3 million. This includes approximately 140,000 migrants from sub-Saharan countries moving in dreadful conditions along the Central Mediterranean Route to Europe.

The IRC supports vulnerable Nigerien households, displaced people and refugees from neighbouring countries in sustaining and rebuilding their lives. In 2018, the IRC secured over €2.5 million from ECHO towards emergency shelter, protection and water sanitation activities in partnership with Action Against Hunger, Danish Refugee Council and ACTED. We distributed emergency shelter items to over 2,200 people and assisted an additional 18,000 with water procurement. We also worked with over 1,700 people on protection awareness and case management.



## Great Lakes – Burundi

The IRC Burundi country office has been working in collaboration with the government and local population since 1996.

Working across sectors, the IRC's programmes focus on improving the resilience of rural communities while also providing essential services for Congolese refugees residing in camps. An important focus over the past year has been the accompaniment and support of repatriating refugees to Burundi in their communities of return.

In 2018, the IRC globally secured €5 million in funding from KfW, a German Development Bank, for water system improvement and hygiene education in two provinces over three years. The EU has also funded a three-year resilience project for €3.3 million focusing on nutrition, social protection and environmental health.



## Europe – Greece

While the number of people arriving to Greece has decreased in recent years, refugee movement has continued. Roughly 50,000 people crossed into Greece in 2018, and approximately 72,000 refugees remain in the country. The majority of these refugees have fled Syria, Iraq and Afghanistan; and more than half are women and children.

In 2018, a third of these refugees remained stuck on the island of their arrival for months on end, and many have been forced to live in overcrowded and dangerous conditions which exacerbate trauma and health concerns. Refugees on the Greek mainland live largely in urban settings, where many are unable to find work to support their families amidst a struggling Greek economy.

With funding from ECHO and the EU's Directorate General of Justice, the IRC has responded with holistic protection programming to restore dignity, enhance physical and psychological security and reduce risk of harm to refugees. We have worked alongside Greek civil society and authorities to prevent and respond to gender-based violence and protect children, while enhancing service quality and access.

We have also worked with ECHO to limit water and sanitation-related health risks, aiding more than 2,500 refugees and asylum seekers in Eleonas camp in Athens.

## Framework agreements & partnerships

### Sida Humanitarian Framework Agreement

In 2018, the IRC secured a new three-year Humanitarian Framework Agreement (HFA) from 2018-2021 with the Swedish International Development Cooperation Agency (Sida). Under this framework, the IRC secured funding for three new multi-year projects and received an additional allocation of over \$15 million USD, including a Rapid Response Mechanism fund of over \$2.3 million USD for sudden onset emergencies. The Humanitarian Framework Agreement (HFA IV) currently includes 20 projects across 14 countries providing lifesaving assistance in humanitarian crises. The framework also includes projects focused on methods development and capacity building in the areas of client responsiveness, cash and quality assurance and learning.

This iteration of the HFA also includes support for the Central African Republic, Cameroon and Nigeria to implement a new Programme-based Approach (PBA) to programming and funding. IRC's PBA is an exciting, innovative pilot in which our teams will align work towards IRC strategic



priority programming with increased donor flexibility during implementation, including around geographic area of intervention and chosen activities.

Working with Sida's Peace and Human Security Unit, the IRC secured \$4.1 USD million to deliver a three year conflict prevention and peacebuilding programme in the Democratic Republic of Congo (DRC) and Somalia. The IRC's first ever award from Sida's Peace and Human Security Unit, contributing to Sida's Strategy for Sustainable Peace 2017-2020, is enabling us to diversify funding and extend our relationship with Sida beyond humanitarian response.

Through the programme, the IRC is implementing activities designed to reduce the underlying causes of violence by strengthening local institutions' delivery of basic services (health in the DRC and justice in Somalia) and supporting the people we serve to be safe in their communities and influence decisions that affect their lives. The programme includes a learning framework component through which the IRC and Sida will deepen our understanding of the role of peacebuilding in bridging the humanitarian-development divide.

### Irish Aid Strategic Partnership

The IRC continued our work with Irish Aid through our Strategic Partnership for Gender-Based Violence in Emergencies 2017-18. The partnership has funded €1.1 million per year to gender-based violence preparedness and recovery work in Somalia, Kenya, Ethiopia and South Sudan and sudden-onset emergencies globally through a pre-positioned funding pot of €250,000 per year.



Above: IRC-supported volunteer Senwara stands in Kutupalong refugee camp. She spends her time encouraging women to visit the IRC-supported health centre and to give birth there.

Left: Adut Lual and her daughter, Elizabeth, at the IRC's stabilisation centre in Panthou, South Sudan.



# Governance, structure and management

## Constitution

IRC-UK is constituted as a company limited by guarantee (Company Registration No 3458056) and is registered for charitable purposes with the Charity Commission (Charity Registration No 1065972). Its governing document is the Memorandum and Articles of Association.

The relationship between IRC NY and IRC-UK is governed by a Framework Agreement, which covers matters relating to programmes, funding, governance, intellectual property and other legal affairs.

## Liability of members

In the event of the charitable company being wound up, IRC NY, as the company member, is required to contribute an amount not exceeding £1.

## Board of Trustees

Members of our Board of Trustees are the charity's trustees and also act as company directors. They are responsible for our overall governance in accordance with the provisions of the Companies Act 2006 and Charities Act 2011.

The Board of Trustees appoints new trustees for a term of three years. Board members may serve up to two three-year terms, and a third three-year term if they chair the Board or a Committee. The exceptions are the IRC NY and Stichting Vluchtelng (SV) representatives, who do not rotate off. During the year, the Board appointed three new trustees and four trustees retired in October 2018 after the year-end date.

The balance and diversity of trustees is kept under review by the Board of Trustees. The Board places an emphasis on ensuring that our trustees provide the specific mix of skills that have been identified as important to the charity's objectives and activities. All new trustees receive a full induction programme to ensure they understand their role and responsibilities, including with respect to safeguarding. New and existing trustees are also offered training opportunities to help them to fulfil these responsibilities. The Board of Trustees meets regularly to govern the charity, this year meeting four times.

A typical year for a Board member includes the following:

- Attendance at three Board of Trustee meetings each year (2 half day and 1 full day);
- Attendance at committee meetings and at ad hoc groups convened for specific purposes;
- Attendance at staff or senior management meetings on an occasional basis;
- Attendance at events, e.g. public meetings, meetings with supporters/donors; and
- Occasional travel to IRC programmes with other trustees.

## Organisation

The Board of Trustees delegates the day-to-day management of IRC-UK to a senior staff person with the title SVP Europe and Executive Director IRC-UK, who is not a director for the purposes of company law, and who reports to the Board of Trustees.

The SVP Europe and Executive Director IRC-UK, Sanjayan Srikanthan, works with a Senior Management Team (SMT), comprising Departmental Directors, who meet regularly to review organisational business. The SMT comprises:

Mick Dyson	Senior Director of Finance and Operations (to 18 October 2018)
Joanna Knowles	Interim Director of Finance and Operations (from 24 September 2018)
Aska Pickering	Deputy Vice President Awards Management Unit
Melanie Ward	Director of Policy and Advocacy (to 30 November 2018)
Laura Kyrke-Smith	Director of Communications
Emma Bolton	Senior Director Europe Fundraising
Sigrun Danielsson	Head of HR Europe (joined SMT 15 October 2018)

The trustees, the SVP Europe and Executive Director IRC-UK and the SMT are considered to be the key management personnel for the purposes of FRS102.

The Board guides the SVP Europe and Executive Director IRC-UK in relation to the charitable purpose of IRC-UK and oversees implementation of the Framework Agreement with IRC NY.

The Board has constituted committees from its trustees for Audit and Governance, Policy Advisory, and Nominations,. These committees advise the SVP Europe and Executive Director IRC-UK and staff and report back to the Board.

The Audit and Governance Committee meets three times a year, twice with the external auditor in attendance. The Committee agrees the external audit plans, reviews the external auditor's management letter, scrutinises the financial performance of IRC-UK during the year, and monitors implementation of actions required as a result. It also has responsibility to advise the Board on whether the audit, risk management, safeguarding and control processes within IRC-UK (including those exercised by IRC NY in its delegated role as implementing partner) are effective (for details of the Risk Management Policy and Procedures see pages 33 to 36), to scrutinise the annual budget and forecasts for the year and to review and input into the IRC NY annual internal audit plans and internal audit reports.

## Remuneration

The remuneration of the SVP Europe and Executive Director IRC-UK is determined by the Board of Trustees and is commensurate with the size and scope of the organisation. The Board of Trustees reviews the remuneration of the SVP Europe and Executive Director IRC-UK in September 2018 with adjustments effective 1 October 2018. The review is undertaken jointly by the Board of Trustees and the IRC NY President and CEO.

The remuneration of SMT is determined by the SVP Europe and Executive Director IRC-UK. Excluding those who report directly to IRC NY but operate from IRC UK's offices for reasons of practicality, remuneration for all other employees of IRC-UK is determined by the SMT who review salaries in September annually with any adjustments taking effect on 1 October. This review is mandated by the Board of Trustees which determines the budget for salary increases as part of the annual budget approval process.

