

Company number: 10571501

Charity number: 1178168

CDAC Network Limited

Report and financial statements

For the period ended 31 December 2018



Contents

1. Reference and administrative information	1
2. Directors' Annual Report – Summary of Achievements in 2018	2
3. Transition from an initiative to a legal entity	4
4. Objectives and activities	4
4.1 Purposes and aims	4
5. What we achieved in 2018	5
5.1 Strengthening collaboration through national platforms	5
5.2 Latest learning on collective communication and community engagement	8
5.3 From words to action: policy on the ground	9
5.4 Connecting across the humanitarian–development divide	11
5.5 Inclusive approaches to fostering innovation with communities	11
5.6 On the crest of a surge	12
5.7 Advocating for system change in 2018	13
6. Plans for 2019	13
7. Reserves policy and going concern	14
8. Principal risks and uncertainties	15
9. Structure, governance and management	15
10. Appointment of directors	16
11. Related parties and relationships with other organisations	17
12. Financial Review	18
13. Acknowledgements	19
14. Statement of responsibilities of the directors	19
15. Independent examiner's report	21
16. Financial statements	23

1. Reference and administrative information

Company number	10571501
Charity number	1178168 (from April 2018)
Registered office and operational address:	27 Dingley Place, London, EC1V 8BR UK
Country of registration:	England & Wales
Country of incorporation:	United Kingdom
Directors	<p>The directors under company law, who served during the year and up to the date of this report were as follows:</p> <p>Sir Paul Brendan Gormley, Chair Jonathan Mitchell, Treasurer Caroline Nursey Daniel Bruce</p>
Key management personnel	Marian Casey-Maslen, Executive Director and Secretary
Bankers	NatWest PO Box: No204 No 1 Hatton Garden London EC1P 1DU
Solicitors	Shearman & Sterling LLP 9 Appold St, London EC2A 2AP
Independent Examiner	Jonathan Orchard Sayer Vincent LLP Chartered Accountants Invicta House 108-114 Golden Lane London EC1Y 0TL

The directors present their report and the financial statements for the year ended 31 December 2018.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

2. Directors' Annual Report – Summary of Achievements in 2018

A decade ago, communication in humanitarian action meant marketing; the voices of affected populations, when they were heard, were plastered on billboards, on television adverts, and occasionally on the news. But for those working with communities, communication always meant more than talking to the world: it meant collaborating with communities, exchanging ideas, benefiting from local knowledge to find the best solutions, listening, providing opportunities for feedback, giving communities more leadership and control over the projects that were designed to assist them.

When the founding of a network to put the voices of communities at the heart of humanitarian action was first proposed in 2009, we didn't even have the terminology – at least a terminology that was widely shared– to talk about communication with communities, and we certainly didn't have any sense of what exactly this entailed, and by whom. We didn't know what form it might take, and how it might be globally realised. At the beginning, we were far more focused on speaking to communities, than listening.

The launch, in February 2019, of the summation of the CDAC Network's expertise and knowledge in the How to Guide on Collective Communication and Community Engagement; the dedication, that same month, of the Overseas Development Network's Humanitarian Practice Network Magazine to collective communication and community engagement; the existence of 14 (and more in the pipeline) national platforms on communication and community engagement; and the fact that communication and community engagement is now a recognised pillar of humanitarian action demonstrates how much we have achieved, , by working together.

Local leadership – the empowerment of people to respond to challenges with the appropriate outside assistance – must be the goal of all humanitarian preparedness. And it is with this in mind that the CDAC Network and its members have spent the past 12 months bolstering national platforms in Bangladesh and South Sudan, Fiji and Vanuatu, and Syria, among others. While there is still much to be done in order to make each of them fully functional – the 2018 Real-Time Evaluation of Communicating with Communities Coordination in the Rohingya Response demonstrated such platforms still

have great challenges – they are already far in advance of their prototype: the 2010 collective platform that the CDAC Network established in the aftermath of the earthquake in Haiti. The convening of Communication and Community Engagement Initiative by UNICEF, OCHA, IFRC, and other partners under the auspices of the CDAC Network in 2017 is a significant step towards strengthening existing platforms, and replicating the model to other at-risk situations.

Local leadership also lies at the heart of the CDAC Network's work on innovation. Working alongside the Start Network on innovation labs in Bangladesh, Philippines, Jordan and Kenya has firmly established not only that innovation in humanitarian action is the better utilisation of the knowledge, skills and ideas of communities, but that systematic ways to include such knowledge, skills and ideas are possible, desirable and effective. Gone are the days when the international humanitarian community has the answers: time and again this has been shown to be a fallacy. In today's humanitarian landscape it is the communities that need to be emboldened to lead in humanitarian response.

That a sector's understanding can be so transformed in just ten years is a testament to all those – especially the members of the CDAC Network – that have tirelessly worked to find ways to make local leadership a reality. That the membership is still growing strongly – in 2018 we welcomed Anthrologica, Community World Service Asia, Fondation Hironnelle and InWhatLanguage – demonstrates the desire to work together on communication and community engagement is undiminished. Crucially there remains a huge amount of work to be done. For me, however, this year marks an ending of sorts: in my seventh year as the Chair of the CDAC Network, it is time to step aside, and pass the tiller onto someone new to drive on this vital vision and unique partnership.

As we enter the second decade of the CDAC Network, I look forward to seeing – though this time at a distance – the Network grow, collective platforms becoming the norm, and an increase in local effective leadership inside and outside the humanitarian system.

For all your support, drive and partnership these past ten years: thank you.

Sir Brendan Gormley

Director and Chair, CDAC Network

3. Transition from an initiative to a legal entity

In 2018, CDAC Network continued its transition to a fully independent operating entity.

CDAC Network has been hosted by member organisations since it was established as a global initiative in 2009 as it did not have any legal personality of its own. Throughout 2017, Internews Europe, a founding member of CDAC Network, acted as the legal host for the secretariat. In January 2017, CDAC formed a separate non-profit company not having share capital limited by guarantee, CDAC Network Limited (Company no. 10571501), with a view to CDAC becoming a fully independent non-profit entity. In April 2018, CDAC Network Limited was registered as a charity in England and Wales (Charity no. 1178168).

