

HUMANITARIAN FORUM

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

**FOR THE PERIOD FROM INCORPORATION
ON 21 DECEMBER 2007 TO 31 MARCH 2009**

Charity Registration Number: 1122213

HUMANITARIAN FORUM

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

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HUMANITARIAN FORUM

TRUSTEES' REPORT

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

The Board of Trustees present their report and accounts for the accounting period from incorporation on 21 December 2007 to 31 March 2009.

Accounts

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 governing document, applicable law and the requirements of the Statement of Recommended Practice "SORP 2005", "Accounting and Reporting by Charities" issued in March 2005 and the Charities Act 2006.

Structure

The charity was formed by a trust deed dated 21 December 2007 and registered on 8 January 2008.

Board of Trustees

The charity is an umbrella organization. Each of its founding Trustees are experienced trustees of their own charitable organisations. The Board of Trustees consists of the following individuals:

- Dr Hany El Banna (Chairman) – founder of Islamic Relief Worldwide – appointed on 21 December 2007
- Sir Nicholas Young (Deputy Chairman) – British Red Cross – appointed on 21 December 2007
- Dr Ibrahim Hassaballa (Treasurer) – International Islamic Charitable Organisation – appointed on 21 December 2007
- Mr Adam Leach (Secretary) – International Business Leaders Forum – appointed on 21 December 2007
- Dr Abdulwahab Noorwali – World Assembly of Muslim Youth – appointed on 21 December 2007
- Hüseyin Oruc – Foundation for Human Rights and Freedoms and Humanitarian Relief – appointed on 21 December 2007

Registered Details

Registered address:	Suite 27, 58/60 Kensington Church Street, London W8 4DB, United Kingdom
Registered charity no.:	1122213
Director:	James Shaw-Hamilton
Bankers:	Barclays Commercial Bank, P.O Box 5960, 15 Colmore Row, Birmingham, BX3 2BB
Auditors:	haysmacintyre, Fairfax House, 15 Fulwood Place, London WC1V 6AY
Solicitors:	Ahmad Thomson, Wynne Chambers, Winchester House, 259-269 Old Marylebone Road, London NW1 5RA

Website

The Forum hosts a modern bilingual website which is updated regularly. For more information, in either English or Arabic, please visit: www.humanitarianforum.org

Objects

The charity's objects are to promote the efficiency and effectiveness of charities and the efficient use of charitable resources, for the benefit of the public, throughout the world by providing information, guidance, training, technical and professional support and assistance to NGOs, charities and other organisations established to further charitable purposes. The policies adopted in furtherance of these objectives are shown in the review of activities below and there has been no change in these during the year.

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TRUSTEES' REPORT (continued)

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

Overview

This Report has been prepared in the knowledge that it has already been decided to change the structure of the organisation from charitable trust to charitable company. This decision was initially made by way of a Board of Trustees Resolution on the 31 December 2008. After consultation with the Charity Commission the formal decision to dissolve the charitable Trust and transfer its assets and liabilities to the newly formed charitable Company, named The Humanitarian Forum (registered charity no. 1128909), was made by way of a Board of Trustees Resolution on the 21 April 2009.

The members of the Board of Trustees of the Trust are exactly the same as the members of the Board of Trustees of the Company. The objects, administration and activities of the Forum remain exactly the same. In effect all that has changed is the legal structure of the organisation.

As at the 31 March 2009, the formal transfer of assets and liabilities from Trust to Company was yet to be completed. As soon as the transfer has been completed, a further final set of accounts and accompanying Report for the period 1 April 2009 to closing date will be completed and submitted to the Charity Commission, after which the Humanitarian Forum Trust will be dissolved and removed from the Register of Charities.

The purpose of this Report therefore is to summarise what has been achieved by the Trust since its inception, so that as well as providing a true and fair view of the charity's results and position as at the 31 March 2009, anyone seeking information about the organisation's beginnings and initial development can find it here. For this reason this Report is more comprehensive than is usually the case. It begins with an Introduction by the President of the Humanitarian Forum, Dr Hany El Banna:

Introduction

"Today, more than ever, the humanitarian community needs to work together. Around the world humanitarian needs continue to grow as countries fall victim to natural disasters and conflict. And yet at the same time it seems that the gap between different communities is growing ever wider.

Unfortunately it seems that despite the common bonds that unite us all, tensions, suspicion and divisions are winning out. In this climate the Humanitarian Forum is in a unique position to act as a bridge between Western and Islamic humanitarian organisations.

None of us can be effective if we work in isolation. Internationally and in our pilot countries, we have demonstrated the positive impact that co-operation and dialogue can bring. We know that we cannot change things overnight; it takes time to build understanding and partnerships. However, as you will see from this report, progress is being made.