IRC-UK's overriding principle is that any pay award resulting from the salary review process is dependent upon the availability of funds, and informed by the current and next year's financial position of the IRC-UK's compensation package which has a 'pay for performance' philosophy. Pay increases are given based on the individual staff member's performance review rating.



The SMT works via the Joint Negotiation Committee constituting of IRC-UK management and trade union representatives to negotiate and agree a pay award.

The following principles guided the annual pay award in FY 2018;

- The trade union had a negotiating role in the pay review and pay setting process, on behalf of their members and staff;
- Salary increases took into account RPI inflation and other published data and were applicable to all permanent staff and those on a fixed term contract employed on 30 September;
- Salary increases were tiered with staff on lower salaries receiving a higher percentage increase than those on higher salaries; this does not set a precedent for future negotiations;
- Staff who received a rating of 'does not meet expectations' did not receive a salary increase;
- Staff with a rating of 'successfully meets expectation' and higher received a merit based pay adjustment ranging from 0.5% to 2% depending on their performance rating; and
- Staff on performance improvement plans receive their pay award on successfully completing the improvement plan, backdated to 1 October.

In determining salaries for newly created positions IRC-UK sources external data for benchmarking purposes and intends to have a salary benchmark review bi-annually for every position in the organisation. To this end the IRC-UK collaborates with charities of similar size and purpose which operate in the UK market.

#### **Subsidiary company**

IRC-UK owns 100% of the issued ordinary share capital of IRC-UK Trading Limited, a company incorporated in England and Wales (Company Registration Number 07170021). The company was incorporated on 25 February 2010.

The principal activity of the subsidiary is to manage the trading activities of IRC-UK. The subsidiary was dormant in 2018.

#### **Communicating with staff**

Management and staff negotiate and/or consult on terms and conditions of employment with the IRC-UK Trade Union representatives. There are many opportunities to also consult with team leaders and staff. All managers are expected to hold regular one-to-ones with their staff and regular all-staff meetings are held to keep staff informed.

#### **Statement of public benefit**

The trustees confirm that they have complied with their duty in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. That guidance addresses the need for all charities' aims to be, demonstrably, for the public benefit, and for IRC-UK is reflected in the objectives of the charity, as well as by the activities of the charity as illustrated in the 'Strategic Report'. Wherever possible the views and opinions of beneficiaries are sought in the design and implementation of programmes, with the aim of ensuring that these are targeted to people in need, also taking into account their assessment of their needs and evaluating and assessing the beneficial changes.

#### **Statement on modern slavery**

IRC-UK recognises its responsibility and is committed to preventing modern slavery and human trafficking within its organisation, and to ensuring that its supply chains are free from slavery and human trafficking.

Prior to the enactment of the Modern Slavery Act 2015, IRC already had a strong commitment to preventing slavery and human trafficking within its supply chains incorporated into its policies and procedures. Following the enactment of the Modern Slavery Act 2015, IRC has sought to strengthen due diligence, assessment of risk and effectiveness, and training on the prevention of modern slavery, in conjunction with IRC's efforts to prevent human trafficking and child labour.

We have had no relevant cases reported in 2018. More information can be found through the Modern Slavery Statement on our website.

#### **Statement on safeguarding**

The IRC has a strong commitment to creating a culture of zero-tolerance of sexual harassment and sexual exploitation and abuse in our workplace and in our programmes – as well as a safe environment for anonymous reporting. We are determined to protect our beneficiaries and staff from sexual exploitation and abuse and sexual harassment through prevention and, where misconduct is alleged, to address it without fear or favour.

Since 2003 a dedicated staff has been in place to address and prevent sexual harassment, exploitation and abuse at the IRC. We continue to strengthen the work they have delivered over the last 15 years. For example, this year, the prevention of sexual misconduct is a particular focus of the IRC's global "IRC Way" training. The IRC Way is the IRC's Code of Conduct, which is expected to be understood and adhered to by all employees with disciplinary consequences for failing to do so. Based upon our three core values of Integrity, Service and Accountability, it includes IRC's policies on important safeguarding issues and how to raise concerns of suspected misconduct.

We have also created both an IRC-UK Safeguarding Committee of the Board and a global IRC Safeguarding Taskforce. The Board Safeguarding Committee will maintain oversight of the IRC-UK's policies and response concerning safeguarding issues. The Safeguarding Taskforce, with its global, cross-departmental membership, will pursue a unified organizational strategy to build upon our safeguarding initiatives in the years to come.

For more information, see the IRC's commitment to safeguarding on our website.

#### **Code of Fundraising Practice Statement**

No professional fundraisers were used during the year. Three Commercial Participant Agreements were active in FY18: one with Unilever and two with Citibank N.A.. There are no failures to report on compliance with the Code of Fundraising Practice. IRC-UK received 8 complaints related to fundraising. These ranged from problems with processing donations to the broader nature of our work. They were responded to by our Supporter Care team in line with internal policy and all resolved to the complainant's satisfaction.



## Financial report for the year

The financial statements were prepared under Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) (FRS 102).

Total income in FY 2018 increased to £143.7 million (2017 - £142.6 million). This was due to a decrease in income from charitable activities to £137.8 million (2017 - £138.6 million) but more than offset by an increase in income from donations and legacies to £5.8 million (2017 - £4.0 million).

IRC-UK's principal funding sources are:

• ECHO	£51.1 million (2017: £54.2 million)
• DFID	£47.3 million (2017: £59.7 million)
• Sida	£11.7 million (2017: £7.9 million)
• EuropeAid	£9 million (2017: £7.1 million)
• Dutch MFA	£3.7 million (2017: £0.6 million)
• Irish Aid	£2.3 million (2017: £1.5 million)
• DANIDA	£2.4 million (2017: £1.2 million)
• GIZ	£1.2 million (2017: £0.5 million)
• SDC	£1.2 million (2017: £1.7 million)
• Other	£7.3 million (2017: £2.2 million)

Full details can be found in the notes to the financial statements.

## Investment policy

IRC-UK's cash holdings, totalling £7.8 million as at 30 September 2018 (2017 - £15.1 million), are held in current accounts with Standard Chartered Bank and NatWest Bank, denominated in donor currencies (Euro, British Pound and United States Dollars).

IRC-UK purchased currency forwards during the year to hedge the currency risk on Swedish Krona to United States Dollars for our Framework Agreement with Sida and on United States Dollars to British Pounds for the remittances from IRC NY to cover IRC-UK's core operating costs.

## Reserves policy

Free reserves are the funds of the charity excluding the restricted funds, any designated funds, and the value of funds tied up in fixed assets for the charity's use.

The charity aims to hold free reserves sufficient to protect the organisation against an unexpected loss of income, or other unanticipated financial risks, and for investment in the long-term future of the organisation. The organisation strives to maintain free reserves equivalent to six months' operating expenditure of the charity, defined as total support costs funded by unrestricted funds. Based on the results for the year, this target was met as at 30 September 2018 with the equivalent of six months of operating expenditure held in general funds. The trustees monitor the level of actual and projected reserves and believe these to be sufficient to meet the current level of risk.

As explained elsewhere in the report, IRC-UK is part of the global IRC network. Through the coverage of IRC-UK's risks in large part by IRC NY, IRC-UK is able to hold reserves based on unrestricted expenditure rather than total expenditure. This is due to the business model of IRC, whereby charitable activities outside the UK are implemented by IRC NY abiding by the arrangements agreed between IRC-UK and IRC NY as laid out in a Framework Agreement between the two entities. The Framework Agreement obligates IRC NY to provide IRC-UK with sustainable financial support on a regular budget cycle and whenever needed. IRC NY will continue to provide unrestricted funding to cover part of IRC-UK's core operating costs, based on an agreed funding model.

IRC NY assumes in large part the risks associated with the implementation of IRC-UK's charitable activities outside the UK by supporting the fulfilment of matching fund obligations of projects, guaranteeing any expenditure which is disallowed by donors; and assuming joint liability for IRC-UK's financial and legal obligations.

## Review of reserves

Funds and reserves totalled £2.8 million as at 30 September 2018 (2017 - £2.6 million), of which £Nil (2017: £Nil) is restricted funds. £22k (2017 - £62k) is tied up in fixed assets.

Free reserves therefore total £2.8 million (2017 - £2.5 million), which is in line with the reserves policy representing 6 months of unrestricted expenditure in FY 2018 (2017: 6.5 months).

Expenditure in the year to 30 September 2019 (FY 2019) is budgeted to increase compared to FY 2018 and free reserves are expected to decrease during the year. The trustees have approved the use of £350k of free reserves in FY 2019 to partly fund a one-off investment in new office premises in London, which may result in reserves falling below the required level. Should this happen, IRC-UK will endeavour to bring reserves back up to the required level in future years.

Restricted income for the year was £138 million (2017 - £138 million), and the restricted expenditure for the year was £138 million (2017 - £138 million), which leaves restricted fund balances carried forward unchanged at £Nil.

## Matching funds

IRC-UK monitors matching fund liabilities of its possible future grants. IRC-UK's policy is to monitor carefully matching fund liabilities as part of the proposal development process, and to engage with implementing and funding partners to ensure that matching fund liabilities are met.