2018 was CDAC Network's first full year operating as an independent legal entity. A new finance and human resource system was put in place and policies adopted by the board relevant to the size of a global Secretariat.

The full transition of projects and staff from Internews Europe is expected to conclude in September 2019 as Internews Europe is still required by one of CDAC's tax-funded donors to remain the accountable partner for an on-going project.

4. Objectives and activities

4.1 Purposes and aims

The object for which the Charitable Company is established is the promotion of the efficiency and effectiveness of charities and the effective use of charitable resources which provide relief and assistance to people who are victims of humanitarian crises for the benefit of the public.

The directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the directors consider how planned activities will contribute to the aims and objectives that have been set.

The directors approved and reviewed the following objectives and related activities for CDAC Network in 2018:

- Strengthen collaboration for more effective communication and community engagement

- Advocate for systemic change to put the voices of communities at the heart of humanitarian preparedness and response
- Strengthen learning and support the production of evidence about communication and community engagement

The charity's main activities and whom it tries to help are described below. All its charitable activities are undertaken to further CDAC Network Limited's charitable purposes for the public benefit.

5. What we achieved in 2018

5.1 Strengthening collaboration through national platforms

Over the past decade, the CDAC Network has sought to embed a systematic and coordinated approach to communicating and engaging with people affected by crisis. CDAC invests in country-level, multi-stakeholder communication and community engagement platforms that sit within the national humanitarian architecture and, where possible, are led by national actors.

Over the past 10 years, CDAC has facilitated and continues to support platforms in a number of countries, including: Bangladesh, Central African Republic, Dominica, Fiji, Haiti, India, Indonesia, Iraq, Nepal, Philippines, South Sudan, Syria, Vanuatu and Yemen.

The platforms seek to ensure:

- Affected communities are provided with timely, relevant and actionable life-saving and life-enhancing information in preparedness for and in the event of a disaster.
- Humanitarian actions are informed by the constructive participation of communities throughout the humanitarian programme cycle, including regular feedback solicited from communities on key aspects of humanitarian performance at the strategic decision-making level.
- The most appropriate approaches are used to listen to communities' needs, feedback and complaints, and assist with rumour tracking and management.
- The collective service augments local capacities so that national responders are better prepared in future responses.
- That all humanitarian responders are held to account by affected people through visible and predictable means.

Investing in such platforms at the preparedness stage not only enables national and international aid agencies to undertake capacity strengthening work, such as advocating for revisions to national disaster management acts or providing training, but also ensures that capacity can be rapidly scaled up when a disaster hits. The relationships created during preparedness activities, and the understanding of respective roles and expertise is critical to more coordinated action and better services for communities. Digital technology plays a critical role, supplying information and data and driving greater connectivity with and among communities.

The Bangladesh, South Sudan and Philippines platforms were supported by the Department for International Development (DFID) funded Disasters and Emergencies Preparedness Programme and related country-level flexible funding mechanisms. CDAC services included: global advocacy, specialised training support, research and learning.

Two further platforms were initiated in 2018 through funding from the Australian Department for Foreign Affairs and Trade (DFAT). The joint CDAC and Ground Truth Solutions (GTS) project called *Operationalising Localisation and the Participation Revolution: Communications Preparedness and Accountability for Disaster Response in Fiji and Vanuatu* aims to assist local and regional organisations to bring the benefits of the Participation Revolution to the programmes they manage by ensuring effective communication and community engagement.

BANGLADESH

The [Bangladesh National Platform](#) first came into being with the establishment in 2013 of a Working Group for Communication with Communities in Emergencies (CwCiE), chaired by the Bangladesh government's Department of Disaster Management (DDM) and convened by the UN Children's Fund (UNICEF) and BBC Media Action. It evolved into the Shongjog ('linking'), a wider national, multi-stakeholder platform which was re-launched in 2014 with support from the CDAC Network Disasters and Emergencies Preparedness Programme, funded by UK Aid. See the full [Terms of Reference](#) for the platform.

PHILIPPINES

As part of post-typhoon Haiyan preparedness initiatives in 2014, a national platform, the [Community of Practice \(CoP\) on Community Engagement](#) (CE), was established by OCHA to support the Humanitarian Country Team (HCT) and Inter-Cluster Coordination Group (ICCG) to mainstream two-way communication in the event of a major disaster.

With more than 50 members, the CoP provides strategic direction and technical support on community engagement in preparedness and response to sub-national working groups. Members include UN agencies, international non-government organisations, faith-based groups, private sector, civil society organisations, media networks, academia, government agencies and in-country member organisations of the CDAC Network.

Capacities and resources provided include improvement of two-way communication platforms, feedback avenues, accountability pathways, closing-the-communication-loop mechanisms, partnerships and the use of various technologies for communicating with the affected population. The CoP also provides recommendations, updates and relevant technical assistance to the HCT, ICCG, government agencies (including local government) and other thematic working groups in preparedness and response.

To date, the CoP has successfully managed to initiate interventions in the following humanitarian responses, largely delivered through sub-national platforms:

- Armed-conflict in Zamboanga City (2014–2017)
- Armed-conflict in Marawi (2017–Present)
- Typhoon Hagupit (2015) & Typhoon Koppu (2016)
- Typhoon Knockten (2017) and Mayon Volcano eruption (2018)

The CDAC Network became involved with the platform in 2016, and was able to support the platform's activities with funds from the Network's Disasters and Emergencies Preparedness Programme, funded by UK Aid. See the full [Terms of Reference](#) for the platform.

