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HANDICAP INTERNATIONAL UK

(a charitable company limited by guarantee)

Report and Financial Statements Year ended 31st December 2012



REPORT AND FINANCIAL STATEMENTS

For the year ended 31st December 2012

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Chairman's introduction

Welcome to Handicap International UK's 2012 annual report. This year has been particularly positive for us, with a number of exciting achievements that are shared in what I hope you will find an informative and inspirational annual report.

First and foremost, I would like to thank our supporters. Reaching our ambitious fundraising targets for the year, despite an enduring economic downturn, would simply not have been possible without you. Your unwavering support truly shows that you believe in the work we do around the world to help disabled and other vulnerable people access essential services and achieve their rights. Besides the essential financial support received from our supporters, we have also seen an increased engagement from school and community groups in our signature *Forgotten 10 Challenge*; ten days of action to raise awareness about landmines and cluster munitions, some of the world's most indiscriminate weapons.

This year saw the launch of our 30th anniversary celebrations; it was in 1982 that Handicap International was born on the Thai-Cambodian border. Thirty years on, Handicap International UK is a very proud member of what is now a truly global federation. Our 30th anniversary has been but one of many reasons to celebrate this year. No-one could have missed the buzz created by the 2012 Paralympics, which did an incredible job of showcasing the talents and abilities of disabled people. Events like the Paralympics are key to changing attitudes towards disability in the UK and worldwide.

I am also very excited to introduce Aleema Shivji, who has joined us as CEO in 2012. She has already spent eight years within the Handicap International Federation in programmes as diverse as Haiti, India and South Sudan. Aleema brings to us a solid understanding of disability issues and our overseas work, contributing to the growing pool of expertise within our UK team. Under her leadership, we undertook a mid-strategy review in the later part of this year. We have re-adjusted our targets to 2015 in order to keep up with the growth of our team and an evolving external context.

Finally, we ended the year on a high note, with five confirmed grants for our work from Comic Relief and the UK government's Department for International Development. These grants will be used to fund a wide-ranging cross-section of our work from building emergency shelters in Haiti, to sports and economic inclusion work in Cambodia and Bangladesh, to ensuring access to quality education for disabled girls and boys in Rwanda and Sierra Leone.

On behalf of the trustees, our staff and our many beneficiaries across the globe, I would like to express our deepest gratitude to all of our supporters, donors, partner organisations and volunteers.



John Nurse
Chair, Handicap International UK

We would like to express our sincere thanks and gratitude to our donors – individuals, corporations, institutions and others – who have given generously, helping us to deliver much-needed emergency and long-term support to disabled and vulnerable people across the developing world.

The Trustees present their report and accounts for the year ended 31st December 2012. The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's Memorandum and Articles of Association. The accounts follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practices on Charities.

Constitution of the charity

Handicap International UK (HI UK) was founded in 1999, registered as a company limited by guarantee on 8th June 2000 and as a charity on 22nd September 2000. It is therefore governed by a Memorandum and Articles of Association, a copy of which is available at the registered office.

Objects

HI UK exists to relieve and assist people in charitable need, particularly but not exclusively in situations of deprivation or disability, irrespective of the nature or cause, and irrespective of the religious, ethnic or political origin of beneficiaries, both nationally and globally. HI UK forms part of the global Handicap International Federation (HI), composed of a federal entity and eight national associations.

Co-winner of the Nobel Peace Prize, HI is an international aid organisation working in situations of poverty and exclusion, conflict and disaster. Working alongside people with disabilities and vulnerable populations, we operate for the public benefit by taking action and raising awareness in order to respond to their essential needs, improve their living conditions and promote respect for their dignity and fundamental rights.

The actions of HI are aimed at supporting:

- Populations at risk of diseases, violence or accidents liable to cause disability;
- Vulnerable populations and in particular disabled people and people living with chronic disabling diseases;
- Refugees, people living in disaster areas or people displaced by crises, conflicts and catastrophes, especially those among them who are vulnerable, injured and disabled;
- People threatened by weapons, munitions and explosive devices during or in the aftermath of military conflicts.



The aims of HI are to:

- Rapidly and sustainably improve the living conditions of people, communities and populations, with the aim of attaining the highest possible level of well-being.
- In the context of a crisis, protect the life, health and dignity of victims and affected people by providing appropriate relief and offering adapted solutions.

Our overseas programmes carried out for the public benefit can be grouped in the following three areas:

Emergencies

Disabled and vulnerable people often struggle to access vital aid and services during crises such as conflicts and natural disasters. We assist disabled people, refugees and displaced people as well as other vulnerable affected populations by providing healthcare and rehabilitation services, providing accessible water and sanitation facilities, distributing emergency aid, and building shelters adapted to the specific needs of disabled people. We also raise awareness of other organisations about the needs of people with disabilities in an emergency, and work with them to make their programme inclusive.

Long-term Development

Disabled people are generally the poorest of the poor, subjected to exclusion and denied their fundamental human rights. We work with disabled people of all ages to make sure that they are included in every aspect of society. Our projects give disabled children the chance to get an education, help create better job opportunities for disabled adults, promote inclusive sports and improve the accessibility of homes, buildings and services. We also work alongside local disabled people's organisations to help them advocate for their rights. We transform people's lives by fitting artificial limbs, providing physiotherapy and distributing mobility aids. By changing attitudes towards disability, setting up rehabilitation centres and training local professionals, we make a long lasting difference to communities. Our teams also raise awareness about HIV & AIDS, diabetes, and neglected tropical diseases among vulnerable and disabled people. By supporting health and social care systems, we ensure that disabled people can access the services they need.

Landmines, Cluster Munitions and Armed Violence

We provide survivors with rehabilitation services and support to help them rebuild their lives. We also educate local communities about the threat from unexploded weapons and our experts train teams of local de-miners to clear the land, making it safe to farm again. At the international level, we campaign for a ban on these deadly weapons and work alongside survivors to ensure their voices are heard.

As part of the Federation, HI UK fully adheres to its aims and contributes to supporting its actions overseas.

Our UK programmes carried out for the public benefit include:

- Raising awareness of the general public on the impact of landmines and cluster munitions.
- Influencing policies and practice in the areas of disability inclusion, access to funding and general international development issues.
- Management of an online resource centre which provides key resources on disability and development issues.
- Partnership with strategic institutions and organisations to further our charitable objectives.

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

How we manage our affairs

Governance and Internal Control

HI UK is governed by the Board of trustees which is responsible for ensuring a strong strategic focus in line with the charitable aims. Board meetings are held four times per year. There is a Finance sub-committee and a Human Resources sub-committee which meet as necessary between board meetings and which make recommendations to the full Board. Day-to-day management of the organisation is devolved to the Chief Executive, who reports to the Board, and has frequent contact with the Chair and trustee members of sub-committees.

None of the Board members have any beneficial interest in the charity. All of the Board are members of the charity and guarantee to contribute £1 in the event of HI UK winding up.

Appointment of Trustees

HI UK aims to select trustees in a manner consistent with its equal opportunities policy. Trustee vacancies are advertised and applicants interviewed.

On formal acceptance of the invitation to join the Board, new trustees are given an induction which includes information about HI's work and key policies, HI UK's policies and procedures, governance (including trustees' roles and responsibilities) and an explanation of the relationships with the Federation and other national association members, as well as the joint strategic plan.