IRC NY has agreed to support the fulfilment of matching fund obligations of projects that have been approved under IRC network procedures, as well as to guarantee any expenditure that is disallowed by donors on these projects.

## Principal risks and uncertainties

The Board of Trustees has overall responsibility for the management and control of IRC-UK. The Board has mandated the Audit and Governance Committee to oversee the risk management framework and the effectiveness of the management of risk, to ensure key risks are reviewed and prioritised by the IRC-UK senior management team and established systems are in place to mitigate all significant risks.



### **Governance and oversight of IRC NY field operations**

The IRC-UK Board of Trustees fulfils its governance and oversight responsibilities of IRC field operations through controls, governance and reporting arrangements. The responsibility for compliance of IRC's field offices, which implement the grants signed by IRC-UK, is transferred to IRC NY through Grant Implementation Agreements. These Agreements are in place for all grants contracted by IRC-UK and implemented by IRC NY.

The financial and management systems under which IRC programmes operate are subject to external review by auditors acting on behalf of funding partners, and internal review by the IRC Internal Audit team on a risk-based schedule.

IRC NY shares with IRC-UK all internal and external audit reports and all reports produced by the Ethics and Compliance Unit (ECU) impacting on European donors. IRC NY Internal Audit and ECU report to the IRC-UK Audit and Governance Committee three times per year.

IRC-UK and IRC NY finance teams conduct regular checks to ensure that the IRC-UK accounting system is fully up-to-date and reconciled.

The Awards Management Unit (AMU) is a global team with staff based in the UK office with a reporting line to the SVP Europe and Executive Director IRC-UK. AMU provides direct support and guidance to IRC field offices; instructing on donor compliance, providing training, advising on donor strategies and relations, overseeing the development of project proposals, reviewing all agreements with implementing partners, and reviewing all financial and technical reports.

IRC-UK is invited to participate in IRC NY Audit Committee meetings. The SVP Europe and Executive Director IRC-UK is a member of the IRC Leadership Board and correspondingly a staff member from IRC NY is a member of the IRC-UK Board of Trustees. IRC-UK is also represented on the IRC NY Risk and Compliance Committee, as well as other departmental steering committees and boards.

The SVP Europe and Executive Director IRC-UK reports to the Chairman of the IRC-UK Board and the President and CEO of IRC. The Deputy Vice President of the AMU UK line manages the Regional Grants Directors jointly with the Regional Vice Presidents in the International Programs Department.

IRC-UK employs over 20 global Technical Advisors who provide direct technical support to field offices and monitor projects across the range of IRC programme areas. IRC-UK also hosts members of the Emergency Response Team and International Programs Department.

### **IRC-UK risk management approach and risk register**

The Audit and Governance Committee reviews the strategic and operational risks identified by IRC-UK management, and seeks assurance over IRC-UK's risk management and mitigation activities from IRC-UK management and from other sources, including IRC NY's Internal Auditor, Chief Finance Officer and Chief Ethics and Compliance Officer.

This review of the major risks to which the charity is exposed, both within the UK and internationally, is carried out using a risk management framework that identifies and prioritises risks, evaluates the likelihood of such risks and the level of impact they would have. The register of major risks faced by IRC-UK is grouped under the following headings:

- Strategic risk – including volatility of charitable income from economic uncertainties in donor countries and changes in donor funding priorities.
- Reputational risk – including media exposure due to the IRC's increasing profile.
- Integrity of suppliers – the IRC works in locations where the terrorism threat is significant and very much in the public agenda. During the year, Internal Audit continued its work with reviews in country offices to ensure anti-terrorist checks were performed on suppliers and on the purchase or disposal of assets.
- Field operations – limited through Grant Implementation Agreements with IRC NY and comprehensive operating and financial procedures, which are being continuously reviewed and strengthened. Currency risks arising from field operations and project activities is owned by IRC NY.
- UK operations – including business continuity risks associated with IT and other systems and premises, Health and Safety and Employment Relations risks
- Financial risk – donor financial compliance risk, the risk of fraud, and exchange risks associated with funding secured in a range of donor currencies.
- Statutory compliance – with UK Companies Act and Charity Commission guidance and with specific UK legislation including the Bribery Act 2010.

This approach to risk management provides reasonable assurance that risk is mitigated, but given the work that IRC-UK is undertaking in many of the world's most high risk environments, risk cannot be eliminated entirely. In the event of a major incident, procedures are in place to coordinate and respond effectively.

### **Principal risks and uncertainties faced in 2018**

The principal risks facing IRC-UK are assessed to be:

1. Ongoing uncertainty around the UK's exit from the European Union (EU) presents a risk to IRC-UK's future access to some European funding streams. The terms of the Brexit deal may affect IRC-UK's continued eligibility for funding from some EU funding streams in the short term and, in some cases, the longer term.

Mitigation: IRC-UK is in the process of transferring its existing Framework Partnership Agreement (FPA) with ECHO to IRC Deutschland (IRC-DE). Although IRC-UK will no longer be able to access funding from ECHO and some other European funding streams after the UK has left the EU, IRC will continue to be able to access this funding through other entities within the IRC network.
2. As with all large charities operating internationally in complex environments, IRC-UK is susceptible to the risk of a serious incident occurring. If it is not adequately managed or reported, the potential consequences could include donor audits or investigations, suspension or loss of funding, a Charity Commission statutory inquiry, adverse publicity and loss of public trust.



Mitigation: IRC has a widely communicated code of conduct and reporting procedure and in FY 2018 conducted training on the code of conduct for 12,500 employees globally, as well as a campaign to raise concerns and listening sessions. IRC-UK has procedures for systematic and timely reporting of incidents to donors and the Charity Commission. IRC has implemented improved procedures for partnership management and supply chain management in FY 2018, including due diligence procedures. IRC is developing an enterprise risk management system to improve management and mitigation of risk to be rolled out in FY 2019.

3. IRC-UK funding from DFID has declined from £60 million in FY 2017 to £47 million in FY 2018, the second year of decline. For the first time, DFID is no longer IRC-UK's largest donor. The proposed transfer of ECHO funding to IRC-DE in 2019 will see IRC-UK's income decrease further.

Mitigation: A new business development plan was implemented in FY18 to diversify funding, and we have seen increases in funding from EuropeAid, Sida, Irish Aid, Dutch MoFA and Danish MoFA (full details can be found in the notes to the financial statements). A business development plan specifically focussed on DFID funding will be implemented in 2019.

As a result, trustees are satisfied that key risks have been identified and mitigation strategies are in place, and that operating and financial procedures provide sufficient protection against exposure to risk.

#### **Future Plans**

In the next fiscal year, IRC-UK will continue pursuing our organisation-wide strategic plan established in 2015. This strategy identifies key opportunities for growth and defines the objectives required to make its vision a reality.

Our FY19 priorities continue to centre on growing and diversifying our funding sources, standing up for our clients and values, raising our profile in Europe and improving the effectiveness of our operations. We will strengthen our networks across Europe, building on our foundations and improved organisational structures to empower strategic leadership and expertise on a regional level while providing agility in local contexts.

Additionally, we will continue to prioritize and strengthen our safeguarding policies and procedures towards a culture of zero tolerance of sexual harassment, exploitation, or abuse in our workplace and programmes.

#### **Statement of trustees' responsibilities**

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

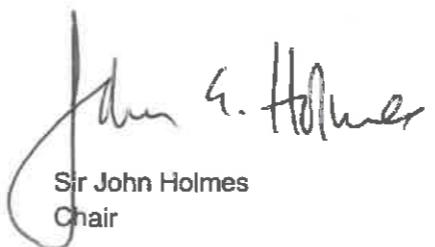
Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make him/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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.

The trustees' report, which also comprises a strategic report and directors' report as per the Companies Act 2006, is approved by and signed on behalf of the trustees:



Sir John Holmes  
Chair



Ian Barry  
Chair of Audit and Governance Committee

Approved by the trustees on: 19 March 2019



# Independent auditor's report

## Independent auditor's report to the members of International Rescue Committee, UK

### Opinion

We have audited the financial statements of International Rescue Committee, UK (the 'charitable company') for the year ended 30 September 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information

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

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.

### Opinions on other matters prescribed by the Companies Act 2006

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

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

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report.

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

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

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



# Statement of financial activities

## Responsibilities of trustees (continued)

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

## Auditor's responsibilities for the audit of the financial statements

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

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

## 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.

Edward Finch (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

	Year to 30 September 2018	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2018 funds £'000	Total 2017 funds £'000
<b>Income and expenditure</b>						
<b>Income from:</b>						
Donations and legacies			1,056	4,707	<b>5,763</b>	4,032
Investments			63	—	<b>63</b>	33
Charitable activities	1		4,656	133,189	<b>137,845</b>	138,553
<b>Total income</b>			<b>5,775</b>	<b>137,896</b>	<b>143,671</b>	<b>142,618</b>
<b>Expenditure on:</b>						
Raising funds	3		2,155	—	<b>2,155</b>	1,231
Charitable activities						
. Health			1,176	49,162	<b>50,338</b>	47,240
. Safety			1,147	47,924	<b>49,071</b>	47,782
. Education			259	10,796	<b>11,055</b>	18,414
. Economic Wellbeing			641	26,780	<b>27,421</b>	23,406
. Power			61	2,531	<b>2,592</b>	2,533
. Other			158	703	<b>861</b>	1,911
Total charitable activities	4		<b>3,442</b>	<b>137,896</b>	<b>141,338</b>	<b>141,286</b>
<b>Total expenditure</b>	2		<b>5,597</b>	<b>137,896</b>	<b>143,493</b>	<b>142,517</b>
<b>Net income for the year</b>	5		178	—	<b>178</b>	101
<b>Balances brought forward at 1 October 2017</b>			2,636	—	<b>2,636</b>	2,535
<b>Balances carried forward at 30 September 2018</b>			<b>2,814</b>	—	<b>2,814</b>	<b>2,636</b>

All of the charity's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the statement of financial activities.