SOUTH SUDAN

The [Communicating with Communities \(CwC\) Working Group](#) in South Sudan was established in 2015 with support from the CDAC Network Disasters and Emergencies Preparedness Programme, funded by UK Aid. Based in Juba, the group aims to improve the way humanitarian response actors exchange information with disaster-affected communities. It is steadily building greater awareness of communication and community engagement and its importance in South Sudan. See the full [Terms of Reference](#) for the platform

FIJI AND VANUATU

The new Fiji and Vanuatu national platforms seek to achieve two key outcomes:

1. Building on existing structures, two platforms for communication and community engagement are pre-positioned and lead to better preparedness and response. It will involve the pre-positioning of a communication and community engagement platforms in Fiji, which will have the potential for regional influence, and one in Vanuatu with a national and local focus.

2. National and local responders are better prepared to systematically listen and respond to the perceptions of people impacted by crises and to adapt programming accordingly. It involves capacity development on systematic collection, analysis and sense-making of feedback from affected communities on key dimensions of humanitarian performance, aimed at national and local organisations in both Fiji and Vanuatu.

A scoping mission report was undertaken for each country in early 2018. Read the [Vanuatu Scoping Mission Report](#) and the [Fiji Scoping Mission Report](#) .

5.2 Latest learning on collective communication and community engagement

The Rohingya response, Bangladesh

The Rohingya response was one of the first to integrate Communicating with Communities at the outset of the crisis. But it also proved one of the most challenging environments for communications that humanitarian agencies and workers had encountered.

The Real-Time Evaluation of Communicating with Communities Coordination in the Rohingya Response assesses how coherently, competently and adequately communication and community engagement was embedded in the response through inter-agency coordination structures.

>> [Download *the Real-Time Evaluation of CwC Coordination in the Rohingya Report*](#)

Hurricane Maria Response, Dominica

On 18 September 2017, Hurricane Maria evolved from a category one storm to a category five storm in less than 18 hours, just before it slammed the Caribbean island of Dominica. Communications, connectivity and power were severely impacted, as vital infrastructure was destroyed. Six months after Hurricane Maria, the government and humanitarian actors continue to work together to address the needs of the most affected but there remained an overwhelming need for information on shelter support from the affected communities.

Hurricane Maria is regarded as the worst natural disaster in the history of Dominica. Given the ferocity of the hurricane, the impact on the state and role of the diaspora in information communications, this was a new operating environment for many humanitarian actors, including CDAC Network members present on the ground.

The learning review was an opportunity to reflect on experiences of communication and community engagement during the response, and for shared learning. It highlights examples of good practice, lessons learned and where and why challenges arose. The views of affected people were captured, exploring their experiences of accessing information, of communication and engagement during the response. This is a starting point in influencing future planning and preparedness for any future response. It aims to build a picture of what a successful communication and community engagement response looks like in such a context, and map what is needed from different actors to achieve this. It also makes recommendations on how communication and community engagement can be improved in Dominica and to the CDAC Network and H2H on their role in such a response.

>> [Download *A learning review of Communications and Community Engagement during the Hurricane Maria Response in Dominica*](#)

5.3 From words to action: policy on the ground

How to guide on collective communication and community engagement

The CDAC Network's latest publication, and arguably its most important, *Collective Communication and Community Engagement in humanitarian action: How to guide for leaders and responders* was launched on the afternoon of Tuesday 5 February 2019 during the Humanitarian Networks and Partnerships Week in Geneva.

The guide brings together more than a decade of experience and analysis and describes the **framework, minimum actions and services** for communication and community engagement, and the vision for a **collective approach**. It provides **practical guidance** on implementing the minimum actions and services, setting up national, multi-stakeholder platforms and providing leadership, championing and advocacy for change in this area.

The guide was written by a team of consultants and staff with inputs from close to 40 contributors, reviewers and interviewees and guided by a steering group of nine communication and community engagement experts from across the humanitarian sector. It is intended primarily for practitioners and leaders working in national and international humanitarian and media development organisations as well as other entities involved in preparedness, response and recovery. The content is illustrated by numerous case studies, in order to contextualise the practices outlined.

This How to Guide is currently available in English. We hope to make this guide available in **Arabic, French and Spanish** soon. [Download *Collective Communication and Community Engagement in humanitarian action: How to guide for leaders and responders*](#)

From Words To Action: Communication & Community Engagement In Humanitarian Action – Africa Regional Workshop Report

In May 2018, more than 60 participants from South Sudan, Somalia, Ethiopia, Burundi, Kenya, CAR, DRC, Lesotho, Chad, Nigeria and Madagascar attended an Africa Regional Workshop on communication and community engagement. Participants represented the UN, Red Cross, NGOs, media development agencies, CBOs and governments.

The workshop was organised by the Communication and Community Engagement Initiative (CCEI) with the aim of ensuring a more collective and systematic communication and community engagement approach in humanitarian response.

“It was agreed that communications and community engagement should be at the core of everything we do as humanitarians – that no longer can we get away with imposing on people what ‘we’ think is best for ‘them’. Especially with more and more responses being protracted crises or conflict, ‘no time’ to engage communities is unacceptable (but advocacy with donors needs to take place to ensure time is built in to engage communities properly). Changing ‘our’ systems to better accommodate community participation is imperative, but that we should equally consider opportunities for various communities to build response capacity on culture, traditions and challenges.” [Download *‘From Words To Action’: Communication & Community Engagement In Humanitarian Action*](#)

From Words To Action: Communication & Community Engagement In Humanitarian Action – regional learning event, Panama November 2018

From 30 October to 1 November 2018, the third in a series of communication and community engagement workshops was held Panama. It brought together over 75 representatives from across Latin America from different governments, UN agencies, NGOs and other organisations to share experiences, good practices and strategies to support more effective humanitarian action. It also looked at improving accountability to affected people by systematically integrating Communication for Development (C4D) and communication and community engagement (CCE) into the response to crises. The report will be available soon.