The current trustees are shown on page 19. David Rouane was appointed on the 23rd January 2012 as Treasurer.

Organisational Structure

During the year 2012, HI UK employed a team of 11 full-time and part-time staff to achieve its charitable objectives. HI UK was also supported by seven interns and 12 volunteers.

In 2012, focusing on improving our engagement with the UK public and to further support our fundraising activities, we welcomed both a Fundraising Assistant and a Communication Assistant to our team. We also started the process of recruiting a Donor Development Officer. We further developed our staff handbook and reviewed our finance procedures. We also invested in HR training and conferences for our administration staff to support this work. HI UK continued its commitment to staff support with the provision of an employee assistance programme for all paid staff, along with the continued offer of training and professional development opportunities.

We continued our relationships with local volunteer bureaux, and increased our number of interns from one in 2011 to seven in 2012. Our 'Two Ticks' accreditation with Job Centre Plus (as an organisation positive about employing disabled people) was successfully renewed in the course of the year.

Related Party

As a member of the Handicap International Federation, HI UK supports and contributes to the work of the international network. An international governance structure and operational framework has been agreed within the federal network in order to rationalise and share resources and the Federation has agreed to meet any shortfall of funds whilst HI UK becomes established. In 2012, representation of HI UK's Board on the Federal General Assembly increased from two to three seats, and one HI UK trustee is a member of the Federal Board of Trustees. Since 2010, the Federation has been allocating reserves to each national association, and has been contributing to private fundraising investment and support costs. In 2012, the HI Federation contributed £740,000 (see the Statement of Financial Activities). For the amount outstanding between HI UK and the other national associations at year end, see notes 12 and 13.

Key achievements in 2012

HI UK supports the strategy of the overall Federal network. Mid-way through the 2011-2015 strategy, HI UK launched a review of its multi-year development plan, a process that will be completed in early 2013. In 2012, HI UK has made significant progress towards its objectives, which focused on providing more support to overseas projects, investing in private fundraising and raising awareness about HI's work. In particular, HI UK has:

- Contributed to the overall work of the HI Federation worldwide.
- Strengthened its active engagement with the government's Department for International Development (DFID), including being accepted as a partner in DFID's Rapid Response Facility, paving the way for increased access to funding for emergency response activities.
- Continued its awareness-raising work in the UK on landmines and cluster munitions, including the pilot of an exciting online campaign.
- More than doubled its media presence.
- Increased and diversified its team to match evolving needs.
- Promoted partnership with UK-based organisations, including reviewing our strategic alliance with the UK charity Motivation.
- Finalised the restructuring of the online Source database.
- Supported the further development of the HI Federation (created in 2010).

Overseas programmes

Together, the eight national associations of the HI Federation mobilise resources and manage projects around the world. During 2012, Handicap International worked in 61 countries; HI UK supported 28 of these countries. Below is a snapshot of a few projects HI UK was involved in.

Nepal

The conflict in Nepal that ended in 2006 left over 13,000 people dead and injured many more, leaving thousands of people with permanent impairments. The conflict also made it harder for everyone, but especially disabled people, to access health, rehabilitation and education services and to earn a livelihood.

Present in Nepal since 2000, one of HI's projects aims to improve access to rehabilitation services and the sustainability of these services. Working in eight districts across the country and in partnership with various local and national partners and Ministries, our organisation:

- Supports rehabilitation centres to build and further optimise their capacity to provide quality rehabilitation services.
- Improves access to rehabilitation and specialised services for people with disabilities.
- Offers personalised assistance to disabled people to help them build their capacities, enhance their skills and play a full role in their communities and in their country's peace process.
- Works with communities to change the way people see disability and supports local initiatives to enhance the inclusion of people with disabilities.
- Strengthens partner organisations in Nepal through technical training, practical training sessions, capacity-building, and by networking and coordinating rehabilitation service providers.



Amrit, who has cerebral palsy, received braces and a walking frame from a rehabilitation centre supported by HI.

During the course of 2012, a total of 14,784 people benefited from rehabilitation services, of which 58% were new patients. 47,919 rehabilitation therapy sessions took place and 1,395 prosthetics and orthotics devices were produced.

Libya

The 2011 uprising in Libya saw extremely violent clashes, which led to thousands of people being wounded or killed. Landmines and cluster munitions were used over residential areas, resulting in unexploded ordnance being found in people's homes, gardens and workplaces. Light weapons also became widely available. Although the fighting has now ceased, the danger is still present due to the large numbers of weapons left behind.



In 2012, over 1,600 victims of light weapons were counted in Tripoli, an average of four victims per day. These figures paint an alarming picture of the situation across Libya, since they were recorded in just two hospitals in the capital. Particularly worrying is the extremely high proportion of children and young adult victims of these weapons. Since June 2012, over 75% of the victims recorded in Tripoli's hospitals were under 25 years old.

Present in Libya since March 2011, HI is running mine clearance and risk education projects to reduce the number of accidents resulting from explosive remnants of war and light weapons.

Between March and December 2012, HI teams held over 1,000 sessions on light weapons in schools, mosques, and public squares, to spread prevention messages and safety rules. As teenagers are a group particularly at risk, HI has trained over 200 teachers, and distributed over 36,000 leaflets and almost 3,000 posters in schools.

To reduce the number of accidents caused by landmines and other explosive remnants of war, HI has been training nearly 300 Libyans who, in turn, raise awareness about the risks in their local community. Our teams work with schools, businesses, mosques, local authorities and other organisations, such as the Scouts. So far, HI has distributed more than 300,000 leaflets on the issue. Nearly 85,000 people have attended risk education sessions, the majority of whom are children, the most common victims of these weapons.

HI has also deployed weapons clearance teams in Tripoli, Misrata and Sirte in order to remove and destroy the unexploded ordnance threatening civilian populations.

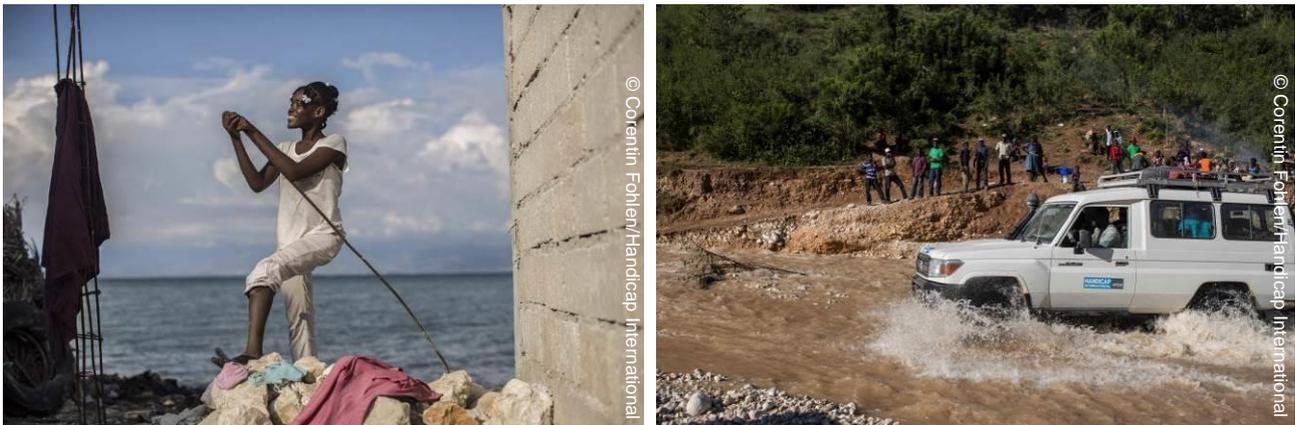
So far, 23 km² of land have been cleared and more than 35,000 explosive remnants of war have been destroyed. Two schools, a public garden, and 27 farms have been cleared and are once again accessible to the general public. To help identify contaminated zones, a telephone hotline was also set up in Misrata, enabling locals to report the discovery of explosive weapons and get an HI expert to intervene, resulting in over 100 interventions per month.

