



Annual Report to 31 December 2018

1. Overview

The Trustee/Directors are pleased to present their report and accounts for the year ended 31 December 2018. The Company (No. 6477969) is Limited by Guarantee and is also a registered charity (No. 1004963).

The Trustee/Directors are of the opinion that the accounts have been prepared in accordance with the charity's governing document, being its Memorandum and Articles of Association dated December 2007 updated by the Extraordinary General Meeting of 9 December 2011.

Principal address and Registered Office

c/o Chartered Institute of Logistics and Transport UK
Earlstrees Court
Earlstrees Road
Corby
Northamptonshire NN17 4AX

Bankers

HSBC
2, The Promenade
Cheltenham
Gloucestershire
GL50 1LR

2. Objectives and Overview of Achievements

The objectives of the charity are reported on the Charity Commission website as:

- a. Discussion and information focal point for individual humanitarian logisticians; and
- b. The networking of volunteers abroad.

Mission

To build a global community of practice for advancing the humanitarian logistics profession by promoting cross-organizational learning and collaboration.

The mission was unchanged in 2018. This is the sixth year that HLA Trustees report both the charity's achievements and its accounts.

HLA aims to be the leading, independent organization for professional development of humanitarian logisticians by:

- Acting as an umbrella or resource body;
- Providing advocacy, advice and information;
- Exchanging knowledge and experience to develop concrete solutions to humanitarian logistics challenges;
- Developing best practice standards by working with academia, commercial organizations and others to build up humanitarian logistics practice

Overall, 2018 was another positive year for the HLA. The Association has again delivered on its objectives of:

- a. Being an independent organization for the professional development of humanitarian logisticians;
- b. Providing a forum for the exchange of knowledge and experience;
- c. Also HLA has continued to work to develop best practice and standards for humanitarian logistics and has acted as a forum for connections to the humanitarian logistics community of practice for the HLA corporate membership.

The HLA remains the premier sector-wide body focused on humanitarian logisticians and continues to seek to bring systemic changes to the sector's efficiency and effectiveness, since logistics remain the second largest cost for humanitarian organisations.

Having overcome the numerous IT and e-payment challenges experienced in 2017, along with the development and introduction of a new website, the introduction of paid individual membership fees and corporate membership subscriptions was developed successfully. This was due, in a large part, to the efforts of the HLA's trustee for marketing and communications, Nicola Webb.

HLA has been marketed to an increasingly wide range of stakeholders and while individual paid and free membership sign-ups have continued at a modest pace, HLA has generated most success in the area of corporate subscriptions. As at the end of 2018 the Association had signed up 21 private sector and academic partners, and 4 humanitarian organisations. Subscriptions helped to bring the level of unrestricted funds to over £15,000 enabling HLA to cover both basic operating costs and modest stakeholder engagement / event expenses.

Early in the year, and following a Trustee skills audit, HLA expanded the Board to include the trustee role of Director/Chief Technology Officer, welcoming Isaac Kwamy who has supported the consolidation of IT capabilities, together with Steve O'Rourke as consultant web developer. After five very valuable and transformational years on the Board, Adrian Nance stepped down from his role as Director/CFO in March, having recruited his replacement Sujit Jadhav, as well as the HLA's first paid bookkeeper, Leanne Palmer. The finance team have worked to strengthen accounting practices in order to ensure compliance with accounting procedures.

In January, the HLA's VolinHA (Volunteering in Humanitarian Assistance) project volunteer, Alexandra Vasila, finished her assignment having been hired by the International Medical Corps for a logistics role in Nigeria. In October, Monireh Shishvan joined HLA as volunteer marketing and communications executive, based from her home in Tehran. Moni brought considerable experience from the private sector and UN assignments and has been supporting the development of a fundraising strategy, collaborating with the HLA's long-standing volunteer, Farshid Raminfar, who continues to provide excellent and invaluable service managing important social media channels. Meanwhile, the HLA South-East Asia representative, Dr Thomas Fernandez, has been supporting the association through academic and training engagements in Thailand.

Throughout 2018, HLA made very good progress in raising its profile and member value through the engagement in, and organisation of, various events. These included:

- April – Aid & Trade London – workshop with over 35 participants
- July – Farnborough International Airshow – launch of humanitarian aviation roundtable discussions with support from Volga Dnepr and Aviation Sans Frontieres
- October – webinar on Cash Transfer Programming by Fritz Institute
- November – AidEx Brussels HLA annual dinner, supply chain workshop and humanitarian aviation roundtable
- November – IDR Expo London - supply chain workshop and humanitarian aviation roundtable

Membership and communications statistics:

Individuals

2,089 – a small increase on 2017, but numbers are expected to increase further in 2019.