Rumour Has It Guide now available in Arabic and French

Rumour has it: A practice guide to working with rumours published in June 2017 in English draws on the experience of humanitarian agencies and others, documenting approaches, practices and tools to working with rumours. It is aimed primarily at

humanitarian programme managers and field staff to provide practical tips on how to work with rumours in response programmes in a way that is achievable amid competing demands. In October 2018, the document was translated and published in Arabic and French. [Download Rumour has it: A practice guide to working with rumours in Arabic, English or French](#)

5.4 Connecting across the humanitarian–development divide

The CDAC 2018 Annual Forum was held in Nairobi from 31 May to 1 June, convening a wide range of colleagues from both the humanitarian and development sector to discuss digital exclusion and tenuous humanitarian–development links.

Participants acknowledged the communication environment is now one where hierarchical 'business as usual' approaches are demonstrably less effective and on the wrong side of history. The resounding sentiment in the room was that if humanitarian and development agencies are to be relevant in a world where a woman drawing water at a well has a device that enables a conversation with the world, there has to be wide, systemic change. Moreover, harnessing the power of digital means significant reform in terms of organisational and funding structures. Achieving humanitarian and development environments that are targeted, cost-effective, connected and 'client'-oriented will mean disruption and acceptance there are many new actors involved and being open to different approaches.

[Download the report from the 2018 Annual Global Forum: *Digital inclusion and community voices: Stepping over the humanitarian–development divide*](#)

5.5 Inclusive approaches to fostering innovation with communities

Innovation is an inevitable force driving progress, helping humanitarians, development professionals and those affected by disaster respond and adapt to increasingly volatile environments and growing threats.

The CDAC Network is looking to build a more inclusive future and involve people in crisis in the design and delivery of supportive services and systems that help them gain greater control over their lives.

We're seeking to tip the balance and create supportive environments for disaster-affected people to access and participate in humanitarian technology and innovation funds or

programmes and ensure people have a say in aid-related decisions and can hold aid providers to account. We're striving for a bottom-up, locally rooted approach to innovating in disaster contexts – people in crisis taking part in shaping solutions.

Along with [Start Network](#), we're leading UK Aid's two-year Disasters and Emergencies Preparedness Programme (DEPP) Innovation Labs – four community-driven innovation hubs in [Bangladesh](#), [Kenya](#), [Jordan](#) and [Philippines](#). The labs seek to find and grow local, scalable solutions to protect communities living in disaster-prone environments and advance innovation in the sector by involving people in crisis at all stages of the process. Each lab follows a human- or user-centred design approach to innovation – now a recognised viable model to reshaping action, which is giving rise to a 'client' focused approach to aid. Undoubtedly, this approach is driving progress on [Grand Bargain commitments around 'participation' and 'localisation'](#), opening up more creative channels for [those affected by disaster to have direct input](#) and lead action.

In 2019, CDAC will share the learning of the DEPP Innovation Labs at events in London and in addition will have a public event entitled: *Accidental and Intentional Humanitarian Innovation: Valuing What's There*.

5.6 On the crest of a surge

Since 2014, the Norwegian Refugee Council's (NRC) standby roster, NORCAP, in collaboration with the CDAC Network, has managed the Humanitarian Communications (HumCom) roster, recruiting against Terms of Reference (ToRs) defined by the CDAC Network for secondment into CDAC Member and non-Member agencies, including United Nations (UN) agencies.

The number of requests for technical support for communication and community engagement has risen faster than the supply of experts with the required level of expertise. In 2018, the CDAC Network commissioned an assessment of the level and quality of surge capacity available for communication and community engagement in the humanitarian sector.

The consultancy report – published in June 2018 – looked at whether roster profiles matched the sector's need for communication and community engagement. It also provides recommendations for improving overall surge capacity.

The report noted that surge capacity is most effective when it is able to link with appropriate local, regional or international mechanisms and/or fit within preparedness initiatives such as OCHA's RAPID approach. Expanded and continued support by the CDAC Network to organisations to mainstream Communication, Community Engagement

and Accountability (CCEA) within their response means that local staff can manage the response, supported, if necessary by regional and international staff.

>> [Download *Assessment of Surge Capacity for Communication and Community Engagement*](#)

5.7 Advocating for system change in 2018

Coordinated community engagement: 'People at the centre' – from paper to practice

Community engagement was a standout theme at the 2018 Humanitarian Networks and Partnerships Week (HNPW) in 2018, when more than 1,500 humanitarian practitioners from around the globe converged in Geneva. On the 6 February 2018, the CDAC Network convened a Communication and Community Engagement Initiative side event on coordinated community engagement. 'People at the centre' looked at what makes response-wide community engagement hard and what steps should be taken to make it happen faster and more effectively.

Disaster radio – pushing the envelope on World Radio Day

"Many of us carry a radio in our pockets each day without even realising it – in the form of our mobile phone." Opening CDAC Network's World Radio Day event in Geneva on 13 February 2018, Leonard Doyle, Spokesperson and Head of Media and Communications for the [International Organization for Migration \(IOM\)](#) reinforced radio's expansive global reach and the vital role it plays as an enduring disaster response tool.

The panel discussion, *Radio – a beacon of progress in today's tech-led communication landscape*, brought together CDAC Network members from humanitarian media and communication services and UN agencies to explore radio's legacy in disasters and look at ways to integrate this medium to improve support for affected communities.

See a detailed CDAC Annual Report for 2018 on our website at:

<http://www.cdacnetwork.org/who-we-are/annual-report/>

6. Plans for 2019

2019 looks set to be a critical year for the CDAC Network as it consolidates its work on national platforms on communication and community engagement. Kicking off with the launch of the *How to Guide on Collective Communication and Community Engagement* – a compendium of everything we know about how to work together to ensure local leadership in humanitarian response – the launch at the Humanitarian Partnerships and Networks Week in February 2019 was a milestone in providing guidance and support to those working on this issue.

Indeed, it is the national platforms – of which there are currently more than 15 – that will be the focus of much of the efforts of the CDAC Network secretariat, not only in terms of growing the number, but also in terms of putting more resources into creating synergies between them, so that they can collectively learn and grow from common experiences. A key aspect of the work ahead will be embedding, where possible, the national platforms into national disaster management organisations to ensure that they work in tandem with national-level emergency response. One area which requires better understanding and guidance is the role of national platforms on communication and community engagement in conflict zones.