Moreover, two teams are working to clear a weapons and munitions stockpile in Misrata made up of 43 bunkers that were bombed by NATO during the Libyan revolution and are now partially destroyed. Thousands of munitions and unexploded ordnance are now strewn across overran area of almost 1.5 km². The poverty of some families in Misrata means civilians are entering the bunkers to salvage brass, copper and alloys to sell at the metals market, or to salvaging explosives for fishing. These are extremely dangerous practices and numerous deaths have already been recorded. HI is currently removing the munitions abandoned at the site or concealed under the rubble of the bunkers. We estimate that clearing the stockpile in this zone will take another two years.

Haiti

Following the catastrophic earthquake of 2010, Haiti was still in a very vulnerable state when it was hit by the Hurricanes Isaac then Sandy in the latter half of 2012. The resulting damage and flooding exacerbated the already difficult conditions faced by the Haitian people.

HI has been supporting a UNICEF-coordinated Rapid Response Mechanism (RRM) to help the local authorities in Haiti be better prepared for future crises. With the passage of the two hurricanes, the RRM was put into effect and so generated a rapid analysis of the situation; this in turn allowed HI to very quickly establish the level and nature of the needs, and the resources to be deployed.



One key priority which was identified was shelter as disabled and vulnerable people's homes had been extensively damaged. In order to address needs as quickly as possible, HI focused on repairing and rehabilitating houses in isolated communities. Thanks to funding received in 2012 from DFID, HI was able to begin carrying out work very soon after Sandy's passage. This project involves providing repair kits to households who are supported by local craftsmen in carrying out the repairs. Over 1,200 households are being assisted in this way. This specific project is expected to be completed in 2013.

Democratic Republic of Congo (DRC)

In Sub-Saharan Africa, 98% of children with disabilities do not receive any education. Special education for disabled children in the DRC is limited to a handful of mostly private schools. In April 2009, HI UK received a three-year funding from BIG to implement the project '*Access to quality education for children with disabilities*' in Kinshasa. This project completed its current phase in March 2012.

Despite the sometimes very challenging conditions with which the project was faced during its final year of intervention, it was able to achieve the following:

- The enrolment of boys and girls with disabilities in mainstream state primary schools increased from a baseline of 84 students to 184 (representing a yearly increase in enrolment of 30%), with 30% of these students passing the National Primary Exam.
- 70% (129) of the children newly integrated in the schools reported their satisfaction with regards to the teaching they receive due to improved teacher training.

- Three new educational policies on the rights of disabled children to education were developed and submitted to the Ministry of Education with the aim of them being ratified by the government, which would in turn lead to an increase in access to education for disabled children in the Kinshasa province.
- 50% (184) of the parents of children benefiting from project activities had an increased understanding of disability, of the practical ways they could assist their children with disabilities in their education, and had a positive approach towards their responsibility to support their children's education.

Uganda

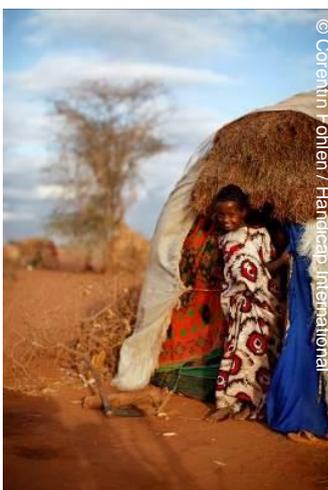
Community-Based Rehabilitation (CBR) aims to support communities so they can ensure that all their members, including those with disabilities, are given equal access to locally available resources and participate fully in the economic, social and political life of the community. In this spirit, CBR Africa Network (CAN) was created in Uganda in 2001. CAN works as a knowledge platform and network of CBR practitioners across Africa, to share information, support the documentation of good practices, promote CBR and advance the inclusion and the empowerment of people with disabilities in the community. HI UK has been receiving funding from UK-based CP Trust since 2011 to support the CBR Africa Network.

Key achievements by the CAN programme in 2012 were:

- In January, one of HI's Technical Advisors conducted a mission to support the CBR Africa Network in reviewing their strategic priorities.
- HI also supported the promotion of the CBR Guidelines in West Africa, in particular by contributing to the launch of the French version of the CBR Guidelines in Ouagadougou, Burkina Faso in April.
- In July, HI took part in the Executive Committee meeting of CAN in Cairo and delivered a two-day training session on the *Making it Work* methodology.



Other countries



With the generous support of the UK general public, HI UK contributed to activities in 28 countries, including those listed above.

The remaining countries supported by HI UK include: Afghanistan, Bangladesh, Burkina Faso, Burundi, Cambodia, Ethiopia, India, Kenya, Liberia, Mali, Mozambique, Niger, Pakistan, the Philippines, Rwanda, Sierra Leone, Somaliland, South Sudan, Sri Lanka and Thailand.

Support was also provided to HI's regional office in the Middle East, including specific support to Iraq, Lebanon and the Palestinian Territories. The projects we supported covered a wide range of HI's work, including emergency relief, demining, rehabilitation and inclusive education.

Inclusive Education

The Inclusive Education Technical Department for HI has two main technical advisors who support the Federation's programmes providing policy advice and technical support, as well as representing the Federation in networks and at education conferences. The principal advisor is based in the HI UK office.

The main focus of HI's education sector is to provide access to quality education for children with disabilities within state primary schools. To achieve this, HI works at three levels alongside local partners:

1. With children, families and community groups, including disabled people's organisations.
2. With service providers such as schools and health clinics.
3. With decision and policy makers such as local and national governments.

In 2012, we supported a total of 20 education projects across East, West and Southern Africa, and East and South East Asia.

Major achievements this year have been:

- The publication of the updated HI Inclusive Education policy paper.
- The launch of a three-year regional West Africa project encompassing seven of our programmes.
- Support to the Federation to secure Swedish and European funding to develop our education work in the Democratic People's Republic of Korea.
- Working in consortium with Plan UK on proposals relating to girls' education in Africa.
- Taking part in a major UNICEF survey on Teacher Training.



HI continued its participation in national and international education networks and is currently represented in the International Disability and Development Consortium's inclusive education task group, the Global Campaign for Education's policy group and the Community of Practice on Inclusive Education (sponsored by the Global Partnership for Disability and Development). HI is also a member of the Enabling Education Network.