NGO members

Mercy Corps, Humanity & Inclusion, MAG (Mines Advisory Group, Polish Center for International Aid

Corporate members

AirDropBox, Aston University, Durbin Global, EASST, Field Ready, Floorbox, GLC Global, HSAC, IDR, Kogan Page, LLA, Neutral Air, Sea Sky Cargo, Sisu Global Health, Vallis, Vestey Foods

Relaunched website

In addition to key organisational information, the new site includes the Hum-Log Portal, job posting board, member benefits page (£600 value)

Monthly newsletters

Regular newsletters have been produced successfully. 30% of these are read on mobile devices

Social media

Facebook	3,500 (+5%)
Twitter	2,750 (+11%)
LinkedIn	4,770 (+6%)
Instagram	425 (+10%)

Strategy / Plans

Four strategy meetings were held in 2018. As a result of inputs received, a new three-year strategy, to be developed in 2019, will focus on professionalization, knowledge management and strengthening stakeholder / member engagement.

The HLA remains the premier sector-wide body focused on humanitarian logisticians and continues to seek to bring systemic changes to the sector's efficiency and effectiveness, since logistics remain the second largest cost for humanitarian organisations.

HLA continues to improve its governance and drive towards enhancing services to our beneficiaries and wider community of practice by building on a foundation of committed volunteers and by creating the right framework for us to become an employer.

Review of Achievements against Outputs (Programme Areas)

In their work on the new HLA Business Plan, trustees reviewed the Programme Areas.

Training and Education (Programme Area 1), work-in-kind has continued in collaboration with the Chartered Institute of Logistics and Transport UK (CILT) on professional standards via support to the 'HPass' (humanitarian passport initiative) and on increasing the access of field logisticians to latest developments in the field. We remain most grateful to CILT UK for its support in this and the general administrative assistance provided.

Building our Community of Humanitarian Logistics Practice (Programme Area 2) Both through expenditure and through donations-in-kind we have continued to keep members informed of logistics news and events through newsletters and emails, and keep all aware of latest practice via the HLA website. To this end, HLA ran several well-attended seminars at the Aid & Trade event in London (April), Farnborough International Air-show (July), Aidex Brussels (November) and the International Disaster Response Expo in London (December 2018). Throughout these events HLA facilitated key roundtable discussions on the topic of humanitarian aviation and the challenges to reaching victims of disaster. Potential solutions will be addressed during the 2019 event series.

Professional Development (Programme Area 3). In 2018, HLA provided access to web based knowledge that enhances the professional development of our members, overlapping with Programme Area 2. In addition, work continues with partner organizations to build the needed skills and competencies framework for Humanitarian Logisticians.

The Board of Trustees aims to keep HLA's footprint wide by providing membership benefits at low cost or free for people in developing countries. The HLA's global footprint provides a growing cadre of logisticians in the places where disasters have their greatest impact. (Costs are reported under Building our Community of Practice). This focus allows us to track communications activity on line through Google Analytics. Approximately 80% of website visits are from more developed countries, 30% are returning visitors. This implies to Trustees that professional use is being made of the site, that other languages should be considered and that the potential of the site has not yet been fully developed.

With so much other activity, HLA trustees decided to park developments in ***Research and Knowledge Management (Programme Area 5)*** in 2018 with the intent to reactivate the programme in 2019. Outreach continued with speaking engagements in collaboration with Academics at several universities in the UK.

The Trustees believe that in the period of this report the HLA can reconstitute the Advisory Group to support the footprint and growth of the association. This will be progressed in 2019

once the new strategic plan has been developed. Steps should also be taken to employ executive staff to drive organisational management and development.

Overall Lessons from 2018: Trustees monitored the changes to financial governance implemented in our 2017 Report: they seem robust. Now that income has started to be more regular, largely through the implementation of a corporate membership channel, a small number of contracts for services were issued. Financial management is now much more robust and its quality continues to improve. Similarly the development of marketing and communications capabilities has resulted in increased visits to the HLA website and good feedback to the quality of newsletters and social media posts. The growth in reserves is reported under Resources below.