We will be reflecting on research undertaken in 2018 and putting recommendations from our independent DEPP evaluation and surge capacity assessment into action.

In May 2019, we held our members' General Assembly, and our public event on *Accidental and intentional humanitarian innovation: valuing what's there*. Our work on the DEPP Innovations Lab came to a crescendo on 8 May 2019, during the Global Demonstration Day, sponsored by Mastercard. This event saw innovators chosen by the labs in Bangladesh, Kenya, Jordan and the Philippines presenting their solutions to potential investors and partners at an event in London.

In 2019, a big focus is on formalising Communication and Community Engagement (CCE) within in the Inter-Agency Standing Committee (IASC) structure as one approach to improving CCE in humanitarian action. We are working with our Communication and Community Engagement Initiative (CCEI) partners, CHS Alliance, SCHR and the IASC Results and Accountability Workstream, among other key actors, and considering our role within a future common service.

We look forward to continuing our partnership with the Humanitarian to Humanitarian (H2H) Network, and the Emergency Telecommunications Cluster (ETC).

We thank all of our members and partners for their continued support of the Network, and we look forward to working with you all in the months and years ahead.

7. Reserves policy and going concern

The directors have adopted the following reserve policy which states that: CDAC management should ensure available funds to cover the following:

- 100% of staff redundancy liabilities
- 60% of staff notice liability
- 100% of office space notice liability
- 100% of any other contract liabilities

The CDAC Director should ensure that reserves are maintained to cover the above four items at all times, understanding that liability amounts will vary over time.

The directors consider that there are no material uncertainties about the company's ability to continue as a going concern.

The directors do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

At the time of reporting, the Funds Flow Forecast indicates that up until at least the end of April 2020, there will be sufficient unrestricted reserves to meet the requirements of the Reserves Policy.

8. Principal risks and uncertainties

In 2018, CDAC Network continued its transition in its move towards operating as an independent legal entity.

2018 was a higher-cost year for the Secretariat as we put our new finance, human resource and ICT systems in place, and required the continued support, encouragement and patience as we made the transition for our staff, assets and systems. This process will be finalised in 2019 as the separation from Internews Europe is finalised.

A future-proofing milestone was achieved in 2018 when CDAC Network passed its first government donor due diligence assessment and entered into its first ever contractual relationship with a government donor. Further due diligence assessments will be undertaken in 2019 which will ensure CDAC Network has a strong risk management system in place as a new entity.

9. Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 18 January 2017 and registered as a charity on 30 April 2018.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All directors give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 5 to the accounts.

10. Appointment of directors

The Company was established in 2017 and has four directors:

Sir Paul Brendan Gormley, Chair, Independent (appointed 24 May 2017)

Caroline Nursey, Executive Director, BBC Media Action (appointed 18 January 2017)

Jonathan Mitchell, Director of International Programmes, Plan International (Treasurer)
(appointed 18 January 2017)

Daniel Bruce, CEO (Europe), Internews (appointed 24 May 2017)

11. Related parties and relationships with other organisations

CDAC Network is a membership entity. Each of the following members pay an annual membership contribution to support the achievement of the CDAC purpose:

FULL MEMBERS

1. Action Aid International
2. Anthrologica
3. BBC Media Action
4. Community World Service Asia
5. DAHLIA
6. First Response Radio
7. Fondation Hironnelle
8. Ground Truth Solutions
9. The International Committee of the Red Cross (ICRC)
10. International Media Support
11. InsightShare
12. Internews
13. International Organisation for Migration (IOM)
14. NORCAP
15. The Peace and Conflict Journalism Network Asia (PECOJON)
16. Plan International
17. Smile Again Africa Development Organisation (SAADO)
18. Save the Children
19. Thomson Reuters Foundation (TRF)
20. Translators without Borders
21. United Methodist Communications (UMCOM)
22. United Nations Population Fund (UNFPA)
23. United Nations High Commissioner for Refugees (UNHCR)
24. United Nations Children's Fund (UNICEF)
25. United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)
26. World Association for Christian Communication (WACC)
27. World Vision International
28. World Food Programme (WFP)
29. World Health Organization (WHO)

AFFILIATE MEMBERS

30. Development Media International
31. EarthX
32. FilmAid
33. InWhatLanguage
34. Lifeline Energy

Until January 2017, CDAC did not have any legal personality of its own, thus secretariat staff and funds were directly managed by Internews on behalf of the network. CDAC has been governed by a non-statutory governing board of which Internews Europe's CEO, **Mr Daniel Bruce**, was an ex-officio member by virtue of his executive position at Internews.

In the spirit of the aforementioned non-statutory governance arrangements, when CDAC Network Limited was established as a legal entity, Internews Europe's CEO, **Mr Daniel Bruce**, was subsequently listed as a founding Director of CDAC Network Limited and, upon the acquisition of charitable status in April 2018, also serves as a trustee.

In the new CDAC Network Limited governance structure, the directors of CDAC Network Limited will be the members of the Board of Trustees.

CDAC SECRETARIAT STAFF 2018

The following staff were employed by the CDAC Network secretariat in 2018:

Marian Casey-Maslen, Executive Director

Murray Garrard, Communications Adviser

Sarah Mace, Capacity Development Adviser (until mid-2018)

Hannah Murphy, Communication & Community Engagement Adviser, Innovation

Mina Patel, Admin and Finance Support Officer

Angela Rouse, Senior Programme Manager

12. Financial Review

CDAC Network Limited began operating as an independent legal entity toward the end of 2017. Independent Accountants Sayer Vincent were engaged in early 2018 to provide accounts preparation services from the accounting period ended 31 December 2017 onwards.

CDAC Network Ltd total income for 2018 was £509,636 (2017: £53,287) with a total expenditure of £436,066 (2017: £42,668). Income from Charitable funding was £418,306 (2017: £39,993); £141,663 from membership fees (prior to 2018 collected and accounted for by IEU), £199,415 from DfAT for Fiji and Vanuatu, £63,943 from DFID/Norwegian Refugees Council for H2H Dominica Hurricane response and £13,285 from Member organisations towards the cost of the How to Guide and the publication of the Rohingya Report.