Knowledge Management

The Knowledge Management Unit within HI's Technical Resource Division is responsible for developing organisational learning and spreading good practice and innovation. HI UK has one staff member who is part of this Unit.

In the UK, HI's Knowledge Management activities focus on two key areas:

- Management of Source (www.asksource.info), an international online resource centre on disability and inclusion issues, which provides free online access to key resources, tools, manuals and policy papers across development and humanitarian contexts.
- Linkages with strategic academic research institutions and knowledge management networks through participation in conferences, seminars and events or through research partnerships.



In 2012, Source launched a major restructure and reorganised the online collection from the previous disability and health collection to solely feature six new disability and inclusion Topic Areas with related key lists. Twenty-five Source key lists were created or updated in collaboration with key technical staff and partner organisations, in order to facilitate easier access to appropriate materials and to widen the scope of available resources. Source also successfully sent quarterly Disability and Inclusion e-bulletins to over 3,000 global users.

Two research partnerships were on-going with the International Centre for Evidence on Disability (ICED) during 2012. HI UK continued to work with ICED on a four-year study analysing the Sustainability of the rehabilitation sector in five post-conflict States. During this past year, the Sustainability study involved conducting two follow-up participatory workshops* in Nepal and Somaliland, the publication of a methodological guideline†, and the creation of a study video and website‡.

Other major achievements for 2012 include: presentations at the British Institute of International and Comparative Law (BIICL) and the University College of London's Centre for International Health and Development (CIHD), and participation in UK rehabilitation conferences and professionals groups that are interested in international work (ADAPT and OT Frontiers).

Raising Awareness

Landmines and cluster munitions

In 2012 HI UK carried on its awareness-raising work as part of its current three-year project funded by the European Union on '*Landmines, cluster munitions and development*'. Throughout the year, HI UK continued to promote its educational resources on landmines and cluster munitions to schools and sent speakers to deliver workshops and talks at school events.



* <http://www.sustainingability.org/case-studies/index.html>

† http://www.hiproweb.org/uploads/tx_hidrtdocs/PG08Sustainability.pdf

‡ <http://www.sustainingability.org/>

Between September and December, HI UK ran *Every Step Counts*, an online campaign aimed at making young people in the UK more aware of the impact of landmines and cluster munitions on young people worldwide. Users uploaded and shared pictures of their shoes with messages via social media to spread the word. HI UK launched the campaign as a member of the Peace One Day Global Truce 2012 coalition, a group of NGOs worldwide that are committed to marking International Peace Day through their work.

In December, HI UK organised the *Forgotten 10 Challenge* for the fourth year running. During 10 days of action, schools, clubs, and community groups came together to raise awareness about the impact of landmines and cluster munitions. This year the campaign was also linked with the 15th anniversary of the Mine Ban Treaty. An amazing 51 awareness-raising events took place and over 10,000 people took part, around 7,300 of whom were school students.

Influencing Policies and Practice

A number of key initiatives were undertaken this year, contributing to achieving our objective of promoting inclusion of disability and other vulnerability issues in overseas development, increased access to funding and a more coherent international development sector.

Capitalising on the UK government's significant role in the development of a post-2015 framework to replace the current Millennium Development Goals, HI UK engaged alongside its partners to influence the High Level Panel meeting held in London in November. This year, HI UK launched a campaign to promote a post-2015 framework that takes inequalities into account; this work will continue right through to 2015.

Recognised as a key international actor focusing on disability in emergencies, HI UK (alongside five other partners) delivered a training workshop to the members of the Disasters Emergency Committee (DEC) on age- and disability-friendly emergency response. Through collaboration with the charity UK Med, HI UK has also been delivering training on rehabilitation to medical staff from the NHS preparing to deploy overseas in the event of a natural disaster. In 2012, HI UK was elected to the steering committee of both the BOND Disability and Development Group and the Funding Working Group.

HI UK continued to work in partnership with HelpAge to influence DFID's humanitarian department to uphold commitments for humanitarian response inclusive of older and disabled people, as outlined in the UK government's *Saving Lives* humanitarian policy (released in 2011). HI UK also maintained its seat on the London School of Hygiene and Tropical Medicine's International Centre for Evidence on Disability (ICED) steering committee.

As one of the key organisations leading the fight against landmines and cluster munitions, HI UK's *Forgotten 10 Challenge* included a letter writing campaign calling on Cambodia to join the Convention on Cluster Munitions. 300 supporters signed a joint letter from HI UK and HI Cambodia to the Ambassador of Cambodia to the UK. The letters were delivered to the Cambodian embassy in London on 3rd December, to mark the fourth anniversary of the signing of the Convention. HI UK also ran a petition in December calling on US President Obama to sign the Mine Ban Treaty, which generated nearly 5,000 signatures in the UK.

Generating Funds

Generating Voluntary Income

In 2011, the HI Federal Board decided to invest in private fundraising in several national associations. As a result, HI UK was tasked with increasing its planned surplus by 2015 and diversifying its income streams. A new 2011-15 strategy was developed and implemented to match these objectives. This five-year strategy enables us to expand our fundraising portfolio and therefore increase our support from UK donors, whilst balancing risks through diversification of fundraising methods.

The fundraising budget is carefully monitored, both at UK and federal levels, through regular meetings and the development of new fundraising tools. As of the end of 2012, HI UK exceeded its target in terms of return of investment thanks to a strengthened direct marketing programme, cost-saving exercises and an increased integration of our Fundraising and Communication functions that led to increased efficiency.

In 2012, HI UK doubled its presence in the media, notably on issues related to landmines, cluster munitions and humanitarian emergencies. This enabled us to raise our profile in the UK and gather further support from new supporters.

Our ambitious strategy does impact our return on investment in the short-term but we firmly believe that increased support from a wider donor base will enable us to support more disabled and vulnerable people throughout the world in years to come.

HI UK is a member of the Institute of Fundraising and the Fundraising Standards Board, and so adheres to best practice in fundraising. HI UK is also a member of the Remember a Charity consortium which aims to increase the awareness and uptake of giving through legacies.

Generating Institutional Funds

2012 saw major efforts to strengthen HI's connection with and visibility amongst the UK's key institutional donors; namely DFID, Comic Relief, and BIG Lottery Fund.

During the latter half of the year, a lot of the work undertaken at the end of 2011 and into 2012 began to bear fruit. By the last quarter, five key multi-year funding grants had been secured:

- DFID CHASE support for emergency shelters in Haiti;
- DFID Global Poverty Action Fund for livelihoods in Cambodia;
- Comic Relief's Sport for Change programme for a disabled sports project in Bangladesh;
- DFID-funded consortium around its Girls Education Challenge—Step Change fund led by Plan International to increase girls' access to education in Sierra Leone.
- HI UK also played a leading role in helping HI Rwanda to obtain support from DFID Rwanda's Innovation in Education programme.

The combined value of this support is worth £2.6 million. With the exception of the Haiti emergency shelters project which started in the last quarter of 2012, the funding from the other four initiatives will begin in 2013. Although our support from the BIG Lottery Fund for inclusive

education in Democratic Republic of Congo came to an end in March 2012, with the secured grants listed above we have an extremely positive outlook for 2013 and beyond.