3. Resources

- a. **Income** was £15,597, 18% lower than in 2017 (£19,057).
 - i. This was due to the successful completion of the grant funded VolinHA project at the end of 2017 and the move in 2018 to raising an increased level of unrestricted funds.
 - ii. Of the 2018 income, 100% was unrestricted funds vs. 76% restricted funds in 2017 (Volinha Grant).
 - iii. Corporations were 28% of donors; NGOs and Foundations 17%; individuals making up the balance of donors.
- b. **Expenditure** was £7,661 (2017: £25,085). 90% of expenditure was focused on three outputs:
 - i. Delivering seminars to improve the quality of humanitarian logistics as part of the 2018 series of events in which HLA has engaged.
 - ii. Conducting a seminar in Brussels (part of our support both to the membership, the Community of Practice and to our desire to run Conferences to facilitate sharing of best practice (Programme Areas 2 and 5) (25% of expense). This output again recorded a slight surplus.
 - iii. In 2018, 8% of expenditure was on governance. This is in line with our expectation of major increase in 2018 as the costs of the online accounting package and the bookkeeper are reflected for the first time.
- c. **Overall expenditure** was £7,661 or 49% of 2018 income was carried forward as a reserve.
- d. **Financial Position.** The charity's book value was £18,601 on 31 December 2018 (2017: £10,666) a 74% increase. This represents continuing confidence in HLA's ability to add value to the humanitarian sector.

With 2018's revenue at £15,597 the Trustees have decided that there is no requirement for an audit or external examination this year. This will be kept under review.

Financial and Reserves Policy

Financial Roles and Manpower

For most of its life, HLA has assisted its beneficiaries through its highly motivated volunteers, through benefits in kind and through other non-financial transactions. In 2018, HLA was in its fifth year of handling significant sums and the separation of roles for a Financial Controller and a Finance Director continued to prove robust this year.

Financial policies

In principle, Trustees only authorise projects when 100% of the annual cost is held as a reserve. When projects are undertaken in foreign currencies, a 10% allowance is made for exchange rate fluctuations.

In 2016 Trustees implemented a new policy, levying a 10% overhead on projects for charitable governance. This was informed by the Charity Commission guideline that proper governance should be in the range between 10-15% of all costs. This policy will be kept under review as the need for in-house and external financial and legal advice grows.

Risk Assessment

The Trustee/Directors remain aware of their responsibilities for risk management and seek to identify and then eliminate, ameliorate (through insurance and other mechanisms) *or where essential* accept and track the risks to HLA with reports of their impact to Trustee/Directors at their meetings. In 2018 the trustees reviewed the risks to the charity and directed the compilation of a Risk Register built on the advice of the UK Charities Commission, our regulator.

4. Organisation of the Charitable Company

The Company is overseen by a Board of Trustee/Directors of wide experience across the humanitarian logistics sector, overseen by its Chairman. The trustees meet physically or electronically. As noted above, the Director/CFO Adrian Nance stepped down in early 2018 and was replaced by Sujit Jadhav.

The charity reports its evolving personal membership on the Charity Commission website. There are no voting rights attached to this form of membership.

Fiscal performance is reported to Companies House and the Charity Commission.

Future plans

As well as membership growth and the now regular events of seminars and a General Assembly for members, in 2019 significant additional developments are expected, including:

- The hosting of the PARCEL project / local partner logistics training information and materials
- Launching a new HLA Advisory Group (HAG)
- A collaborative project to develop a humanitarian logistics standards/guide, which will contribute to the foundation for a Body of Knowledge
- Implementation of a fundraising strategy
- Annual General Assembly (in Africa)
- Further strengthening of the HLA Board

Better and more up to date communications have allowed us better to promulgate the humanitarian logistics lessons and innovations to our community of practice.

The Trustees have initiated the development of a new Business Plan in 2019. In particular, the way that HLA transitions to a Chief Executive is high on the Trustees' priorities as they drive HLA forward.

Trustee/Directors

Trustee/Directors that served during this reporting period, and are:

George Fenton (Chairman)
Adrian Nance OBE / Sujit Jadhav
Nicola Webb
Mike Goodhand OBE
Maggie Heraty OBE
Mitsuko Mizushima
Isaac Kwamy

Trustee/Directors' responsibilities

The Trustee/Directors are responsible for preparing this report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustee/Directors to prepare financial statements, for each financial year, which give a true and fair view of the company and its income and expenditure for the period. In preparing those accounts the Trustee/Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts on a going concern basis unless it is inappropriate to presume the charitable company will continue in operation.

The Trustee/Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with Companies Act 2006. They are responsible for safeguarding the assets of the charitable company and thence take reasonable steps to prevent fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies, and in accordance with governing document and the Statement of Recommended Practice – Accounting and Reporting by Charities 2005 (revised 2008).