CDAC Network Limited ended 2018 with total reserves of £84,189 (2017: £10,619); £30,817 unrestricted (from Membership) and £53,372 restricted (for DfAT – Fiji and Vanuatu).

13. Acknowledgements

We would like to thank our board, members, partners and supporters for their generosity of time, expertise, and resources.

2018 was a busy year, and we are grateful for the unflinching support from our board, members, partners and supporters. It has been their generosity of time, expertise, resources and finance that has helped ensure that the CDAC Network remains resourced and able to help organisations put communities in control of the assistance they receive in humanitarian response. Particular thanks to the following donors for their generous financial support for programmes: UK Department For International Development (DFID) for the DEPP Programme; the Australian Department of Foreign Affairs and Trade (DFAT) for the Fiji and Vanuatu localisation programme; H2H Network for the Dominica hurricane response; and our members for their additional project contributions: Save International, Save Norway and the World Association for Christian Communication towards design, layout and printing of the How to Guide and UNICEF towards publication of the Real-Time Evaluation of the Rohingya Response. Thanks also to World Vision International for hosting the CDAC DEPP Programme between 2014 and 2018.

14. Statement of responsibilities of the directors

The directors (who are also the trustees of CDAC Network Limited for the purposes of Charity law) are responsible for preparing the directors' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charitable company will continue in operation

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2018 was 4 (2017:4). The directors are members of the charity but this entitles them only to voting rights. The directors have no beneficial interest in the charity.

Independent Examiner

Jonathan Orchard of Sayer Vincent LLP was appointed as the charitable company's independent examiner during the year and has expressed his willingness to continue in that capacity.

The directors' annual report has been approved by the directors on 31 July 2019 and signed on their behalf by

Sir Brendan Gormley
Director and Chair of CDAC Network Limited

Independent examiner's report

To the members of

CDAC Network Limited

I report to the charitable company's directors on my examination of the accounts of CDAC Network Limited for the year ended 31 December 2018.

This report is made solely to the directors as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the directors those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the directors as a body, for my examination, for this report, or for the opinions I have formed.

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am member of the ICAEW, which is one of the listed bodies.

Responsibilities and basis of report

As the directors of the charitable company (and also its trustees for the purposes of charity law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act, and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1 Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2 The accounts do not accord with those records; or
- 3 The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- 4 The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

Independent examiner's report

To the members of

CDAC Network Limited

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

22 August 2019

Jonathan Orchard FCA

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2018

	Note	Unrestricted £	Restricted £	2018 Total £	Unrestricted £	Restricted £	2017 Total £
Income from:							
Donations and grants	2	57,489	-	57,489	-	-	-
Charitable activities	3						
Membership		141,663	-	141,663	-	-	-
DfAT – Fiji and Vanuatu		-	199,415	199,415	-	-	-
H2H Dominica		-	63,943	63,943	-	39,993	39,993
Special initiatives		-	13,285	13,285	-	-	-
Other income	1e	33,841	-	33,841	13,294	-	13,294
Total income		232,993	276,643	509,636	13,294	39,993	53,287
Expenditure on:							
Charitable activities	4						
Membership		160,826	-	160,826	20,803	-	20,803
DfAT – Fiji and Vanuatu		-	146,043	146,043	-	-	-
H2H Dominica		-	82,071	82,071	-	21,865	21,865
Special initiatives		-	13,285	13,285	-	-	-
Other expenditure		33,841	-	33,841	-	-	-
Total expenditure		194,667	241,399	436,066	20,803	21,865	42,668
Net income for the year	5	38,326	35,244	73,570	(7,509)	18,128	10,619
Transfers between funds		-	-	-	-	-	-
Net movement in funds	14	38,326	35,244	73,570	(7,509)	18,128	10,619
Reconciliation of funds:							
Total funds brought forward		(7,509)	18,128	10,619	-	-	-
Total funds carried forward		30,817	53,372	84,189	(7,509)	18,128	10,619

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Balance sheet

Company no. 10571501

As at 31 December 2018

	Note	£	2018 £	£	2017 £
Current assets:					
Debtors	10	126,805		125,560	
Cash at bank and in hand		125,992		97,950	
		<u>252,797</u>		<u>223,510</u>	
Liabilities:					
Creditors: amounts falling due within one year	11	(168,608)		(212,891)	
Net current assets			<u>84,189</u>		10,619
Total assets less current liabilities			<u>84,189</u>		10,619
Total net assets	13		<u>84,189</u>		10,619
The funds of the charity:					
Restricted income funds	14		53,372		18,128
Unrestricted income funds:					
General funds		30,817		(7,509)	
Total unrestricted funds		<u>30,817</u>		<u>(7,509)</u>	
Total charity funds			<u>84,189</u>		10,619

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge the following responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors on 31 July 2019 and signed on behalf of the Board of Directors:

Sir Paul Brendan Gormley
Chair

Laura Collier-Keywood
Treasurer

CDAC Network Limited

Statement of cash flows

For the year ended 31 December 2018

	Note	2018 £	2017 £
Cash flows from operating activities	15		
Net cash provided by operating activities		<u>28,042</u>	<u>97,950</u>
Change in cash and cash equivalents in the year		28,042	97,950
Cash and cash equivalents at the beginning of the year		<u>97,950</u>	<u>-</u>
Cash and cash equivalents at the end of the year	16	<u><u>125,992</u></u>	<u><u>97,950</u></u>

1 Accounting policies

a) Statutory information

CDAC Network Limited is a company limited by guarantee and is incorporated in England and Wales. The registered office address and principal place of business is 27 Dingley Place, London, EC1V 8BR. CDAC Network Limited was registered as a charity in April 2018

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The directors consider that there are no material uncertainties about the company's ability to continue as a going concern.