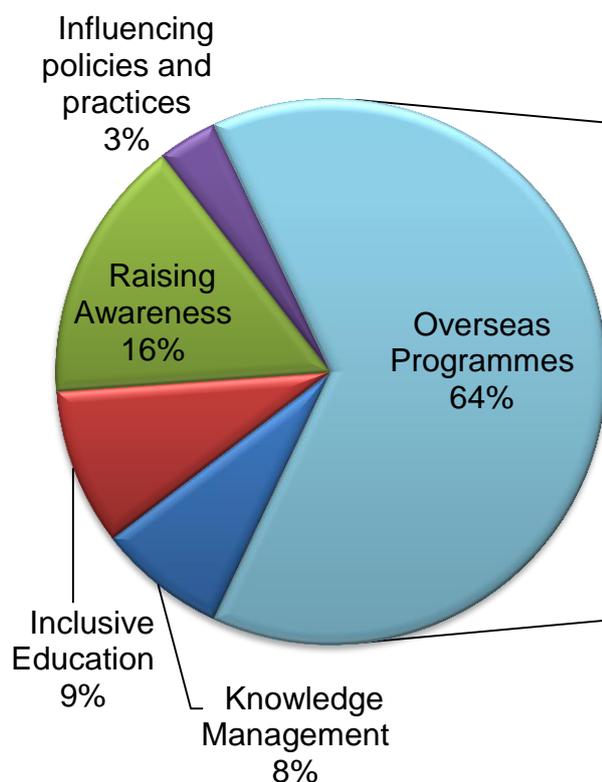


Financial review

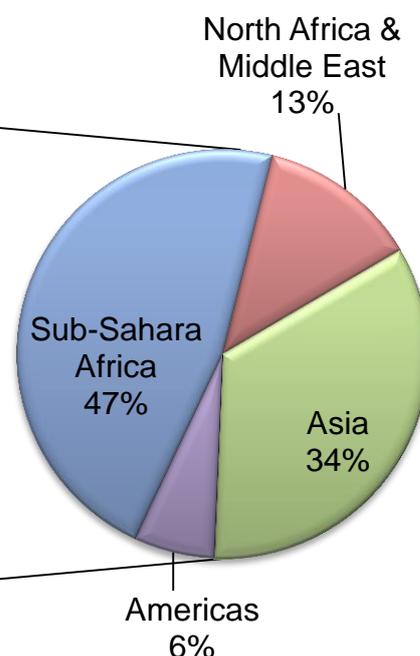
HI UK continues to work towards our goal of attaining a more stable, diversified and sustained level of income in the long term. This year demonstrated a continuation of the trustee-approved decision to increase investment into private fundraising to achieve this goal.

Charitable Activities

Resources Expended on Charitable Activities



Overseas Programmes



In the reporting period, HI UK **increased its spend on charitable activities by 13%** over 2011, so that 49p (2011: 43p) in the pound was spent on charitable activities with:

- 64% (31p) being spent supporting our overseas programmes and,
- 36% (18p) being spent on UK charitable activities, mainly covering our work on influencing policies and practices, raising awareness, knowledge management and inclusive education.

6p in every £1 was spent on governance activities such as the audit.

Finally, 45p in every £1 was spent on generating funds (a reduction of 13% from 2011: 52p). Of this spend, 33p was invested in recruiting new donors. This significant investment has been funded wholly by HI Federation to the tune of £443,000, and is part of the trustee-approved HI UK strategy. Communications and PR, Other fundraising activities and Institutional fundraising income correspond to the remaining 4p, 6p and 3p respectively. See page 26 of the accounts for more details.

During the reporting period, HI UK's private fundraising showed better results than the previous year as more money was raised with fewer resources. In 2012, fundraising costs were reduced by 20% while income was increased by 21%.

The current result demonstrates that HI UK is achieving the objectives outlined in its strategy, with a reported decrease in total costs and an increase in Voluntary income compared to 2011. We expect this trend to continue in the coming years. Additionally, 2013 is set to be a positive and promising year for HI UK with a number of grants secured from DFID and Comic Relief, and an increased diversification in our private fundraising.

For further details on the above charts, please see the notes of the accounts on pages 24 to 30.

Future Prospects

We have benefited from measurable growth from 2011 to 2012, and are entering 2013 with £2.6 million worth of secured institutional funding. This year on year growth shows that the investment received by the HI Federation is increasingly paying off.

In 2013, we plan to focus on the following areas:

1. Further increase our support to HI's overseas programmes by further growing and diversifying our funding resources, both institutional and from the general public.
2. Strengthen effective engagement with relevant partners and networks to influence UK policy and global debates, reinforce cohesion within the international development sector, improve the quality of our work, and increase access to funding.
3. Persist in influencing the post-2015 process to promote a new set of development goals that adequately take inequalities (including disability) into account.
4. Increase our media presence and active engagement with supporters.
5. Continue to raise awareness about landmines, cluster munitions and armed violence by organising campaigns and events primarily in partnership with schools and community groups.
6. Participate in the 30th anniversary celebrations of the Handicap International network.
7. Carry on our collaborative work with other national associations within the Handicap International Federation to maximise the impact of our work in developing countries.

Legal and administrative information

Board of Trustees	John Nurse (Chair) Joyce McNeill (Secretary) Benjamin Cohen Dr Jean-Baptiste Richardier	Joannah Kelly (Vice Chair) David Rouane (Treasurer) Richard Elliott Janet Mary Wickenden
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Chief Executive	Stephanie Stuart (to February 2012) Aleema Shivji (from April 2012)
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Registered Office	2 nd floor, 27 Broadwall London, SE1 9PL
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Auditors	Ernst & Young 1 More London Place London SE1 2AF	Legal Advisors	Stone King 16 St John's Lane London EC1M 4BS
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Bankers	National Westminster Bank plc Basingstoke Old Market Square 3 London Street Basingstoke RG21 7NS	Unity Trust Bank plc Nine Brindley Place Birmingham B1 2HB
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Company Number	4010383
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UK Registered Charity Number	1082565
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Organisational Memberships in the UK

British Overseas NGOs for Development (BOND)	Charity Finance Group
Enabling Education Network (EENET)	EUCLID Network
Fundraising Standards Board	Remember a Charity
Global Campaign for Education (GCE)	Institute of Fundraising
National Council for Voluntary Organisations (NCVO)	Think Global
Peace Once Day Global Truce 2012	
Association of Chief Executives of Voluntary Organisations (ACEVO)	

Partners in the UK

London School of Hygiene and Tropical Medicine	HelpAge International
Soroptimist International UK Programme Action Committee	Motivation
Westminster Volunteer Bureau	Southwark Volunteer Bureau

Trustees' responsibilities

The directors (hereinafter, trustees) are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

There is no relevant audit information of which the auditors are unaware. Trustees have taken all the steps necessary in order to make themselves aware of relevant audit information and have established that the auditors are aware of such information.

Going Concern

HI UK has adequate resources to continue its operational existence for the foreseeable future. This is partly with the knowledge that a number of institutional grants have been secured for 2013 and beyond. In addition, Handicap International Federation has confirmed it will provide sufficient funds to continue to support the charitable activities of the company. The Trustees believe that it is, therefore, appropriate to continue to adopt the going concern basis in preparing the annual trustees report and financial statements.