The notes on pages 49 to 63 form part of these financial statements.



# Balance sheet

as at 30 September 2018	Notes	2018 £'000	2018 £'000	2017 £'000	2017 £'000
<b>Fixed assets</b>					
Tangible assets	8	22		62	
<b>Current assets</b>					
Debtors	10	53,796	62,485		
Cash at bank and in hand		7,847	15,073		
		61,643	77,558		
<b>Creditors: amounts falling due within one year</b>	11	(58,851)	(74,984)		
<b>Net current assets</b>		2,792	2,574		
<b>Total net assets</b>		2,814	2,636		
<b>Represented by:</b>					
<b>Funds and reserves</b>					
Income funds:					
Restricted funds	12	—	—		
Unrestricted funds					
. Designated funds	13	—	15		
. General fund		2,814	2,621		
		2,814	2,636		

Approved by and signed on behalf of the trustees:

Sir John Holmes  
Chair

Ian Barry  
Chair of Audit and Governance Committee

Approved by the trustees on: 19 March 2019

Company Registration Number: 3458056

# Statement of cash flows

for the year to 30 September 2018	Notes	2018 £'000	2017 £'000
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	(7,140)	(13,415)
<b>Cash flows from investing activities:</b>			
Investment income		63	33
Purchase of tangible fixed assets		(14)	—
<b>Net cash from investing activities</b>		49	33
<b>Change in cash and cash equivalents in the year</b>		(7,091)	(13,382)
<b>Cash and cash equivalents at 1 October 2017</b>	B	15,073	28,542
<b>Change in cash and cash equivalents due to exchange rate movements</b>		(135)	(87)
<b>Cash and cash equivalents at 30 September 2018</b>	B	7,847	15,073

## Notes to the statement of cash flows for the year to 30 September 2018.

A Reconciliation of net movement in funds to net cash used in operating activities		
	2018 £'000	2017 £'000
Net movement in funds (as per the statement of financial activities)	178	101
<b>Adjustments for:</b>		
Depreciation charge	54	23
Investment income and interest receivable	(63)	(33)
Exchange rate movements	135	87
Decrease (increase) in debtors	8,689	(29,015)
(Decrease) increase in creditors	(16,133)	15,422
<b>Net cash used in operating activities</b>	(7,140)	(13,415)

## B Analysis of cash and cash equivalents

	2018 £'000	2017 £'000
Cash at bank and in hand	7,847	15,073
<b>Total cash and cash equivalents</b>	7,847	15,073

# Principal accounting policies

Year to 30 September 2018

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

## Basis of preparation

These accounts have been prepared for the year to 30 September 2018.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand.

## Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- The treatment of deferred income balances relating to performance-related grants as monetary liabilities
- The judgement that expenditure incurred on performance-related grants is a reliable basis for estimating the right to receive payment for the work performed;
- the judgement that, subject to any evidence to the contrary, all expenditure incurred under a signed funding agreement is recoverable from funders;
- the judgement that there is no provision required for disallowed expenditure under donor funding agreements (see note 16);
- estimates in respect of accrued expenditure;
- the allocation of office overheads and governance costs between charitable expenditure categories; and
- estimating the useful economic life of tangible fixed assets.

## Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

## Assessment of going concern (continued)

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 30 September 2019, the most significant areas that affect the carrying value of the assets held by the charity are compliance risks in relation to restricted grants (see the risk management and reserves policy sections of the trustees' report for more information), funding pipelines and reserves.

## Subsidiary company

The results of the charity's subsidiary, IRC-UK Trading Limited, have not been consolidated due to immateriality, as permitted under section 402 of the Companies Act 2006. The results of IRC-UK Trading Limited are summarised in note 20. The company was dormant during the year.

## Income recognition

All incoming resources are included in the SOFA when IRC UK is entitled to the income, when receipt of funds is probable, and when the amount can be measured with sufficient reliability.

Grants from governments, agencies and foundations, corporates and trusts have been included as 'Income from charitable activities' where these grants specifically outline the goods and services to be provided to beneficiaries.

For these performance-related grants, in the absence of specific milestones to determine entitlement, income is recognised to the extent that resources have been committed to the specific programme, as this is deemed to be a reliable estimate of the right to receive payment for the work performed. In this case, cash received in excess of expenditure is included as a creditor (as deferred income) and expenditure in excess of cash included as a debtor (as accrued income).

Grants from government and other agencies have been included as income from activities in furtherance of the charity's objectives as these amount to support for specific activities. Income from individuals and other private organisations has been included as donations unless the money is given in response to an appeal to fund a specific project.

IRC NY core funding is included within income from charitable activities. The amount provided is based on operational need and reflects, but is not tied to, the unrestricted funding from grants generated by IRC-UK for the IRC network.

Donations are recognised when receivable. Donations are only accrued where the donor has confirmed the donation in writing, receipt is considered probable and there is no stipulation that the donations is being made towards activity that is taking place in a future accounting period.



## Expenditure recognition

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT, where this cannot be recovered.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Staff cost and expenses relating to Technical Units, and their subsequent reimbursement from IRC NY are not recognised in income or expenditure included on the Statement of Financial Activities as IRC-UK does not have sufficient control over the activities of these staff members, who report directly to IRC NY but operate from the offices of IRC-UK for reasons of practicality.

## Expenditure allocation

Expenditure comprises the following:

- a) The costs of generating funds represent the salaries, direct costs and overheads associated with generating income.
- b) The costs of charitable activities, which comprise expenditure on the charity's primary charitable purpose, i.e. overseas field operations. These include support costs, which represent the costs incurred by UK based staff providing support for IRC-UK's international programmes.
- c) Support costs include management, policy and advocacy work, supervision, governance costs and technical support for IRC-UK's emergency and development programmes. Governance costs comprise the costs which are directly attributable to the management of the charity's assets and the necessary legal and organisational procedures for compliance with statutory and governance requirements.

The majority of costs are directly attributable to specific activities. Staff costs are apportioned to the groups of costs listed above on the basis of time spent. Other non-directly attributable costs are allocated on the basis of apportioned staff time.

Where not directly attributable, the cost of support to specific charitable activities is apportioned on the basis of the value of expenditure incurred on the activity during the year.

## Interest receivable

IRC-UK allocates interest to restricted funds where funds relate to long-term projects and where the interest receivable is significant in relation to the funds held and in accordance with donor regulations.

## Foreign currency

Monetary assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

Foreign currency risk is managed by holding restricted donor funds in the grant reporting currency in the UK, the US or the field, until close to the spending date.

Foreign currency cash, funds held overseas, grants receivable, programme creditors and deferred income balances for performance-related programme funding are treated as monetary assets and liabilities. These items are retranslated at the balance sheet date as they represent actual funds receivable, balances in hand to fund specific programmes and committed expenditure under those programmes, measured in the underlying donor currency. Generally the gains and losses on the debit balances (cash, funds held overseas, grants receivable, programme debtors) offset those on the credit balances (programme creditors, deferred income).

In exceptional circumstances, if a net currency gain arises it will be refunded to the donor; if a net currency loss arises, it will result in a charge of excess project expenditure to unrestricted funds and be recorded in the SOFA.

## Leased assets

Rentals applicable to operating leases under which substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

## Tangible fixed assets

All assets purchased for use in the UK office and costing more than £1,000 are capitalised at cost including incidental expenses of acquisition.

Depreciation is provided at the following annual rates on a straight-line basis in order to write off the cost of each asset over its estimated useful life:

- Equipment, including computer equipment - five years
- Leasehold improvements - over the remaining life of the lease up to a maximum of ten years
- Fixtures and fittings - four years
- Items purchased for use in programmes overseas and with a useful life beyond the duration of the programme activities are either:
  - charged in full to charitable expenditure when purchased, in accordance with the donor regulations; or
  - purchased with IRC unrestricted funds and depreciation charged to the donor funding the specific programme (if allowed).



# Notes to the financial statements

Unless the donor specifies otherwise, depreciation costs charged to donors are calculated on a straight-line method as above, over its estimated useful life:

- for vehicles and equipment the useful life is always three years
- for land and buildings, and leasehold improvements, the useful life is from three to a maximum of ten years but it cannot exceed the maximum period left on the lease

## **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

## **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

## **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

## **Fund accounting**

The general fund comprises those monies that may be used towards meeting the charitable objectives of the charity and applied at the discretion of the trustees.