The directors do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the company has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met. Membership income is accounted for in the year to which the subscription relates.

Other income represents rent, staff and other expenses recharged to Internews Europe relating to Network projects started before CDAC Network Limited was established. These projects are being completed and accounted for by IEU.

f) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of servicing members and delivering programmes undertaken to further the purposes of the charitable company and their associated support costs
- Other expenditure represents costs incurred by CDAC Network Limited relating to Network activities that are being accounted for by IEU. These costs are recharged to IEU.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

h) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising staff costs and overhead costs of the central function, is apportioned based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

i) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1 Accounting policies (continued)**n) Financial instruments**

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

o) Pensions

The charitable company makes payments to The Peoples Pension defined contribution pension scheme on behalf of employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds. The pension cost charge represents contributions payable to the funds during the year. The charitable company has no liability under the schemes other than the payment of those contributions.

2 Income from donations and grants

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Donation from Internews Europe	57,489	-	57,489	-
	<u>57,489</u>	<u>-</u>	<u>57,489</u>	<u>-</u>

The donation from Internews Europe represents funds held by IEU relating to the net unspent membership income of the CDAC Network for the year ended 31 December 2017.

3 Income from charitable activities

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Membership fees	141,663	-	141,663	-
Sub-total for Membership	<u>141,663</u>	<u>-</u>	<u>141,663</u>	<u>-</u>
Australian Department for Foreign Affairs and Trade	-	199,415	199,415	-
Sub-total for DFAT Fiji and Vanuatu	<u>-</u>	<u>199,415</u>	<u>199,415</u>	<u>-</u>
Norwegian Refuge Council (NRC)/DfID	-	63,943	63,943	39,993
Total for H2H Dominica	<u>-</u>	<u>63,943</u>	<u>63,943</u>	<u>39,993</u>
Other member contributions	-	13,285	13,285	-
Sub-total for membership special initiatives	<u>-</u>	<u>13,285</u>	<u>13,285</u>	<u>-</u>
Total income from charitable activities	<u>141,663</u>	<u>276,643</u>	<u>418,306</u>	<u>39,993</u>

CDAC Network Limited received income for the H2H Dominica project under a project implementation agreement with NRC. The grant funding for the project was provided to NRC by DfID. Funding received in 2017 was restricted.

4 Analysis of expenditure

	Charitable activities				Member Special Initiatives £	Other expenditure – recharge to IEU £	Governance costs £	Support costs £	2018 Total £	2017 Total £
	Membership £	DFAT – Fiji and Vanuatu CDAC £	DFAT – Fiji and Vanuatu GTS £	H2H Dominica £						
Staff costs (Note 6)	120,443	5,588	–	7,482	4,887	24,105	–	6,072	168,577	10,780
Project staff costs incurred by GTS	–	–	76,524	–	–	–	–	–	76,524	–
Project travel, accommodation and per diem	278	181	31,283	9,015	–	–	–	781	41,539	11,005
Project other	1,050	21,371	8,127	56,315	3,872	–	–	1,196	91,931	25
CDAC Forum learning event	6,606	–	–	–	–	–	–	–	6,606	–
Communications and marketing	9,133	–	–	–	4,517	–	–	–	13,650	55
Staff travel, accommodation and per diem	1,473	–	–	–	–	–	–	–	1,473	–
Premises costs	8,071	–	–	939	–	9,533	–	1,523	20,066	17,160
Office costs	1,931	–	–	4	–	203	–	–	2,138	–
HR and staffing costs	–	–	–	–	–	–	–	4,572	4,572	–
Finance and administration	4,752	195	–	1,517	9	–	2,517	–	8,990	3,643
	153,737	27,335	115,934	75,272	13,285	33,841	2,517	14,145	436,066	42,668
Support costs – NPAC (CDAC)	–	2,774	–	6,799	–	–	–	(9,573)	–	–
Support – other	4,572	–	–	–	–	–	–	(4,572)	–	–
Governance costs	2,517	–	–	–	–	–	(2,517)	–	–	–
Total expenditure 2018	160,826	30,109	115,934	82,071	13,285	33,841	–	–	436,066	42,668
Total expenditure 2017	20,803	–	–	21,865	–	–	–	–	42,668	–

Of the total expenditure, £194,667 was unrestricted (2017: £20,803) and £241,399 was restricted (2017: £21,865).

5 Net income for the year

This is stated after charging / (crediting):

	2018 £	2017 £
Net foreign exchange gains	(6,239)	-
Operating lease rentals:		
Property (excluding VAT)	15,600	14,300
Reporting accountant's remuneration (excluding VAT):		
Independent examination/Accountant's review	2,000	1,500
Under accrued in prior year	750	-
Accounts preparation	2,000	1,500
	<u> </u>	<u> </u>

6 Analysis of staff costs, directors' remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2018 £	2017 £
Salaries and wages	98,249	-
Social security costs	12,004	-
Employer's contribution to defined contribution pension schemes	6,115	-
Freelance consultants	25,655	-
	<u>142,023</u>	<u>-</u>
Staffing costs recharged from IEU to CDAC Network	<u>26,554</u>	<u>10,780</u>

In 2017 all staff were employed by Internews Europe, with costs charged to CDAC Network Limited.

From March 2018 CDAC Network staff began to be transferred to be employed directly by CDAC Network Limited. Where staff have worked on activities relating to projects still managed by Internews Europe costs relating to the time spent on these projects have been recharged to them. Costs above relate to the payroll costs incurred by CDAC Network Limited staff. Any additional costs incurred by IEU payroll staff that have been recharged to CNL are included within project costs.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2018 No.	2017 No.
£70,000 – £79,999	<u>1</u>	<u>-</u>

The total employee benefits paid (including pension contributions and employer's national insurance) of the key management personnel were £78,722. This includes £10,697 recharged to CDAC Network by IEU for the period before staff were employed directly by CDAC Network (2017: £Nil direct, £4,961 recharged).

The directors were neither paid nor received any other benefits directly from employment with CDAC Network Limited in the year (2017: £nil).