Reserves Policy

HI UK has a reserves policy, in line with the wider HI Federation reserves policy. The policy states that HI UK retains the equivalent of three months of activity, based on budget projections. The amount is reviewed as budget projections are revised. HI UK's reserves are intended to act as a sensible contingency against unexpected expenditures or shortfalls in fundraising. At the

end of the year, HI UK's total unrestricted reserves stood at £188,517. These reserves have been donated to HI UK by the HI Federation.

Risk Management

The risks that may have an impact on the functions of the charity are continually monitored. The risk management strategy continues to address the major risks relating to governance, operational activities, financial activities, reputation, legal and regulatory matters, especially those which might impact upon HI UK's core purposes and key objectives.

Auditors

A resolution to appoint Ernst & Young LLP as Auditor for the ensuing year will be proposed at the Annual General Meeting in accordance with section 485 of the Companies Act 2006.

Registered office:

27 Broadwall
London
SE1 9PL

Signed on behalf of the Trustees



Trustee: JOHN H. NURSE

Date:

16/5/13

Independent Auditors Report to the members of Handicap International UK for the year ended 31st December 2012

Independent auditors' report to the members of HIUK

We have audited the financial statements of HIUK for the year ended 31st December 2012 which comprise of the Profit and Loss Account and the Balance Sheet and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

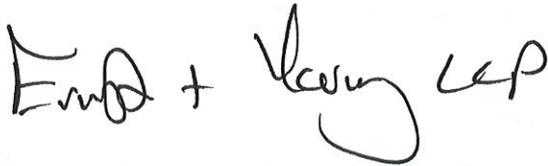
- give a true and fair view of the state of affairs of the charitable company as at 31 December 2012 and of its incoming resources and application of resources including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

- have been prepared in accordance with the Companies Act 2006; and

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime

Handwritten signature in black ink, appearing to read 'Paul Gordon' with a stylized flourish.

Paul Gordon (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
16th May 2013

Notes:

1. The maintenance and integrity of the HIUK web site is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

HANDICAP INTERNATIONAL UK

Company limited by guarantee, UK Registered Charity no. 1082565

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure account)

For the year ended 31 December 2012

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 2012 £	TOTAL 2011 £
INCOMING RESOURCES from CHARITABLE ACTIVITIES					
UK & Overseas Programmes		-	313,813	313,813	271,241
Sub-total	2	-	313,813	313,813	271,241
GENERATED FUNDS					
Voluntary income	3	258,622	15,464	274,086	222,853
Contributions from HI Federation:					
- Private Fundraising investment		442,782	-	442,782	636,153
- Running cost		296,772	-	296,772	200,168
Activities for Generating Funds		6,116	-	6,116	-
Investment Income		184	-	184	353
OTHER INCOMING RESOURCES		154	-	154	968
TOTAL INCOMING RESOURCES		1,004,630	329,277	1,333,907	1,331,736
RESOURCES EXPENDED on CHARITABLE ACTIVITIES					
Contribution to HI Federation's Work		-	-	-	182,856
Overseas Programmes		29,438	387,292	416,730	216,239
Knowledge Management		4,140	44,703	48,843	67,002
Making It Work		-	-	-	4,398
Inclusive Education		5,019	54,426	59,445	45,853
Raising Awareness		8,256	92,192	100,448	36,347
Influencing Policies and Practices		22,279	-	22,279	17,682
		69,132	578,613	647,745	570,377
COST OF GENERATING FUNDS	5				
Private Fundraising Investment		442,782	-	442,782	636,153
Institutional Fundraising Activities		37,685	-	37,685	-
Other Fundraising Activities		75,327	-	75,327	12,052
Communication & PR		49,054	-	49,054	42,120
		604,848	-	604,848	690,325
GOVERNANCE	4	81,314	-	81,314	71,034
TOTAL RESOURCES EXPENDED	5	755,294	578,613	1,333,907	1,331,736
Net incoming resources for the year	7	249,336	(249,336)	-	-
Transfers between funds	16	(249,336)	249,336	-	-
Total funds at 1 January 2012		188,517	-	188,517	188,517
Total funds at 31 December 2012		188,517	-	188,517	188,517

The statement of financial activities includes all gains and losses recognised in the period.

All incoming resources and resources expended derive from continuing activities.

HANDICAP INTERNATIONAL UK

Company limited by guarantee, UK Registered Charity no. 1082565

BALANCE SHEET
At 31 December 2012

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 2012 £	TOTAL 2011 £
Fixed Assets					
Tangible fixed Assets	11	42,559	-	42,559	61,134
Current Assets					
Debtors	12	139,628	15,269	154,897	99,377
Prepayments		35,451	-	35,451	33,267
Cash at bank and in hand		47,090	83,730	130,820	132,094
Creditors: Amounts falling due within one year					
Creditors	13	(397)	(98,999)	(99,396)	(71)
Accruals & Other Creditors		(75,814)	-	(75,814)	(137,284)
Net Current Assets		145,958	-	145,958	127,383
TOTAL NET ASSETS		188,517	-	188,517	188,517
FUNDS					
Unrestricted Funds: General Fund		188,517	-	188,517	188,517
TOTAL FUNDS	16	188,517	-	188,517	188,517

These financial statements are prepared in accordance with part 15 of the Companies Acts 2006 subject to the small companies regime.

These financial statements were approved by the Board of trustees on **07 May 2013** and signed on its behalf by :


 Trustee: **John Nurse**
 Date: **16 May 2013**

The notes on pages 24 to 30 form part of these financial statements.

HANDICAP INTERNATIONAL UK

Company limited by guarantee, UK Registered Charity no. 1082565

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

1. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" (revised May 2008), the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective January 2008).

b) Going Concern

The financial statements are prepared on the going concern basis as a number of grants have been secured for the coming three years, and because Handicap International Federation has committed to provide financial support to the company to enable it to meet its debts as they fall due, and for the foreseeable future.

c) Fund accounting

The charity maintains various types of funds as follows:

Restricted funds: Restricted funds represent grants and donations received which are allocated by the donor for specific purposes. Expenditure that meets these criteria is charged to the fund, together with a fair allocation of support costs.

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

d) Incoming resources

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

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

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Investment income is included in the SOFA in the year in which it is receivable.

e) Resources expended and basis of allocation of costs

Expenditure is recognised on an accrual basis as a liability is incurred.