When the Humanitarian Forum was conceived as an idea in 2004 the world was coming to terms with the devastating effects of the tsunami in south Asia. Five years later as I write this introduction, the international community is dealing with the effects of the expulsion of several international aid agencies from Sudan. Each of these events, and many more in between, demonstrate the challenges that non-governmental organisations in the modern world face and the subsequent need for a body such as the Humanitarian Forum which can create partnerships across national and cultural boundaries.

Over the last five years, we have come a long way and now have a solid base from which to take our work forward. We have a strong international Steering Committee and have held workshops in 14 countries. From these workshops we were able to develop our core approaches (modules). More recently, we have also established projects in four pilot countries, where we have set up local planning groups to ensure the decentralisation of our work. In 2008 this was followed by the legal registration of the forums internationally and in some of the pilot countries, and the recruitment of key staff.

A lot has been achieved in a relatively short space of time, yet the needs are great and there is much more for us to do. This report highlights some of the Humanitarian Forum's successes and also outlines our priorities for the future.

By continuing to work together and by strengthening our common bonds I know that in the future we can achieve so much more. I would like to thank everyone who has contributed to the work of the Humanitarian Forum so far and look forward to working with more of our stakeholders in the coming months and years."

Dr Hany El Banna

President, Humanitarian Forum

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TRUSTEES' REPORT (continued)

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

What is the Humanitarian Forum?

The Humanitarian Forum is a network of humanitarian and charitable organisations that represent the Muslim and Western worlds, as well as representatives from the multilateral system.

It grew out of a belief that international humanitarian work could provide a neutral area for communities to come together and find common areas of co-operation. The Humanitarian Forum has the twin goals of improving the work of humanitarian and charitable organisations, as well as fostering partnerships between Western and Muslim humanitarian organisations.

The Humanitarian Forum builds bridges between non-governmental organisations (NGOs) from different faiths, cultures and communities, as well as between local organisations and the international community. It also supports local NGOs who often lack the resources and capacity to co-operate and communicate with their larger and better established counterparts.

The Humanitarian Forum was established in June 2004 when a group of local and international NGOs came together to respond to the growing needs of various organisations. The aims and purpose of the Forum was strengthened through a series of workshops held between 2005 and 2006 in 14 countries, as diverse as South Africa, Turkey and Indonesia.

These workshops brought together more than 1,100 local NGOs who all identified similar concerns that were hampering their work. Tackling these concerns became the starting point for the future work of the Humanitarian Forum.

Key concerns

During the workshops that took place in 2005 and 2006 some key problems and concerns common to most participating NGOs were identified. These were:

- Muslim NGOs often feel isolated within the international humanitarian community.
- Some NGOs, particularly faith-based organisations, felt victimised as a consequence of the so-called 'war on terror.'
- Relations between NGOs, governments, the media and other humanitarian actors are often strained.
- NGOs often work in an ambiguous or restrictive environment which can hamper their work.
- Many local NGOs suffer from a lack of resources, training and experience.

Why do we need the Humanitarian Forum?

The workshops showed that Western and Muslim organisations rarely work together in a meaningful and effective manner, and that there are also gaps between local and international organisations.

Internationally, this limited understanding creates gaps in delivery and duplication in action. It also creates suspicion around related areas such as rules on money transfers and the "designation" of NGOs. Perceptions of "them" and "us" reinforce the separation between communities in the eyes of donors, beneficiaries and the public.

Additionally when a disaster strikes a country, the humanitarian response is often led by international NGOs rather than locally based organisations. Local NGOs may have better local knowledge and cultural understanding, but often they lack the capacity and supportive legal framework to be able to effectively respond in a difficult working environment. While at the same time there is a lack of co-operation and the sharing of experience and expertise between NGOs from different communities, and between international and local NGOs.

The Humanitarian Forum seeks to ensure that the delivery of humanitarian aid is as efficient and effective as possible.

Ultimately these problems hamper the effective delivery of aid. By building partnerships in a safe, unbiased and mutually beneficial environment, the Humanitarian Forum seeks to ensure that the delivery of humanitarian aid is efficient and effective. By linking organisations from the Muslim and the Western worlds, we hope to improve the delivery of humanitarian aid, especially in the wake of natural or man-made disasters, by sharing knowledge and experience and by filling any existing gaps.

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TRUSTEES' REPORT (continued)

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

The Humanitarian Forum represents a unique opportunity, combining a partnership of:

- The credibility and leverage of a network of partner countries and supporters.
- The contacts and sustainability of national groups of NGOs.
- The experience of INGOs and multilateral organisations.