6 Analysis of staff costs, directors' remuneration and expenses, and the cost of key management personnel (continued)

Daniel Bruce is the Chief Executive of Internews Europe (IEU). During 2017 and 2018 IEU provided management services to CDAC Network Limited, and part of his costs have been recharged to the company as an element of the management charges. Otherwise no director received payment for professional or other services supplied to the company (2017: £nil).

Directors' expenses represents the payment or reimbursement of travel and subsistence costs totalling £2,178 incurred by 2 directors relating to attendance at Board meetings. No expenses were incurred by or paid to directors for activities related to CDAC Network Limited activities during 2017. Expenses were paid to one director for travel related to wider CDAC Network activities, but these were accounted for by IEU.

7 Staff numbers

The average number of employees working on CDAC Network Limited activities (head count based on number of staff employed) during the year was 3 (2017: Nil). Two freelance consultants are also paid.

Staff are split across the activities of the charitable company as follows (full time equivalent basis):

	2018 No.	2017 No.
Membership	0.8	–
H2H Dominica	0.2	–
DfAT – Fiji and Vanuatu	0.1	–
Special initiatives	–	–
Support	0.2	–
Governance	0.4	–
Network projects managed by IEU (recharged)	0.3	–
	<u>2.0</u>	<u>–</u>

8 Related party transactions

Transactions with directors are included in note 6.

In 2017 IEU provided £35,000 as advance income to provide working capital for the new company. Funds held by IEU relating to the net membership income of the CDAC Network for 2017 were paid as a donation to CDAC Network Limited in 2018, and this amount was repaid by offset against this.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

9 Taxation

The company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Debtors

	2018 £	2017 £
Other debtors	125,245	124,000
Rent deposit	1,560	1,560
	<u>126,805</u>	<u>125,560</u>

All of the company's financial instruments, both assets and liabilities, are measured at amortised cost.

11 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	789	-
Taxation and social security	2,249	-
Other creditors	1,881	-
Accruals	18,189	30,891
Advance income from IEU	-	35,000
Deferred membership income	145,500	147,000
	<u>168,608</u>	<u>212,891</u>

12 Deferred income

Deferred income comprises membership fees for 2018 invoiced in 2017.

	2018 £	2017 £
Balance at the beginning of the year	147,000	-
Amount released to income in the year	(147,000)	-
Amount deferred in the year	145,500	147,000
Balance at the end of the year	<u>145,500</u>	<u>147,000</u>

13 Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Net current assets	30,817	-	53,372	84,189
Net assets at 31 December 2018	<u>30,817</u>	<u>-</u>	<u>53,372</u>	<u>84,189</u>

13 Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Net current assets	(7,509)	-	18,128	10,619
Net assets at 31 December 2018	<u>(7,509)</u>	<u>-</u>	<u>18,128</u>	<u>10,619</u>

14 Movements in funds (current year)

	At 1 January 2018 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2018 £
Restricted funds:					
DfAT – Fiji and Vanuatu	-	199,415	(146,043)	-	53,372
H2H Dominica	18,128	63,943	(82,071)	-	-
Members Special Initiatives					
How to Guide	-	7,020	(7,020)	-	-
Rohingya Report	-	6,265	(6,265)	-	-
Total restricted funds	18,128	276,643	(241,399)	-	53,372
Unrestricted funds:					
General funds	(7,509)	232,993	(194,667)	-	30,817
Total unrestricted funds	(7,509)	232,993	(194,667)	-	30,817
Total funds	10,619	509,636	(436,066)	-	84,189

14 Movements in funds (prior year)

	At 1 January 2017 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2017 £
Restricted funds:					
H2H Dominica	-	39,993	(21,865)	-	18,128
Total restricted funds	-	39,993	(21,865)	-	18,128
Unrestricted funds:					
General funds	-	13,294	(20,803)	-	(7,509)
Total unrestricted funds	-	13,294	(20,803)	-	(7,509)
Total funds	-	53,287	(42,668)	-	10,619

Purposes of restricted funds

H2H Dominica – To implement the project 'Humanitarian Response to Hurricanes Irma and Maria in the Caribbean' under an agreement with the Norwegian Refugee Council. Funding for the project is provided by DfID. The project commenced in September 2017 and ended 31 May 2018.

DfAT – Fiji and Vanuatu – The aim is to assist local and regional organisations in Fiji and Vanuatu in ensuring effective communication and community engagement for disaster preparedness and response. The project is funded by the Australian Department for Foreign Affairs and Trade (DfAT). Part of the project delivery is sub-contracted to Ground Truth Solutions (GTS).

Members Special Initiatives– to support the publication of two CDAC documents: A How to Guide on Communication and Community Engagement; and, a Real-Time evaluation of the Communicating with Communities working group in the Rohingya Response in Bangladesh. Funding was provided by CDAC members contributing in addition to membership fees.

Thank you to our members for their additional project contributions: Save International, Save Norway and the World Association for Christian Communication towards design, layout and printing of the How to Guide and UNICEF towards publication of the Real-Time Evaluation of the Rohingya Response.

15 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2018 £	2017 £
Net income for the reporting period (as per the statement of financial activities)	73,570	10,619
(Increase)/decrease in debtors	(1,245)	(125,560)
Increase/(decrease) in creditors	(44,283)	212,891
Net cash provided by operating activities	28,042	97,950

16 Analysis of cash and cash equivalents

	At 1 January 2018 £	Cash flows £	Other changes £	At 31 December 2018 £
Cash at bank and in hand	97,950	28,042	–	125,992
Total cash and cash equivalents	97,950	28,042	–	125,992

17 Operating lease commitments

CDAC Network Limited's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2018	2017	2018	2017
	£	£	£	£
Less than one year	3,900	3,900	-	-
	<u>3,900</u>	<u>3,900</u>	<u>-</u>	<u>-</u>

18 Legal status of the charity

CDAC Network Limited is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. CDAC Network Limited registered as a charity with the Charity Commission from April 2018.