Designated funds comprise amounts within the total unrestricted funds of the charity, which the trustees have earmarked for specific purposes. Details of these are provided in note 13.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

## **1 Charitable activities**

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
<b>Grants</b>				
- CARE International	—	2,056	<b>2,056</b>	395
- The Catholic Agency For Overseas Development (CAFOD)	—	499	<b>499</b>	249
- Comic Relief	—	—	—	1
- The Danish International Development Agency (DANIDA)	—	2,422	<b>2,422</b>	1,180
- Deutsche Gesellschaft fur Internationale Zusammenarbeit (GIZ)	—	1,246	<b>1,246</b>	469
- The Dutch Government (Dutch MFA)	—	3,680	<b>3,680</b>	565
- European Community (EuropeAid)	—	9,046	<b>9,046</b>	7,112
- European Commission's Humanitarian Aid and Civil Protection department (ECHO)	—	51,084	<b>51,084</b>	54,166
- Ireland – Development Cooperation Division of the Department of Foreign Affairs (Irish Aid)	—	2,319	<b>2,319</b>	1,492
- Swedish International Development Cooperation Agency (Sida)	—	11,749	<b>11,749</b>	7,880
- Swiss Agency for Development and Cooperation (SDC)	—	1,181	<b>1,181</b>	1,688
- UBS	—	149	<b>149</b>	—
- UK Department for International Development (DFID)	—	47,288	<b>47,288</b>	59,725
Other Trusts and Foundations	—	470	<b>470</b>	139
<b>Total grants</b>	—	133,189	<b>133,189</b>	135,061
Unrestricted income from grants	4,656	—	<b>4,656</b>	3,492
<b>2018 Total funds</b>	<b>4,656</b>	<b>133,189</b>	<b>137,845</b>	138,553
<b>2017 Total funds</b>	3,492	135,061	138,553	

IRC-UK acknowledges funding from specific donors in note 19.



Year to 30 September 2018

## 2 Analysis of expenditure from unrestricted funds

	Raising funds £'000	Charitable activities £'000	Total 2018 £'000	Total 2017 £'000
<b>Direct costs</b>				
Staff costs	714	1,076	<b>1,790</b>	1,680
Direct costs	409	333	<b>742</b>	447
Audit costs	—	35	<b>35</b>	35
<b>Total direct costs</b>	<b>1,123</b>	<b>1,444</b>	<b>2,567</b>	<b>2,162</b>
<b>Support costs</b>				
Staff costs	692	893	<b>1,585</b>	1,170
General support costs	272	909	<b>1,181</b>	1,134
Travel, transport and accommodation	68	196	<b>264</b>	232
<b>Total support costs</b>	<b>1,032</b>	<b>1,998</b>	<b>3,030</b>	<b>2,536</b>
<b>2018 Total costs</b>	<b>2,155</b>	<b>3,442</b>	<b>5,597</b>	<b>4,698</b>
2017 Total costs	1,231	3,467	4,698	

Support costs include the costs of general administration and management, allocated to raising funds and charitable activities on the basis of the proportion of staff time attributable to those categories. Support costs charged to the category of charitable activities are further allocated across individual activities or sectors on basis of proportional direct expenditure incurred on those activities during the year (see note 4).

Staff costs include training and recruitment costs, and exclude any staff costs charged to restricted funds.

## 3 Raising funds

The costs of raising funds can also be analysed as follows:

	Total 2018 £'000	Total 2017 £'000
Generation of voluntary income and costs of activities for generating funds	301	173
Generation of income from charitable activities	1,854	1,058
<b>2018 total funds</b>	<b>2,155</b>	<b>1,231</b>

## 4 Charitable activities

	Support costs £'000	Activities undertaken directly £'000	Total 2018 £'000	Total 2017 £'000
<b>Health</b>				
Health (includes psychosocial)	916	38,292	<b>39,208</b>	35,670
Environmental health	260	10,870	<b>11,130</b>	11,570
	1,176	49,162	<b>50,338</b>	47,240
<b>Safety</b>				
Child protection	634	26,505	<b>27,139</b>	28,986
Women's protection and empowerment and GBV	513	21,419	<b>21,932</b>	18,796
	1,147	47,924	<b>49,071</b>	47,782
<b>Education</b>				
Education (including Vocational)	259	10,796	<b>11,055</b>	18,414
	259	10,796	<b>11,055</b>	18,414
<b>Economic Wellbeing</b>				
Livelihoods	641	26,780	<b>27,421</b>	19,660
Agriculture	—	—	—	3,746
	641	26,780	<b>27,421</b>	23,406
<b>Power</b>				
Good Governance	52	2,182	<b>2,234</b>	1,790
Civil society	9	349	<b>358</b>	743
	61	2,531	<b>2,592</b>	2,533
<b>Other</b>				
General costs	158	703	<b>861</b>	1,911
<b>2018 Total funds</b>	<b>3,442</b>	<b>137,896</b>	<b>141,338</b>	<b>141,286</b>
2017 Total funds	3,467	137,819	141,286	

Support costs are allocated across charitable activities in proportion to activities undertaken directly. Support costs include management, policy and advocacy work, supervision, and technical support for IRC-UK's emergency and development programmes.



## 5 Net movement in funds

This is stated after charging:

	Total 2018 £'000	Total 2017 £'000
Staff costs (note 6)	4,037	3,414
Statutory auditor's remuneration	35	35
Non-audit services paid to statutory auditors	27	16
Other auditor's remuneration	36	—
Depreciation	54	23
Operating lease charges (note 14)	167	166

## 6 Staff costs and trustees' remuneration

	2018 £'000	2017 (restated)* £'000
Total staff costs for UK employed staff during the year were:		
Wages and salaries	5,439	4,491
Social security	593	480
Pension costs	246	215
Severance costs	18	13
Total staff costs	6,296	5,199
Less: costs for staff reporting directly to New York whose costs were reimbursed by IRC Inc	(2,259)	(1,785)
	4,037	3,414

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding pension and national insurance contributions) during the year was as follows:

	2018 No.	2017 (restated)* No.
£60,001 - £70,000	10	9
£70,001 - £80,000	5	3
£80,001 - £90,000	2	2
£90,001 - £100,000	1	0
£110,001 - £120,000	1	0
£130,001 - £140,000	0	1
£160,001 - £170,000	1	0

No trustee received any remuneration for services as a trustee (2017 - £nil) and no travel expenses (2017 - £2,018) relating to Board field visits were paid on behalf of trustees (2017 – 1 trustee).

The total employment costs, including employers' pension and social security contributions, of the key management personnel of the charity, as defined on page 29, was £535,368 (2017 - £676,255).

## 6 Staff costs and trustees' remuneration (continued)

The average number of UK employees during the year, calculated on an average headcount basis and analysed by function, was as follows:

	2018 No.	(restated)* No.
Fundraising and donor development	14	14
Programme delivery	81	72
Programme support	12	8
Management and administration	3	2
	110	95

\*The 2017 figures throughout this note have been restated to include the costs of UK employed staff who report directly to IRC NY but operate from IRC UK's offices for reasons of practicality.

## 7 Taxation

IRC-UK is a registered charity and therefore is not liable to corporation tax on income derived from its charitable activities, as it falls within the exemptions available to registered charities.

## 8 Tangible fixed assets

	Computer equipment £'000	Furniture, fixtures and equipment £'000	Leasehold improve- ments £'000	Total £'000
<b>Cost</b>				
At 1 October 2017	18	122	62	202
Additions	14	—	—	14
At 30 September 2018	32	122	62	216
<b>Depreciation</b>				
At 1 October 2017	16	98	26	140
Charge for year	4	19	31	54
At 30 September 2018	20	117	57	194
<b>Net book values</b>				
At 30 September 2018	12	5	5	22
At 30 September 2017	2	24	36	62

The depreciation charge for the year includes £34k of accelerated depreciation on fixtures and fittings and leasehold land following the decision to vacate IRC-UK's current premises in Bloomsbury Place by May 2019.

## 9 Investments

IRC-UK owns 100% of the issued ordinary shares of IRC-UK Trading Limited, a company incorporated in England and Wales (Company Registration Number 07170021). The principal activities of the subsidiary are to manage the trading activities of IRC-UK, specifically any ticketed events. As stated in note 20, IRC-UK Trading Limited was dormant in the year.