By order of the Board

G Fenton
Chairman

STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 DECEMBER 2018

	Notes	Restricted	Unrestricted	Total 2018	Total 2017
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
Project Income	2	£0	£2,000	£2,000	£14,518
Voluntary income	2	£0	£13,597	£13,597	£4,283
Investment income	2	£0	£0	£0	£256
TOTAL INCOMING RESOURCES		£0	£15,597	£15,597	£19,057
RESOURCES EXPENDED					
Charitable activities	3a	£0	£7,059	£7,059	£24,911
Cost of Fund raising	3b				£119
Governance costs	4	£0	£602	£602	£55
Staff costs	5	£0	£0	£0	£0
TOTAL RESOURCES EXPENDED		£0	£7,661	£7,661	£25,085
NET INCOME FOR THE PERIOD		£0	£7,936	£7,936	£-6,028
FUND BALANCES AT 31 DEC 17		£365	£10,301	£10,666	£16,694
TRANSFERS BETWEEN FUNDS		£0	£0	£0	£0
FUND BALANCES AT 31 DEC 18		£365	£18,237	£18,602	£10,666

BALANCE SHEET AS AT 31 DECEMBER 2018

Notes		2018	2017
CURRENT ASSETS			
Debtors	6	£2,744	£6,501
Cash at bank and in hand		£16,071	£4,229
CREDITORS amounts falling due within one year			
	7	£214	£65
NET ASSETS		£18,601	£10,666
FUNDS			
Restricted funds		£365	£365
Unrestricted funds		£18,236	£10,301
TOTAL FUNDS		£18,601	£10,666

For the financial year ended 31 December 2018, the company was entitled to exemption from audit under Section 477 of the Companies Act 2006; and no notice has been deposited under Section 476. The Trustee/Directors acknowledge their responsibilities for ensuring the charitable company keeps accounting records which comply with Section 386, and preparing accounts which give a true and fair view of the state of affairs of the charitable company at the end of the year and of its net income and expenditure, in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006, so far as applicable.

The accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Board of Trustee/Directors on:
And signed on their behalf by

G Fenton
Chairman

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018**1. ACCOUNTING POLICIES**

The accounts are presented on a going concern basis. The company owns no land, stock or equipment. Accounting policies for these will be developed as circumstances require.

2. INCOMING RESOURCES

The charity's overall income in 2018 was £15,597 a 18% drop vs. 2017 income of £19,057. In 2018, the charity received £2,000 towards project income and £13,597 in unrestricted funds.

This increase in unrestricted income is in line with the association's introduction of membership fees in November 2017 in order to cover 100% of the charity's operating costs.

Income	2018	2017
Unrestricted Donations	£1,785	£2,853
Membership Fees	£6,618	£1,010
Services Sold	£1,241	£419
Project income	£5,953	£0
Restricted income	£0	£14,775
Total	£15,597	£19,057

There was no investment income as the Trustees have made no investments to date.

3. CHARITABLE ACTIVITIES**a. Expenditures**

	2018	2017
Volinha Project	£0	£21,996
AIDEX	£1,949	£693
HLA Dinner	£59	£0
Other Expenditures	£5,051	£2,222
	£7,059	£24,911

The drop in expenditure is due to the Volinha project accrual in 2017.

b. Cost of fundraising

As part of ever greater transparency, although costs of fundraising are an allowable charitable expense, we report those costs here.

4. GOVERNANCE COSTS**a. Bank and audit fees**

Governance costs represented 8% of all expenditure in 2018 (2016: 0.2%). This is in line with our expectation of major increase in 2018 as the costs of the online accounting package and the bookkeeper are reflected for the first time.

5. STAFF COSTS

The average number of full time staff employed during 2018 was nil.

No employee earned over £60,000.

Trustees are only remunerated for expenses and for work other than as a Trustee, in accordance with the constitution of the charitable company.

6. DEBTORS

All debtors of £2,744 are recoverable and the trustees do not feel the need to provide for any doubtful debts.

7. CREDITORS: amounts falling due within one year

All the creditors due on 31 December 2018 have been paid off.

8. FUNDS

Overall the Charitable Company spent £7,661 and received £15,597 in income during the year 2018. This more than covers the deficit from the previous year. The charity ended the year with a strong cash and bank balance which should sufficiently cover the recurring expenses for the charity.

During the year the charity did not make any transfer of funds from restricted to unrestricted.

9. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Income	Expense	Gain / (Loss)
Aidex	£3,953	£1,949	£2,004
HLA Dinner	£312	£59	£253
	£4,265	£2,008	£2,257

10. RELATED PARTY TRANSACTIONS

Below are the related party transactions for the year ended 31 December 2018. As discussed earlier, all related party transactions relate to reimbursement of actual expenditures incurred by trustees towards activities of the charitable company.

		2018	
		Income	Expense
G Fenton		£0	£1,870
S Jadhav		£0	£68
N Webb		£0	£84

No donor had a financial relationship with any Trustee.