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

Support costs have been allocated between charitable activities, generating funds, Influencing policy & practice and governance costs. Costs that are not wholly attributable to an expenditure category have been apportioned to each activity on an estimate of staff time.

f) Costs of generating funds

Costs of generating funds include the cost of recruiting and retaining new donors, costs relating to private and/or institutional grant applications, and associated communication and PR costs

g) Charitable activities

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

h) Governance costs

Governance costs include those costs associating with meeting the constitutional and statutory requirements of the charity such as the cost of board meetings, statutory compliance and costs linked to the strategic management of the charity, and, an apportionment of support cost involved in supporting the governance activities.

i) Tangible fixed assets

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

Computer Equipment	3 Years on Straight line basis
Office equipment	4 Years on Straight line basis
Fixtures & Fittings	3 Years on Straight Line basis

j) Pension costs

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

HANDICAP INTERNATIONAL UK

Company limited by guarantee, UK Registered Charity no. 1082565

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

k) Gifts in kind

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

l) Foreign currencies

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

m) Liability of the guarantors

The charity does not have a share capital and is limited by guarantee. In the event of the charity being wound up the maximum amount which each member is liable to contribute is one pound. There were eight such members at 31 December 2012.

n) Operating lease

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

o) Related parties

Handicap International UK is an independent National Association of the international charity Handicap International Federation (HI). A "Federal Handbook" manual has been agreed within the federal network in order to rationalise and share resources, and formalise working arrangements. The Federation has identified the UK as a source of significant future growth in Private Fundraising and so has invested funds in Handicap International UK in order to achieve this. It has also agreed to meet any shortfall of funds whilst the charity becomes established in the UK. During the period, HI Federation contributed £740,000 (see SOFA). See notes 12 & 13 for the amount outstanding between the UK and the other organisations at year end.

The trustee Dr. Jean Baptiste Richardier is also the Federal Executive Director of HI Federation.

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Fund £	Restricted Fund £	2012 Total £	2011 Total £
<u>Support for Overseas programmes*</u>				
Big Lottery Fund	-	80,143	80,143	135,572
CP Trust	-	27,081	27,081	13,877
Department for International Development (DFID)	-	15,269	15,269	-
<u>Support for UK projects⁺</u>				
European Union	-	34,983	34,983	16,546
Wellspring	-	-	-	3,542
<u>Support from HI Federation for UK projects</u>				
Raising awareness	-	57,208	57,208	12,489
Inclusive Education	-	54,426	54,426	36,248
Knowledge Management	-	44,703	44,703	52,967
<i>UK & Overseas Programmes</i>	-	313,813	313,813	271,241

* See Note 8 for a breakdown of funded overseas programmes

+ See Note 8 for a breakdown of funded UK projects

3. VOLUNTARY INCOME

	Unrestricted Fund £	Restricted Fund £	2012 Total £	2011 Total £
Donations	249,336	15,464	264,800	218,262
Other Incomes	9,286	-	9,286	4,591
	258,622	15,464	274,086	222,853

Other Incomes relate to unrealised gains

See notes 12 & 13 for any amount outstanding between HI UK, other National Associations and the Federation.

4. GOVERNANCE COSTS

	2012 £	2011 £
Meeting Costs & Others	5,755	6,069
Professional Fees	30,391	26,748
Bank services	920	1,253
Support costs	44,248	36,964
	81,314	71,034

HANDICAP INTERNATIONAL UK

Company limited by guarantee, UK Registered Charity no. 1082565

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

5. TOTAL RESOURCES EXPENDED

	Direct Costs £	Other Costs £	Support Costs £	2012 Total £	2011 Total £
<u>COSTS OF CHARITABLE ACTIVITIES</u>					
Contribution to HI Federation's Work	-	-	-	-	182,856
<u>Overseas Projects</u>					
Afghanistan	15,000	-	6,389	21,389	-
Bangladesh	14,500	-	6,176	20,676	-
Burundi	682	-	290	972	-
Cambodia	194	-	83	277	390
Democratic Republic of Congo	79,500	-	11,464	90,964	168,104
Ethiopia	5,000	-	2,130	7,130	-
Haiti	21,778	-	4,186	25,964	23,786
India	8,500	-	3,621	12,121	-
Iraq	8	-	3	11	-
Ivory Coast	-	-	-	-	180
Kenya	7,000	-	2,981	9,981	472
Laos	-	-	-	-	90
Lebanon	230	-	99	329	-
Libya	34,383	-	14,646	49,029	351
Mali	6,000	-	2,556	8,556	2,828
Mozambique	8,075	-	3,440	11,515	-
Nepal	30,172	-	12,852	43,024	-
Niger	594	-	254	848	-
Pakistan	16,500	-	7,029	23,529	160
Palestine	1,659	-	706	2,365	-
Philippines	6,000	-	2,555	8,555	-
Rwanda	4,000	-	1,703	5,703	479
Senegal	-	-	-	-	1,785
Sierra Leone	9,000	-	3,833	12,833	-
Somaliland	-	-	-	-	60
South Sudan	10,000	-	4,259	14,259	-
Sri Lanka	12,000	-	5,111	17,111	-
Uganda	27,081	-	2,508	29,589	17,554
Overseas programmes expenditures	317,856	-	98,874	416,730	216,239
	Direct Costs £	Staff Costs £	Support Costs £	2012 Total £	2011 Total £
<u>UK Projects</u>					
Knowledge Management	6,302	38,401	4,140	48,843	67,002
Making It Work	-	-	-	-	4,398
Inclusive Education	17,162	37,030	5,253	59,445	45,853
Raising awareness	60,421	28,719	11,308	100,448	36,347
Influencing policies and practices	-	-	22,279	22,279	17,682
Total UK project costs	83,885	104,150	42,980	231,015	171,282
Total cost of Charitable Activities	401,741	104,150	141,854	647,745	570,377
<u>Costs of generating Funds</u>					
Private fundraising investment	291,713	56,109	94,960	442,782	636,153
Institutional fundraising activities	5,826	11,586	20,273	37,685	-
Other fundraising activities	49,627	9,545	16,155	75,327	12,052
Communication & PR	16,293	22,241	10,520	49,054	42,120
Total cost of generating funds	363,459	99,481	141,908	604,848	690,325
Governance costs	37,065	-	44,249	81,314	71,034
Total Resources Expended	802,265	203,631	328,011	1,333,907	1,331,736

- Private fundraising investment relates to the recruitment of new donors

- Other fundraising activities aim at increasing support from existing donors and our diversification activities

- See note 6 for a breakdown of support cost

HANDICAP INTERNATIONAL UK

Company limited by guarantee, UK Registered Charity no. 1082565

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

6. SUPPORT COSTS	Charitable Activities £	Generating Funds £	Governance £	2012 Total £	2011 Total £
Staff costs	69,254	58,483	31,972	159,709	121,498
General costs	56,789	65,257	9,603	131,649	102,781
Depreciation	15,811	18,168	2,674	36,653	21,939
	141,854	141,908	44,249	328,011	246,218

7. NET INCOMING RESOURCES FOR THE PERIOD	2012 £	2011 £
This is stated after charging:		
Depreciation	36,652	21,940
Auditors' remuneration	16,800	12,600
Net realised Exchange Gain	-	(3,866)
Net unrealised Exchange Gain	(8,924)	-
	44,528	30,674

8. INSTITUTIONAL DONATIONS ALLOCATED TO PROGRAMME & UK EXPENDITURES

	Brought forward / (Due) £	Funds Received 2012 £	Programmes Expenditures 2012 £	Funds Due/ Expenditures (Carried forward) £	Expenditures Allocated to 2011 £
<u>UK Organisations</u> (Support for Overseas programmes)					
Department for International Development					
Haiti Emergency	-	-	(15,269)	15,269	-
CP TRUST					
Uganda	11,123	25,000	(27,081)	(9,042)	(13,877)
Big Lottery Fund					
Democratic Republic of Congo	49,862	39,532	(89,394)	-	(135,572)
	60,985	64,532	(131,744)	6,227	(149,449)
<u>International Organisations</u> (support for UK projects)					
European Union					
Landmines & Cluster munitions	(16,546)	63,190	(46,644)	(0)	(22,062)
Wellspring - Making It Work	-	-	-	-	(2,642)
	(16,546)	63,190	(46,644)	(0)	(24,704)
TOTAL	44,439	127,722	(178,388)	6,227	(174,153)

All grants have been expended in accordance with agreed terms included.