## 10 Debtors

	2018 £'000	2017 £'000
Funds held overseas	<b>36,275</b>	43,081
Grants receivable	<b>16,811</b>	18,818
Other debtors and prepayments	<b>710</b>	586
	<b>53,796</b>	62,485

## 11 Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Programme creditors	<b>14,067</b>	18,828
Deferred income	<b>44,115</b>	55,502
Other creditors and accruals	<b>669</b>	654
	<b>58,851</b>	74,984

	2018 £'000	2017 £'000
<b>Reconciliation of movements in deferred income:</b>		
Carrying amount 1 October 2017	<b>55,502</b>	35,562
Amounts released during the year	<b>(55,502)</b>	(35,562)
Income deferred in the current year	<b>44,115</b>	55,502
Carrying amount at 30 September 2018	<b>44,115</b>	55,502

## 12 Restricted funds

The income funds of the charity include restricted funds comprising the following donations and grants held to be applied for specific purposes:

	At 1 October 2017 £'000	Expenditure and transfers £'000	At 30 September 2018 £'000
Afghanistan	—	132	(132)
Bangladesh	—	410	(410)
Burundi	—	107	(107)
Cameroon	—	1,724	(1,724)
Central Africa Republic	—	1,435	(1,435)
Chad	—	2,440	(2,440)
Colombia	—	337	(337)
Democratic Republic of Congo	—	4,501	(4,501)
Ethiopia	—	18,289	(18,286)
Greece	—	6,757	(6,757)
Iraq	—	16,483	(16,483)
Italy	—	75	(75)
Ivory Coast	—	105	(105)
Jordan & Middle East	—	9,616	(9,616)
Kenya	—	2,226	(2,226)
Lebanon	—	8,090	(8,090)
Liberia	—	522	(522)
Libya	—	1,062	(1,062)
Mali	—	4,881	(4,881)
Myanmar	—	1,516	(1,516)
Niger	—	3,875	(3,875)
Nigeria	—	11,508	(11,508)
Pakistan	—	3,581	(3,581)
Serbia	—	249	(249)
Sierra Leone	—	2,502	(2,502)
Somalia	—	7,493	(7,493)
South Sudan	—	5,594	(5,594)
Syria Region	—	10,736	(10,736)
Tanzania	—	462	(462)
Thailand	—	755	(755)
Turkey	—	1	(1)
Uganda	—	3,327	(3,327)
Yemen	—	3,253	(3,253)
Zimbabwe	—	11	(11)
Multi-country	—	509	(509)
Technical Grants	—	3,332	(3,332)
	—	137,896	(137,896)



## 12 Restricted funds (continued)

	At 1 October 2018 £'000	Expenditure and transfers £'000	At 30 September 2018 £'000
<b>Health</b>			
Health (includes psychosocial)	—	38,292	(38,292)
Environmental health (water, sanitation, & shelter)	—	10,870	(10,870)
	<hr/>	<hr/>	<hr/>
	49,162	(49,162)	—
<b>Safety</b>			
Child protection	—	26,504	(26,504)
Women's protection & empowerment	—	21,419	(21,419)
	<hr/>	<hr/>	<hr/>
	47,923	(47,923)	—
<b>Education</b>			
Education (includes Vocational Education)	—	10,796	(10,796)
	<hr/>	<hr/>	<hr/>
	10,796	(10,796)	—
<b>Economic Wellbeing</b>			
Agriculture	—	26,849	(26,849)
	<hr/>	<hr/>	<hr/>
	26,849	(26,849)	—
<b>Power</b>			
Good Governance	—	2,182	(2,182)
Civil society	—	349	(349)
	<hr/>	<hr/>	<hr/>
	2,531	(2,531)	—
<b>Other</b>			
General costs	—	635	(635)
	<hr/>	<hr/>	<hr/>
	137,896	(137,896)	—

## 13 Designated funds

	At 1 October 2017 £'000	New designations £'000	Released £'000	At 30 September 2018 £'000
Premises repairs	15	—	(15)	—

A designated fund was created to set aside funds to cover major office repairs. This has been released this year following the decision to move to new premises.

## 14 Operating leases

The charity had commitments in respect of non-cancellable operating leases of property which fall due:

	2018 £'000	2017 £'000
Within one year	153	217
Within two to five years	14	114
	<hr/>	<hr/>
	167	331

## 15 Connected charities and related parties

IRC-UK is an independent entity governed by its Board of Trustees.

IRC-UK is a member of an international network of agencies referred to collectively as the International Rescue Committee (IRC). IRC-UK is affiliated with the International Rescue Committee Inc, ('IRC NY'), a not-for-profit agency based in New York, USA; the International Rescue Committee Belgium ASBL, based in Brussels; the International Rescue Committee Deutschland; Stichting Vluchteling; and associated agencies and offices worldwide.

The overseas activities of IRC-UK are carried out through the regional and country offices of the IRC, under contract with IRC-UK, and supervised by IRC-UK staff.

During the year, remittances of £7,732,000 (2017 - £6,550,000) were received from IRC NY, of which £4,656,000 was unrestricted funding reflecting, but not tied to, the unrestricted funding from grants from European donor-funded programmes covering IRC-UK's core operating costs (2017 - £3,492,000) and £3,075,000 was reimbursement of the salary and operating costs of UK-based Technical Units (2017 - £2,682,000).

Due to the international nature of the organisations' operations, certain salaries and costs are paid by IRC NY and then reimbursed by IRC-UK, and vice versa. At 30 September 2018, £1,583,000 (2017 - £583,000) was owed by IRC NY to IRC-UK in relation to such reimbursements.

At the year end, funds held by IRC offices overseas, which related to IRC-UK programmes totalled £36,275,000 (2017 - £43,081,000). Funds owed to IRC overseas offices in relation to monies already disbursed totalled £12,666,000 (2017 - £18,818,000).

IRC NY has agreed to support the fulfilment of matching fund obligations of projects that have been approved under IRC network procedures, as well as to guarantee any expenditure which is disallowed by donors on these projects. At the year-end £194,920 (2017 - £nil) was owed by IRC NY to IRC-UK in relation to disallowable expenditure on grants.

Included within donations and legacy income on the statement of financial activities are donations of £84,128 from IRC-UK trustees (2017 - £33,950). No trustee had any beneficial interest in any contract with the charity during the year.



## 16 Contingent liabilities

As at the year end there were a number of projects on which funds were outstanding from the donor pending finalisation of donor audits. There is a risk that such funds are not wholly recoverable, or may be repayable in the event of adverse audit findings. Amounts disallowed are generally insignificant as a proportion of overall project budgets and would be fully recoverable as they are covered by the IRC NY support referred to above. Accordingly, no provision is made for such amounts.

## 17 Project commitments

As at 30 September 2018, IRC-UK was committed to expenditure on ongoing and future programmes totalling £122 million (2017 - £119 million). Funding agreements are in place for all of the aforementioned programmes.

	Contract Value £m	Funds spent to date £m	Future committed amounts £m
Conflict affected individuals and institutions in Syria are better prepared to cope with and mitigate the risks of shocks	48	23	25
IWRM-Operationalising the Theory of Change (ToC) of the Great Lakes Mechanism (ERM) VI in Ethiopia	19	4	15
Enhanced Integration of Displaced & Displacement Affected	7	1	6
Safety, Support and Solutions – Phase 2	8	2	6
North East Nigeria Transitional Development Education	5	—	5
Programme de l'Alliance pour la Resilience Communautaire (ARC1 TF)	7	3	4
Contribuer à l'amélioration des conditions de vie des populations vulnérables au Niger	4	1	3
MYHP for Complex Emergencies-RELIEF Consortia Responding to the Evolving and Long-Term IDP Emergencies in the Federally Administered Tribal Areas and Khyber Pakhtunkhwa	2	—	2
Strengthening the protection environment for Syrian Refugees	8	6	2
Other projects (under £5m committed)	3	1	2
	228	176	52
	339	217	122

## 18 Analysis of net assets between funds

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total 2018 £'000
<b>Fund balances at 30 September 2018 are represented by:</b>				
Tangible fixed assets	22	—	—	22
Current assets	3,416	—	58,227	61,643
Creditors: amounts falling due within one year	(624)	—	(58,227)	(58,851)
<b>Total net assets</b>	<b>2,814</b>	<b>—</b>	<b>—</b>	<b>2,814</b>

## 19 Acknowledgement of donor contributions to charitable activities

IRC-UK acknowledges the following contributions from donors included within charitable activities in note 1.

IRC-UK acknowledges funding from DFID for the following grants:

Project code	Contract Number	Programme	Cash Received	Income Recognised
DF040	AG4765	Tuungane - Community Driven Reconstruction Programme	0	(1,604)
DF078	PO 6186	Peace and Development Programme: Support to the Delivery of Basic Services in the Somali Region	99,452	38,224
DF080	5097	Valorisation de la Scholarisation de la Fille (VAS-Y Fille!)	574,422	(76,502)
DF084	GPAF-IMP-049	Back on Track – Improving maternal health and reducing child mortality in Kenema and Kono Districts, Sierra Leone	0	23,995
DF089	SLE/CO/FY16/PART/001	Supporting marginalised girls in Sierra Leone to complete Basic Education with improved learning outcomes	579,442	153,985
DF090	204007-111	Emergency Aid for Conflict-affected Syrians	0	9,969
DF091		Education Quality Improvement Programme in Tanzania	216,470	198,760
DF098	No. 203462-110 / PO: 400754	Livelihood Support and Recovery for Vulnerable Communities in Somalia	241,964	220,088
DF103	40080602	Creating a Space, Raising a Voice: Protecting and Empowering Adolescent Girls in Humanitarian Contexts	284,013	630,791
DF104	PO6256	Violence Against Women and Girls Research and Innovation Fund: VAWG in Conflict and Humanitarian Emergencies	203,299	802,350
DF117		Protection in Practice - National Capacity for Protection Practice and Coordination	78,070	78,899
DF119	204520	Humanitarian Assistance for those affected by the Syrian Conflict in Syria, Lebanon and Jordan	2,121,446	2,312,549
DF126	204603105/PO 40094598	DFID MYHP - Pillar 2: Complex Emergency Programme	1,293,576	1,749,502
DF127	204603106/PO 40094598	IDP Vulnerability Assessment and Profiling (IVAP)	417,838	430,502
DF130	719.10/06	Stronger Cities Initiative: Harnessing and Enhancing Capacity to Respond to Urban Crises	45,569	11,424
DF131	203400-114/PO40096855	Assistance to Conflict-Affected People in Thailand and South East Burma/Myanmar	68,976	376,458
DF133	SLE/CO/FY16/PART/IRC/001	GEC Partners Expansion: Supporting Primary School Girls and Children with Disabilities	254,915	106,934
DF139	CICF-SCL-RI-GA 002	Maternal and Newborn Health in Turkana County	84,868	70,150
DF141	205182	Maintaining a Resilient Zero in Sierra Leone	551,184	599,267
DF143	205161-104 PONumber:400	DFID Protection Consortium	3,607,436	4,240,179
DF151	300263	Making a Difference for Refugee Children in Europe	0	(61,299)
DF153	205234-104 PO 40100530	Quality Lesson Plans for Quality Instruction - SSEIP	385,775	585,103
DF158	Lot 17	Health Pooled Fund: Panyinjar	570,987	582,432
DF164	205110-103	DFID SNaP- Challenging harmful attitudes and norms for gender equality and empowerment in Somalia (CHANGES)	410,733	575,863
DF166		Building Disaster Resilience in Pakistan	1,273,865	1,319,919
DF168	300089	Delivering Humanitarian Assistance and Building Resilience for Conflict-Affected Populations in the Whole of Syria	14,697,902	15,861,369
DF169	204273	DFUK02-Subgrant from IRC UK to IRC HQ	40,021	28,780
DF170	91185S003	Emergency Multi-Purpose Cash Assistance to Conflict-Affected Populations in Iraq	506,587	(30,574)
DF171	300349-101	Strengthening Health, Protection and Assistance for Syrian Refugees and vulnerable Jordanians in Northern Jordan	2,459,175	2,433,371
DF173		Preparing for return – assistance to displaced Burmese in Thailand and South East Burma/Myanmar	156,986	379,987



## 19 Acknowledgement of donor contributions to charitable activities (continued)

DF176	203462-102	Providing emergency health and nutrition services to drought affected communities in Somalia (IRF)	0	6,244
DF177	300264-104	Providing protection services to migrants especially Women and children in Agadez	138,043	181,490
DF178		GEC Payment by Result	0	(228,591)
DF179	7928 SCI SOF 82603440	Deyr drought crisis modifier to the PDP-BASES Programme	42,233	0
DF180	30722	R2HC Food and Nutrition Crises Call	0	130,318
DF181	CPHD-IRC CICF R3 Grant	Increasing Nomadic Pastoralist Communities' Access to and Utilisation of Sustainable CEmONC Services	58,972	119,629
DF182	203462-102	Providing life-saving humanitarian relief to communities affected by shocks in Somalia (IRF 5 - 2017)	1,592,896	1,796,664
DF183	Lot 11A	Health Pooled Funds Lot 11	1,990,042	2,873,956
DF184	2UA DRC-517-695	Multi-sectorial Emergency assistance to South Sudanese refugees in West Nile - Uganda	540,000	601,306
DF185	300432-110/PO number:401	Education in Emergencies	2,959,460	3,134,502
DF186	91251S003	DFID CCI MPCA and Cash Assistance	2,254,259	2,193,366
DF188	205128-102	2018/19 Famine Prevention and Drought Impact Response through Multi-Purpose Cash -IRF 6	826,747	826,747
DF189	205268-110	Emergency Health & Protection Response in Cox's Bazar Bangladesh	287,254	163,962
DF190	32393	Optimizing a community-based model to improve screening for Syrian refugees in Jordan	156,980	0
DF191	DRC-4383-IRC	DFID Safety Support and Solutions Phase II	250,647	490,865
DF192	SOFM 1849	DFID SHARP UPLIFT	320,131	114,754
DFUK02		Urban Humanitarian Crises Advocacy and Learning Partnership	44,221	45,018
EX078		IRC R&D and START DEPP Labs in Jordan	690,120	781,836
EX079	28636	Raising the bar for routine M&E in GBV programs: Measuring psychosocial well-being and felt stigma outcomes	44,998	46,976
EX080	S02268	MHPSS for refugee and asylum seekers stranded in Serbia	(2,450)	63,657
EX083	MERF00013_S02268_A	MHPSS and Protection Monitoring for refugees and asylum seekers stranded in Serbia	85,658	85,658
EX092	ALERT00214_S02268_A	Burundi Start Funding Jan 2018	127,021	127,021
OX060		Building a Research Foundation for the Integration of Menstrual Hygiene Management (MHM) into Emergencies	73,822	68,371
OD161	004	WASH programming in Côte d'Ivoire	50,000	4,834

## 19 Acknowledgement of donor contributions to charitable activities (continued)

### Irish Aid Trustees' Certificate of Assurance

This certificate of assurance is furnished in terms of the requirements of the Irish Department of Public Expenditure and Reform in respect of Grants from the Exchequer Funds. In this regard the trustees confirm that the public money granted was used on accordance with the terms and conditions of the grant.

Grantor: Minister for Foreign affairs and Trade

Name of the grant: Irish Aid IRC's Two Year Strategic Partnership 2017-18

Contract Number: IRC 17 01

Purpose of the grant: Service provision / charitable activity

Amount and term of grant: €1,100,000 from 1 January 2018 to 31 December 2018 (2017 - €1,100,000, including €250,000 Emergency Response funding from Irish Aid).

Reconciliation of amounts received, expended and deferred as per table below.

	EUR	GBP
Income received in the current year	1,100,000	960,232
Deferred to following year	(416,892)	(412,690)
Accrued from following year	355,166	316,445
Income recognised in the current year	1,020,290	902,707
Unrealised exchange rate difference	(20,438)	-

The income recognised in the current year in the table above relates only to the expenditure for contract IRC 17 01. Total Irish Aid income recognised in note 1 on page 49 of £2,319,000 (2017 - £1,492,000) includes other projects that were also active in the year.

The State's investment is protected and will not be used as security for any other activity without prior consultation with the parent Department and sanction of DPER.

The grant is restricted for the project with contract number IRC 17 01.

The Trustees confirm that we are compliant with relevant Tax Clearance Circulars, including Circular 44/2006 'Tax Clearance Procedures Grants, Subsidies and Similar Type Payments'.

The number of employees who earned €60,000 per annum or more (including taxable benefits but excluding pension contributions) during the year was as follows:



## **19 Acknowledgement of donor contributions to charitable activities (continued)**

	<b>2018</b>	<b>2017</b>
€60,001 - €70,000	10	6
€70,001 - €80,000	8	8
€80,001 - €90,000	4	3
€90,001- €100,000	2	—
€100,001 – €110,000	1	2
€120,001 – €130,000	1	—
€150,001 – €160,000	—	1
€180,001 – €190,000	1	—

During the year, total employer pension contributions were €277,619 (2017 - €248,313).

### Minister for Foreign Affairs and Trade as represented by Irish Aid in Liberia

We acknowledge the following funding was received from Irish Aid in Liberia for the following programmes:

- €319,976 in the period 2 December 2017 to 1 December 2018 for the Giving Girls Choices II programme.
- €600,000 in the period 12 March 2018 to 11 September 2019 for the She Leads programme.

### The Catholic Agency for Overseas Development

We acknowledge receipt of £370,420 from the Catholic Agency for Overseas Development in the period 1 October 2017 to 30 September 2018 (2017 - £529,790) for the project below:

Integrated life-saving nutrition interventions for conflict affected communities in South Yemen (DEC Yemen Crisis) £370,420 (2017 - £529,790).

Income recognised in the previous period in Note 1 on page 49 of £499,000 differs from income received due to income deferred to future periods in accordance with IRC-UK's income recognition policy on page 45.

## Swedish International Development Cooperation Agency

We acknowledge receipt of \$15,280,551 from Sida in the period 1 October 2017 to 30 September 2018 (2017 - \$10,483,503) for year 1 of the IRC's fourth, three year Humanitarian Framework Agreement (HFAIV 2018-2021).

	USD	GBP
Income received in the current year	15,280,551	10,947,075
Deferred to following year	(10,150,437)	(7,780,606)
Accrued from following year	247,858	190,294
Income recognised in the current year	4,378,203	3,356,763
Unrealised exchange rate difference	999,769	-

Additional income from Sida of £4,365,584 was recognised in the period 1 October 2017 to 30 September 2018, having been received prior to 1 October 2016 and deferred.