“I think it’s important to organize and maintain a strong dialogue between Islamic based NGOs and the rest of the world. Clearly, Muslim NGOs have a lot to offer in terms of international humanitarian work and we ... need to find ways and means of establishing meaningful partnerships.”

Matthias Schmale, Under Secretary General Development, International Federation of Red Cross and Red Crescent Societies

Aims and objectives

NGOs are driven by the need to be accountable, efficient, trustworthy and effective. However, for smaller organisations that lack resources and experience fulfilling these objectives can be difficult. It is the aim of the Humanitarian Forum to help NGOs to do their work better by becoming transparent and efficient in order to increase their donor base and the impact of their work.

We work internationally and in pilot countries to bridge gaps in aid delivery, and help NGOs address the major common challenges they face in serving their communities and in partnering effectively with each other and with outside humanitarian agencies. We work through several core, inter-connected approaches:

- Providing a **framework for reaching agreement** – a safe environment for all NGOs to learn from and understand each other and different communities. Over time, through dialogue and shared activities, we build trust between the wide range of organizations.
- Driving a **process to improve quality** – we help NGOs to become good partners through information sharing, peer learning and other training.
- Ensuring **responsible guardianship of resources** by advocating for better accountability and regulation for NGOs, both through national regulation and self-regulation.
- Reinforcing the **centrality of beneficiaries** by promoting humanitarian principles and standards. We are sharing information and dialogue about Western and Islamic (*insaniyah*) humanitarian principles to demonstrate the shared ideas that these communities have and to strengthen both.
- Improving and building **relationships** through communication, sharing information and facilitating collaboration, especially in emergencies.

How do we achieve this?

The Humanitarian Forum builds bridges between religions, cultures and communities using the common ground between them as a non-political environment on which to build mutual understanding and co-operation.

We are a *forum* – a catalyst, facilitator and venue for the discussion of issues of public interest in an atmosphere of trust and cooperation. Ours is a *philosophy of hope* – an expectation that trust between communities is possible. We use the large area of common ground between religions and cultures, including their strong heritage of charitable and humanitarian work, as a non-political environment on which we can increase understanding and cooperation.

Internationally, our Steering Committee includes key Sunni, Shi’a and Western organisations. It is made up of 20 key humanitarian organisations which represent 13 countries over 4 continents; it is the first time that many of these NGOs have worked together. The Steering Committee’s debates cover all of our core approaches.

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TRUSTEES' REPORT (continued)

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Dialogue between faiths

We arranged a meeting between the heads of the largest humanitarian organisations in the world and experts in Islamic charities. Many of these large organisations are Christian, and so we debated the principles underlying the work of Islamic humanitarian organizations, the role of all faith-based organisations and the challenges of humanitarian work. This is an important conversation: in so many disasters the affected populations and organisations responding come from several religious or cultural origins. We are planning further events like this.

We are also developing a series of larger international workshops looking at alternative humanitarian operational partnership and engagement in particular emergencies – A HOPE:

A HOPE for Gaza

At the start of February 2009, the Humanitarian Forum gathered key international humanitarian organisations in Doha to discuss co-operation and partnership for Gaza. This was the first time that such a wide range of organisations have met; non-governmental organisations came from Muslim and western countries, and were joined by several multilateral organisations. In all, there were 32 organisations from 12 countries.

The participants discussed needs and challenges in Gaza, planned responses, coordination and partnerships. The meeting reinforced the need to work together for the benefit of the needy in Gaza, and called for safer humanitarian access to Gaza. The meeting also reiterated the importance of building bridges between communities, and the power of partnerships in other parts of the world. The participants agreed concrete solutions, including shared lobbying, jointly designing projects and having regular communication to deepen partnerships. The Humanitarian Forum will act as the main mechanism for this amongst this growing partnership of organisations.

In his keynote speech at the meeting, Ambassador Abdulaziz bin Mohamed Arrukban, Special Humanitarian Envoy of the United Nations, said that he was excited by the range of organisations meeting together to discuss a common goal.

Dr Hany el Banna said: “The focus of our partnerships is on those who are in need and not on our individual organisations or countries. The intention behind partnerships is crucial, including respect, complementarily of civilisations and humanitarian leadership.”

National Forums

The Humanitarian Forum believes that it is important for local NGOs to have forums in their own countries where they can continue to exchange information and experience, and build further partnerships. Without these local forums any improvements that are made in terms of organisations' capacity and impact will be limited.

Together with the local forum, we build a community of effective local NGOs by developing their skills and by creating a national forum as a local, sustainable catalyst for ongoing change. The role of the Humanitarian Forum is to identify and fill any gaps, creating a bottom up rather than top down approach.