HANDICAP INTERNATIONAL UK

Company limited by guarantee, UK Registered Charity no. 1082565

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

9. TRUSTEES AND STAFF INFORMATION

a) Trustees

No trustee received emoluments in the year (2011: nil).

To enable them to attend meetings two trustees were reimbursed a total of £1,831 for travel. (2011: four trustees)

b) Staff

Staff costs were as follows:	2012 £	2011 £
Salaries and wages	309,364	256,863
Social security costs	32,412	26,168
Pension costs	9,978	12,572
Seconded staff	11,586	-
	<u>363,340</u>	<u>295,603</u>

No employees received emoluments in excess of £60,000.00 on an annualised basis during the year.

The average full-time equivalent of staff employed by the charity during the period, including seconded staff, calculated in full-time equivalents was:

	2012	2011
Governance	0.7	3.2
Generating funds	4.5	2.4
Charitable activities	3.4	2.2
	<u>8.6</u>	<u>7.8</u>

10. TAXATION

The charitable company is exempt from corporation tax on its charitable activities.

11. TANGIBLE FIXED ASSETS

Cost	Fixtures, fittings, and equipment £
At 1 January 2012	123,461
Additions	18,462
Disposals	<u>(22,626)</u>
at 31 December 2012	<u>119,297</u>
Depreciation	
At 1 January 2012	62,327
Charge for period	36,652
Depreciation on disposal	<u>(22,241)</u>
at 31 December 2012	<u>76,738</u>
Net book value	
At 31 December 2012	<u><u>42,558.70</u></u>
At 31 December 2011	<u><u>61,134</u></u>

HANDICAP INTERNATIONAL UK

Company limited by guarantee, UK Registered Charity no. 1082565

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

12. DEBTORS

	Unrestricted Fund £	Restricted Fund £	2012 £	2011 £
Receivable from DFID	-	15,269	15,269	-
Receivable from HI Federation	107,675	-	107,675	60,657
Receivable from other HI National Associations	876	-	876	418
Other Incomes Receivable	31,077	-	31,077	38,302
	<u>139,628</u>	<u>15,269</u>	<u>154,897</u>	<u>99,377</u>

Receivable from DFID refers to DFID Haiti emergency funding. The funding is claimed in arrears, hence at the end of the reporting period, no income was received from the donor.

Other receivables relates to Gift Aid receivable from HMRC, rent deposit and income from activities for generating funds

13. CREDITORS: Amounts falling due within one year

	Unrestricted Fund £	Restricted Fund £	2012 £	2011 £
Money Owed to HI Belgium	-	90,660	90,660	14,154
Money Owed to HI Luxemburg	-	-	-	9,094
Big Lottery Fund - Democratic Republic of Congo	-	-	-	49,862
CP Trust - Uganda	-	8,339	8,339	11,123
Accruals	65,202	-	65,202	44,140
Taxation and Social security costs	11,009	-	11,009	8,981
	<u>76,211</u>	<u>98,999</u>	<u>175,210</u>	<u>137,354</u>

CP Trust - Uganda refers to incomes received during 2012, but to be carried forward to 2013; this was due to 2012 related activities taking place in 2013 financial year. See Note 8

HI Belgium refers to money owed to HI Belgium in relation to activities undertaken on HI UK's behalf for the Democratic Republic of Congo project

14. COMMITMENTS UNDER OPERATING LEASE

At 31 December 2011, the charity had annual commitments under operating leases as set out below:

	2012 £	2011 £
Office Equipment		
Operating leases which expire within 2 to 5 years	1,335	1,335
Land and buildings		
Operating leases which expire within 2 to 5 years	74,426	74,426
	<u>75,761</u>	<u>75,761</u>

The operating lease relates to the non-cancellable 3 years rental agreement HI UK entered into from the last quarter of 2010.

HANDICAP INTERNATIONAL UK

Company limited by guarantee, UK Registered Charity no. 1082565

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Tangible fixed assets	42,559	-	42,559	61,134
Current assets	222,169	98,999	321,168	264,738
Creditors: Amount Falling due within 1 year	(76,211)	(98,999)	(175,210)	(137,355)
Net Assets at 31 December 2012	<u>188,517</u>	<u>-</u>	<u>188,517</u>	<u>188,517</u>

16. MOVEMENT IN FUNDS

	Brought forward £	Incoming resources £	Outgoing resources £	Transfers £	Carried forward £
Restricted funds					
Afghanistan	-	-	(20,000)	20,000	-
Bangladesh	-	-	(19,333)	19,333	-
Burundi	-	909	(909)	-	-
Cambodia	-	259	(259)	-	-
Democratic Republic of Congo	-	80,267	(83,601)	3,334	-
Ethiopia	-	-	(6,667)	6,667	-
Haiti	-	23,947	(23,947)	-	-
India	-	-	(11,334)	11,334	-
Iraq	-	10	(10)	-	-
Kenya	-	-	(9,333)	9,333	-
Lebanon	-	307	(307)	-	-
Libya	-	1,842	(45,844)	44,002	-
Mali	-	-	(8,000)	8,000	-
Mozambique	-	100	(10,767)	10,667	-
Nepal	-	230	(40,230)	40,000	-
Niger	-	793	(793)	-	-
Pakistan	-	-	(22,000)	22,000	-
Palestine	-	2,212	(2,212)	-	-
Philipines	-	-	(8,000)	8,000	-
Rwanda	-	-	(5,333)	5,333	-
Sierra Leone	-	-	(12,000)	12,000	-
South Sudan	-	-	(13,333)	13,333	-
Sri Lanka	-	-	(16,000)	16,000	-
Uganda	-	27,081	(27,081)	-	-
Overseas Expenditures	-	137,957	(387,293)	249,336	-
Knowledge management	-	44,702	(44,702)	-	-
Inclusive Education	-	54,426	(54,426)	-	-
Raising Awareness	-	92,192	(92,192)	-	-
Total restricted funds	<u>-</u>	<u>329,277</u>	<u>(578,613)</u>	<u>249,336</u>	<u>-</u>
Unrestricted funds					
General fund	188,517	1,004,630	(755,294)	(249,336)	188,517
Total Unrestricted funds	<u>188,517</u>	<u>1,004,630</u>	<u>(755,294)</u>	<u>(249,336)</u>	<u>188,517</u>
TOTAL FUNDS	<u>188,517</u>	<u>1,333,907</u>	<u>(1,333,907)</u>	<u>-</u>	<u>188,517</u>

Transfer from unrestricted to restricted funds relates to the contribution made from unrestricted funds into 16 of our overseas programmes.

Incoming resources (restricted funds for overseas programmes) relate to only restricted donations from the General public, and all institutional donations.

Outgoing resources (restricted funds for overseas programmes) relate to HI UK's contribution towards the specified countries, both restricted & unrestricted resources.