## **20 Subsidiary company**

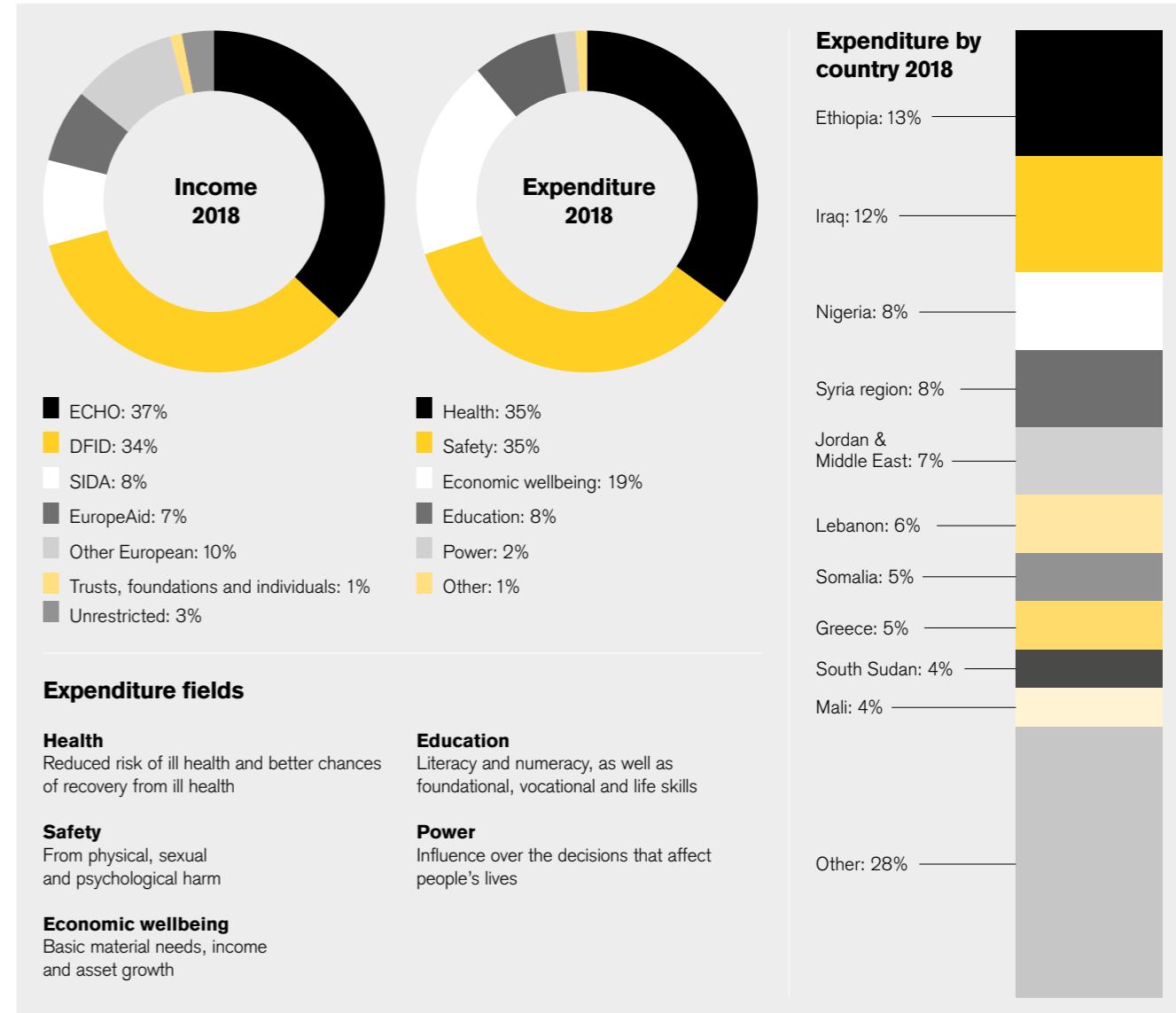
IRC-UK owns 100% of the issued ordinary shares of IRC-UK Trading Limited, a company incorporated in England and Wales (Company Registration Number 07170021). The principal activities of the subsidiary are to manage the trading activities of IRC-UK, specifically any ticketed events. IRC-UK Trading Limited was dormant in the year.



# Financial summary

Statement of financial activities 1 October 2017 to 30 September 2018

<b>Income and expenditure</b>	Unrestricted funds £'000	Restricted funds £'000	<b>Total 2018 funds £'000</b>	Total 2017 funds £'000
<b>Income from:</b>				
Donations and legacies	1,056	4,707	<b>5,763</b>	4,032
Investments	63	—	<b>63</b>	33
Charitable activities	4,656	133,189	<b>137,845</b>	138,553
<b>Total income</b>	<b>5,775</b>	<b>137,896</b>	<b>143,671</b>	<b>142,618</b>
<b>Expenditure on:</b>				
Raising funds	2,155	—	<b>2,155</b>	1,231
Charitable activities:				
— Health	1,176	49,162	<b>50,338</b>	47,240
— Safety	1,147	47,924	<b>49,071</b>	47,782
— Education	259	10,796	<b>11,055</b>	18,414
— Economic Wellbeing	641	26,780	<b>27,421</b>	23,406
— Power	61	2,531	<b>2,592</b>	2,533
— Other	158	703	<b>861</b>	1,911
<b>Total expenditure</b>	<b>5,597</b>	<b>137,896</b>	<b>143,493</b>	<b>142,517</b>
<b>Net (expenditure) income for the year</b>	<b>178</b>	0	<b>178</b>	101
<b>Balances brought forward at 1 October 2017</b>	2,636	—	<b>2,636</b>	2,535
<b>Balances carried forward at 30 September 2018</b>	2,814	—	<b>2,814</b>	2,636
Balance Sheet as at 30 September 2018				
	2018, £'000	2018, £'000	2017, £'000	2017, £'000
<b>Fixed assets</b>				
Tangible assets		<b>22</b>		62
<b>Current assets</b>				
Debtors	<b>53,796</b>		62,485	
Cash at bank and in hand	<b>7,847</b>		15,073	
	<b>61,643</b>		<b>77,558</b>	
<b>Creditors:</b>				
amounts falling due within one year	<b>(58,851)</b>		(74,984)	
<b>Net current assets</b>		<b>2,792</b>		<b>2,574</b>
<b>Total net assets</b>		<b>2,814</b>		<b>2,636</b>
<b>Represented by: Funds and reserves</b>				
Income funds:				
Restricted funds		—		—
Unrestricted funds				
— Designated funds			15	
— General fund		<b>2,814</b>	2,621	
	<b>2,814</b>		<b>2,636</b>	



**Trustees**  
Sir John Holmes GCVO, KBE, CMG (Chair)  
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Ian Barry (Audit and Governance Chair)  
Sir Hugh Bayley  
George Biddle  
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Dylan Pereira (to October 2018)  
Cressida Pollock (from March 2019)  
Jake Ulrich (to October 2018)  
Richard Winter (from October 2017)  
William Winters

**SVP Europe and Executive Director IRC-UK**  
Sanjayan Srikanthan

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**Company registration number**  
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**Charity registration number**  
1065972

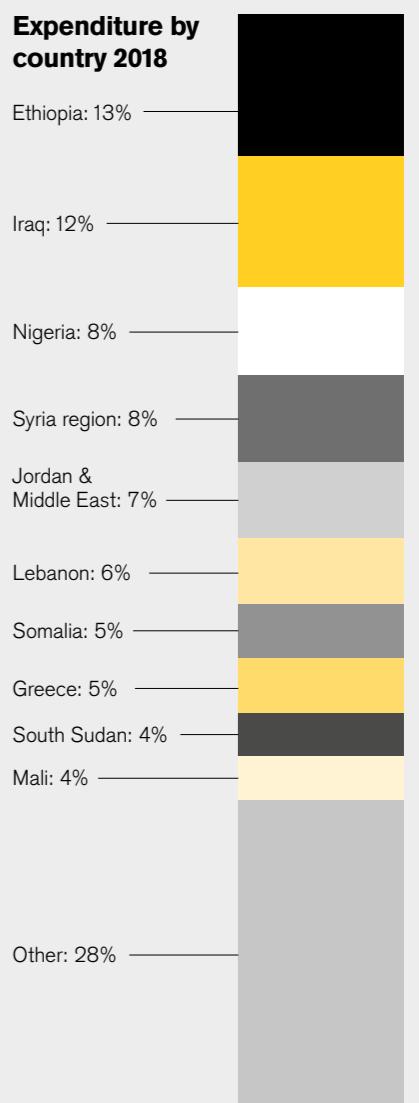
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London EC2V 5DD

**Solicitors**  
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London EC2N 1DW

Bates Wells Braithwaite  
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## How you can support the IRC



Fatima's 8 year old daughter, Formina, is the apple of her mother's eye. The pair sit in the IRC supported comprehensive women's centre in Cox's Bazar, Bangladesh, where her mother is a volunteer.

### Advocate

Join the IRC's online global family at [Rescue-UK.org](http://Rescue-UK.org) to receive important advocacy alerts and news about the humanitarian issues that are important to you.

### Donate

Give online by visiting our website at [Rescue-UK.org](http://Rescue-UK.org)

### Raise money

You can do something amazing for refugees while having fun! And whether you take on a challenge or organise an event, fundraise with friends and family or go it alone, we'll be with you every step of the way.

Find out how: [Rescue-UK.org/Fundraise-Refugees](http://Rescue-UK.org/Fundraise-Refugees)

### Join the conversation

- @IRCEurope
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