Presently national forums are being developed in our four pilot countries, which have urgent – and different – humanitarian needs:

- Indonesia, a Muslim aid recipient country;
- Kuwait, a Muslim donor country;
- Sudan, an ethnically and religiously diverse society;
- Yemen, one of the poorest countries in the world.

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TRUSTEES' REPORT (continued)

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We are developing these national forums' ability to provide sustainable capacity building support to local NGOs in order to improve the quality, influence and cohesiveness of the work of these organisations.

The national forums have helped to create a network of local NGOs from all communities, representing different religious, political and geographic splits. For example, the Humanitarian Forum Indonesia membership includes NGOs which are: Muslim, Christian, secular, national and local; it also includes networks and individual NGOs.

This approach helps to foster familiarity and trust between disparate groups. To date these Forums have carried out needs assessments within their respective countries in order to better understand the needs of local NGOs, and have started training workshops.

Over time the links between these national forums and forums in new countries will be strengthened to facilitate the process of information sharing and communication.

Case study: Indonesia

Indonesia has many humanitarian and development challenges from its fast growing population, poverty and inequitable distribution of resources. In addition, the vast archipelago is vulnerable to volcanoes, earthquakes and other natural disasters: humanitarian issues need to be mainstreamed into the development sector, especially at the community level. This cannot be done without the active participation of NGOs given their importance in advocating policy changes, increasing public awareness, building capacity and transferring knowledge and improving community participation. In October 2005, Islamic Relief organised a workshop for local NGOs and the Government; this was the first opportunity many had to meet and learn about each other.

The local forum has prioritised disaster risk reduction, noticing gaps between national and international actors in humanitarian preparation and response in Indonesia. Over the last year, the local forum has:

- Successfully registered.
- Run a number of training workshops for local communities.
- Created a National Platform, involving the Government and civil society.
- Prepared and launched PASTI, a ground-breaking, community based project for preparedness assessment tools, funded by UNESCO.
- Launched a Humanitarian Report for Indonesia.
- Contributed to the national disaster risk reduction action plan.
- Contributed to international humanitarian standards (the revision of UN's Sphere Standards).

One of the key issues identified by the series of workshops in 2005-6 was the need to strengthen NGOs to be more effective in their work. With this in mind we look at developing the following skills (at basic, intermediate and advanced levels):

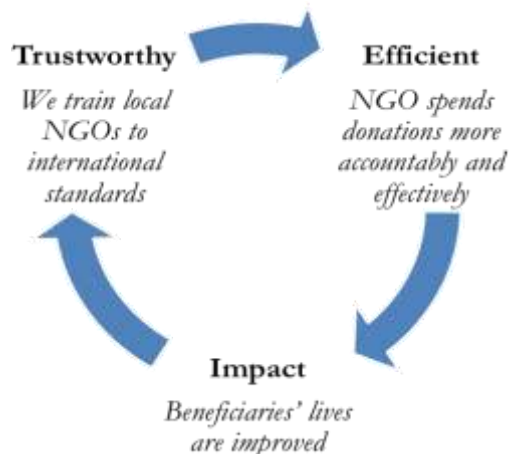
- *Organisational capacity*: strategic planning, good governance, financial management, organisational management, fundraising.
- *Programmatic impact*: project cycle management, community mobilisation, rights based approaches to development, networking.

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TRUSTEES' REPORT (continued)

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Our work helps NGOs to be more efficient in their financial expenditure and in the way they deliver humanitarian aid, as well as improving their ability to prepare for and respond to various humanitarian needs.



Case study: Yemen

Yemen is one of the least developed countries, according to the United Nations, and has high population growth, unemployment, and differences between urban and rural areas. Nearly half of the population lives on less than \$2 a day. Yemen faces important challenges – and the NGO sector has a valuable role to play in providing services. The government of Yemen is active in promoting NGOs and their work and seeks their involvement in programmes. Yemen has witnessed a large growth in NGOs since the 1990s. However, despite the growth of the Yemeni civil society and its potential, the NGO sector is composed of a wide range of disconnected organisations, with various affiliations. The absence of a cohesive framework together with the limited capacity of NGOs, reduces their potential to address local needs. Few local NGOs are used as implementing partners by overseas donors/NGOs.

The Humanitarian Forum first started work in Yemen in 2005 after Islamic Relief Worldwide organised a series of workshops with local NGOs. In Yemen, over 80 Yemeni NGOs met together. The workshop was opened by the Deputy Prime Minister, with speeches given by the Minister of Endowments and Guidance and the Ambassador for Great Britain, amongst others.

Since then Yemen has become one of the pilot countries for the Humanitarian Forum after 20 local NGOs expressed interest in forming a local forum.

In February 2008 a local Steering Committee was established in Yemen and the organisation was registered in June 2009. Registration now allows the forum to develop its membership and carry out other activities. The Board meets on a regular basis in order to set the national forum's strategy, vision and mission.

Working with our international network, the members have been increasing partnerships between the Humanitarian Forum Yemen and various international NGOs, government bodies and local organisations. For example:

- The United Nations' emergencies coordination office (UN OCHA) and Oxfam led a workshop to explore ideas for cooperation between Yemeni NGOs – and between them and the international community. These ideas are being developed by a local working group.
- The Charity Commission, the UK's internationally-regarded regulator of NGOs, led a workshop to explore NGO accountability to donors, the NGO sector and beneficiaries. As a result of this, local volunteers will develop a Code of Conduct for the Humanitarian Forum Yemen.
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TRUSTEES' REPORT (continued)

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This year, the Humanitarian Forum in Yemen has:

- Found out the needs of NGOs in Yemen and is now creating an information centre in order to help address these.
- Run training workshops for local communities. These covered areas like strategic planning, cooperation, accountability and financial management.
- Created working groups to develop the core approaches.
- Supported Islamic Relief in successfully applying for a grant from the European Commission to train many NGOs over the next 2 years.

Financial review

The Humanitarian Forum has had a good start in a year when much of the UK charity sector was affected by the global financial crisis. The Humanitarian Forum is funded through the contribution of members, private donations and grants, and much of this was received from abroad so we also benefitted from exchange rates variations. Income is steady and expenditure is commensurate with our income. At the same time, the Humanitarian Forum also faces challenges common to many alliances, since part of its income is indirectly related to members' income and it is still building up a track record.

During the year the Humanitarian Forum raised £587,898 (2007 – nil) of income and spent £281,168 (2007 - nil), carrying forwards £306,730 to the next financial year.

In accordance with SORP 2005, support costs have been allocated between charitable activities and fundraising. The Statement of Financial Activities shows that after allocating support costs, the Humanitarian Forum spent 82.2% of its total expenditure on charitable activities, 6.4% on fundraising and 11.4% on governance. This proportion will reduce as the Humanitarian Forum and its network become more established, and as its activities grow.

For a description of how our expenditure supported key objectives, please see above.

Future plans

In 2009/10, the Humanitarian Forum intends to complete the transition to a company limited by guarantee, increase programme delivery and develop the global network. In particular:

Improving the quality of NGOs:

- Host/support 1-2 international conferences on areas related to our core approaches (see above).
- In pilot countries, support regular training of local NGOs.
- Help disaster response in pilot countries and in other areas where the Humanitarian Forum or its members have a comparative advantage.

Building bridges:

- Host the first annual Congress.
- Convene a *HOPE for ...* workshop (see above).
- In pilot countries, support regular networking between local and international organizations.
- Facilitate partnerships between Western and Islamic organizations, and between local and international organizations.

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TRUSTEES' REPORT (continued)

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

Future plans

Global and national networks

- Broaden the global network.
- Embed the agreed Strategy within the pilot countries.
- Grow membership and activities in the pilot countries and develop ways to measure success.
- Register the local forums in Kuwait and Yemen.
- Prepare for 2 new pilot country forums (assess need, funding, membership etc).
- Sustain and grow funding (Gulf focus).
- Recruit additional Secretariat roles.
- Sharpen communications (newsletter and website).

Members of the Humanitarian Forum

The Steering Committee of the Humanitarian Forum is made up of humanitarian organisations from 13 countries, across four continents. Its members are:

- British Red Cross
- Charity Commission*
- Foundation for Human Rights and Freedoms and Humanitarian Relief
- Imam Khomeini Relief Foundation
- International Committee of the Red Cross*
- International Council of Voluntary Organizations*
- International Federation of the Red Cross and Red Crescent Societies*
- International Islamic Charitable Organisation
- Islamic Relief Worldwide
- Mercy Corps
- Mohammadiyah
- National Rural Support Programme
- Near East Foundation
- Norwegian Refugee Council
- Oxfam
- Qatar Charity
- Qatar Red Crescent Society
- UN Office for the Coordination of Humanitarian Affairs*
- World Assembly of Muslim Youth
- World Food Programme
- Pilot country forums

* standing invitees

Administrative Structure:

Prior to registration as a charity, the founding Trustees were selected by the Steering Committee from among its members. They had all been involved since the start of informal meetings of the Steering Committee in June 2004. They were therefore familiar with the context and the work of the charity. In accordance with the trust deed and current standing orders, only the Board of Trustees have the power to appoint and discharge Trustees and appoint office bearers. This power is no longer vested in the Steering Committee.

All Trustees remain members of the Steering Committee whose other members are comprised of representatives of stakeholder organisations.

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TRUSTEES' REPORT (continued)

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

Administrative Structure:

The Steering Committee agrees the goals and strategy for the Humanitarian Forum as well as supporting the work of the national forums (subject always to the approval of the Board of Trustees).

The Steering Committee makes decisions as regards the implementation of the Forum's objects (subject always to the approval of the Board of Trustees).

The Board of Trustees and Steering Committee are supported by a Secretariat based in London. The role of this Secretariat is to raise funds, support members and work with stakeholders in Muslim and Western countries. The Director of the Secretariat is Mr James Shaw-Hamilton.

The Secretariat is also responsible for ensuring that the decisions of the Steering Committee are implemented, assisted if necessary by the Module Committees (who are also represented on the Steering Committee), usually by means of Regional Branches.

The Secretariat helps to co-ordinate and publicise all of the Forum's activities as well as functioning as the co-ordinator for fund raising. The Forum's website is also maintained through the Secretariat.

Membership of the Steering Committee and Module Committees and the administration of the Secretariat is subject always to the approval of the Board of Trustees who accordingly remain ultimately responsible for the manner in which the Forum and its activities are administered.

This administrative structure assists in maintaining an effective interlink between many organisations spread across the globe.

Exclusively Charitable Activities

The members of the Steering Committee come from a wide spectrum of social and political mores and backgrounds. The organisations and NGOs who benefit from the implementation of the aims of the Forum are diverse. Not all of their activities might be regarded as "exclusively charitable" as defined by English law.

As a registered charity The Humanitarian Forum's activities are required to be "exclusively charitable" as defined by English law.

Accordingly the Board of Trustees obtained, at the registration stage, the Charity Commission's permission to assist NGOs whose aims and activities are not all entirely "exclusively charitable", provided that they make it clear at the outset that they are only supporting those activities which are "exclusively charitable" as defined by English law. References to NGOs in this Report should be read with the understanding that the Board of Trustees and members of the Steering Committee are fully aware of this requirement.

Public Benefit

As a charity, the Forum must be able to demonstrate that our objects and activities are for the public benefit as required by the Charities Act 2006. The Trustees have all reviewed the guidance issued by the Charity Commission on public benefit and have ensured that the Forum's objects and activities comply with this statutory requirement. The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

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TRUSTEES' REPORT (continued)

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

Governance and internal control

Law applicable to charities in England and Wales requires the Board of Trustees to prepare accounts for each financial year which give a true and fair view of the charity's results and position as at the end of the year and of its income and expenditure for that period.

In preparing these accounts, the Board of 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Board of Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 1993, as amended. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorized use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable;
- the charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable but not absolute assurance against material mis-statement or loss. They include:

- a strategic plan and an annual budget approved by the Board of Trustees;
- regular consideration by the Board of Trustees of financial results, variance from budgets, non-financial indicators and bench working reviews;
- delegation of authority and segregation of duties;
- identification and management of risks (to the extent possible in an organisation of this size).

In addition, the Board of Trustees will consider the guidance for directors of public listed companies contained within the Turnbull Report of 2000.

Risk management

The Board of Trustees are fully aware of the need to assess the risks faced by the charity and to minimise those risks. These are events/outcomes that may have a severe impact on operational performance, achievement of aims and objectives or reputation. They have conducted a comprehensive process to identify, assess and manage risks. They regularly review a *Risk Register*, with all risks being scored for likelihood and impact and management strategies and timetables being established.

In addition:

- the Board approves the annual budget and income predictions, and reviews them 4 times a year against actual income and expenditure (together with explanations of variations). The Board has taken the effects of the global credit crisis seriously in its planning.
- the Board of Trustees receive monthly reports from the Director to ensure programmes are progressing as planned and to identify any issues which need to be addressed.

HUMANITARIAN FORUM

TRUSTEES' REPORT (continued)

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

Reserves policy

The charity's reserve policy is to hold unrestricted, undesignated reserves (excluding fixed assets) to ensure continuity of activities and in any event sufficient for closure of the charity should this arise. The main items are salaries, rent and annual support contracts (website and IT).

Auditors

haysmacintyre were appointed auditors to the charity and in accordance with the Charity Act 1993, as amended, a resolution proposing that they be re-appointed will be put to the Board of Trustees.

Approved by the Board of Trustees and signed on their behalf :

Dr Hany El Banna
(Founding Trustee & Chairman)

Adam Leach
(Founding Trustee & Secretary)

Dated: of 2009

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF HUMANITARIAN FORUM

We have audited the financial statements of Humanitarian Forum for the period from incorporation on 21 December 2007 to 31 March 2009 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with the regulations made under the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees' Responsibilities the charity's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2009 and of its incoming resources and application of resources in the period then ended; and
- have been properly prepared in accordance with the Charities Act 1993;

haysmacintyre
Registered Auditors

Fairfax House
15 Fulwood Place
London
WC1V 6AY

HUMANITARIAN FORUM

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

	Notes	Unrestricted Funds £	Restricted Funds £	Total funds 2009 £
INCOMING RESOURCES				
<i>Incoming resources from generated funds</i>				
Voluntary income				
Donations	2	532,001	50,000	582,001
Other income		5,897	-	5,897
TOTAL INCOMING RESOURCES		<u>537,898</u>	<u>50,000</u>	<u>587,898</u>
RESOURCES EXPENDED				
<i>Cost of generating funds:</i>				
Fundraising costs of voluntary income		16,612	2,148	18,760
<i>Charitable activities:</i>				
International		96,105	12,870	108,975
Partner countries		107,198	20,838	128,036
		<u>219,915</u>	<u>35,856</u>	<u>255,771</u>
Governance costs		<u>19,423</u>	<u>5,974</u>	<u>25,397</u>
Total resources expended		<u>239,338</u>	<u>41,830</u>	<u>281,168</u>
Net incoming resources before transfer		298,560	8,170	306,730
Fund balances brought forward		-	-	-
Transfer between funds		4,284	(4,284)	-
Fund balances carried forward		<u>302,844</u>	<u>3,886</u>	<u>306,730</u>

The Charity had no recognised gains and losses other than those included above. All the above results are derived from continuing activities.

HUMANITARIAN FORUM

BALANCE SHEET

AT 31 MARCH 2009

	Notes	£	2009	£
FIXED ASSETS				
Tangible assets	7			4,284
CURRENT ASSETS				
Debtors	8	2,450		
Cash at bank and in hand		320,726		
		<u>323,176</u>		
CREDITORS: amounts falling due within one year	9	(20,730)		
		<u></u>		
NET CURRENT ASSETS/(LIABILITIES)				<u>302,446</u>
NET ASSETS				<u>£306,730</u>
FUNDS				
Unrestricted funds				294,752
Designated funds				8,092
Restricted fund				<u>3,886</u>
TOTAL FUNDS	10,11			<u>£306,730</u>

These accounts were approved by the Board of Directors and authorised for issue on behalf by:

and signed on their

Trustee

The accompanying notes form an integral part of these financial statements.

HUMANITARIAN FORUM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

1. ACCOUNTING POLICIES

(a) **Basis of preparation**

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 (SORP 2005), and applicable accounting standards.

(b) **Fund accounting**

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

(c) **Incoming resources**

All incoming resources are included in the SOFA when the charity is legally entitled to the income, there is reasonable certainty of receipt and the amount can be quantified with reasonable accuracy.

(d) **Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs can not be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources. All support costs, except governance costs, are allocated between cost of generating funds and resources expended on charitable activities on basis of time spent.

(e) **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation has been provided on all tangible fixed assets at the following rates on the net book value of assets at the beginning of the financial year.

Fixtures and fittings	25% on net book value
Computer equipment	33% on net book value

(f) **Foreign currencies**

All income resources and expenditure accounted for in the year have been converted at the rate applicable at that time.

2. DONATIONS INCOME

	Unrestricted Funds £	Restricted Funds £	Total funds 2009 £
British Red Cross	15,000	-	15,000
IHHI	9,865	-	9,865
International Islamic Charitable Organisation	34,655	-	34,655
Islamic Relief	55,794	-	55,794
Oxfam	-	20,000	20,000
Qatar Charity	66,551	-	66,551
World Assembly of Muslim Youth	112,422	-	112,422
Euro Trust	-	30,000	30,000
Other income	237,714	-	237,714
	<u>£532,001</u>	<u>£50,000</u>	<u>£582,001</u>

HUMANITARIAN FORUM

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

3. TOTAL RESOURCES EXPENDED	Charitable				2009 Total
	Fundraising	International	Partner Countries	Governance	
	£	£	£	£	£
Direct costs					
Staff costs	9,291	34,463	34,463	6,134	84,351
Training and office costs in partner countries	-	-	43,238	-	43,238
Travel expenses	-	14,663	14,663	-	29,326
Members meetings	-	9,133	551	275	9,959
Training and recruitment costs	-	756	-	-	756
Legal and professional fees	-	-	-	5,606	5,606
Audit fee	-	-	-	7,130	7,130
Other	-	14,839	-	-	14,839
	<u>9,291</u>	<u>73,854</u>	<u>92,915</u>	<u>19,145</u>	<u>195,205</u>
Support costs					
Staff costs	3,661	13,579	13,579	2,417	33,236
Rent	3,516	13,039	13,039	2,321	31,915
Rates	67	250	250	44	611
IT	401	1,490	1,490	265	3,646
Office services	1,363	5,054	5,054	900	12,371
Bank charges	161	593	593	106	1,453
Payroll administration	67	247	247	44	605
Depreciation	233	869	869	155	2,126
	<u>9,469</u>	<u>35,121</u>	<u>35,121</u>	<u>6,252</u>	<u>85,963</u>
TOTAL	<u>£18,760</u>	<u>£108,975</u>	<u>£128,036</u>	<u>£25,397</u>	<u>£281,168</u>

4. TRUSTEES' REMUNERATION

Trustees received no remuneration during the period. Expenses reimbursed to 1 trustee in the period was £16,347.

5. STAFF COSTS

	2009 £
Wages and salaries – UK based	106,058
Social security costs	11,529
	<u>£117,587</u>

Average staff numbers (full time equivalents):

Fundraising	0.30
Charitable	2.35
Governance	0.35
	<u>3.00</u>

HUMANITARIAN FORUM

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

6. TANGIBLE FIXED ASSETS	Office Equipment £	Computer Equipment £	Total £		
Cost					
Additions	127	6,283	6,410		
At 31 March 2009	127	6,283	6,410		
Depreciation					
Charge for the period	32	2,094	2,126		
At 31 March 2009	32	2,094	2,126		
Net Book Value					
At 31 March 2009	£95	£4,189	£4,284		
7. DEBTORS			2009 £		
Other debtors			£2,950		
8. CREDITORS: amounts falling due within one year			2009 £		
Other creditors, including taxes and social security			8,460		
Accruals			12,271		
			£20,730		
9. STATEMENT OF FUNDS	21 December 2007 £	Income £	Expenditure £	Transfers £	31 March 2009 £
Unrestricted funds					
General unrestricted funds	-	290,821	(147,430)	4,284	147,675
Designated unrestricted funds	-	247,077	(91,908)	-	155,169
	-	537,898	(239,338)	4,284	302,844
Restricted funds					
Oxfam Fund	-	20,000	(14,568)	(4,284)	1,148
Euro Trust Fund	-	30,000	(27,262)	-	2,738
	-	50,000	(41,830)	(4,284)	3,886
Total funds	£ -	£587,898	£(281,168)	£ -	£306,730

Oxfam Fund is used to improve the access of NGOs to online information and resource sharing facilities and to establish the Humanitarian Forum Yemen by building the Secretariat.

Euro Trust Fund is used to cover the cost of secretarial support.

Designated unrestricted fund is used to fund a global Secretariat office for The Humanitarian Forum to support the role of the Chairman, Dr Hany el Banna.

HUMANITARIAN FORUM

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE PERIOD FROM INCORPORATION ON 21 DECEMBER 2007 TO 31 MARCH 2009

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 March 2009 are represented by:			
Tangible fixed assets	4,284	-	4,284
Debtors	2,950	-	2,950
Cash	316,840	3,886	320,726
Creditors	(20,730)	-	(20,730)
	<hr/>	<hr/>	<hr/>
Total net assets	£302,844	£3,886	£306,730
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

11. OPERATING LEASE COMMITMENTS

At 31 March the charity had the following annual commitments under non-cancellable operating leases:

	2009 £
Within one year	£5,635
	<hr/> <hr/>

12. DONATIONS RELATING TO TRUSTEES

Dr Hany El Banna was the founder of Islamic Relief and was the president until early 2008. Islamic Relief donated £55,794 during the period.

Sir Nicholas Young is the CEO of the British Red Cross who donated £15,000 during the period.

Dr Ibrahim Hassaballa is the CEO of International Islamic Charitable Organisation who donated £34,655 during the period.

Mr Adam Leach was a regional director of Oxfam who donated £20,000 during the period.

Huseyin Orue is the CEO of **IHH** who donated £9,865 during the period.

Dr Abdulwahab Noorwali is a Trustee of World Assembly of Muslim Youth who donated £112,422 during the period.

13. TRUSTEE EXPENSES

During the period Dr Hany El Banna incurred travel expenses of £16,347 which were paid on his behalf by the charity.