

Company number: 10571501
Charity number: 1178168

CDAC Network Limited

Report and financial statements
For the period ended 31 December 2017



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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 The directors under company law, who served during the year and up to the date of this report were as follows:

Sir Paul Brendan Gormley, Chair
Jonathan Mitchell, Treasurer
Caroline Nursey
Daniel Bruce

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

Accountant 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 2017.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements and the memorandum and articles of association. As the company was registered as a charity in April 2018 the directors have also prepared the financial statements in accordance with 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 2017

This has been a year of platform building and plugging in new partnerships with tech providers, start-ups and the grassroots to enhance direct contact with people affected by crisis both physically and virtually.

Since I took up the role of chair with the network, there have been staggering developments in the way people connect and communicate. We're seeing surprising and creative alliances to harness technology in humanitarian action and afford those affected direct input in decisions taken. Investment in innovation and application of new technologies are playing a fundamental role in changing power dynamics, handing more control to affected people and bringing communities' voices to the fore. Undoubtedly, this is opening up new space for local leadership. Yet, we keep stumbling over the same cracks: the digital divide, the gender gap, unfit communication and accountability mechanisms, and the struggle to realise the 'Participation Revolution' kick-started by the World Humanitarian Summit's Grand Bargain back in 2016.

We heard in Bangkok at the 2017 Annual CDAC Forum, Authenticity of the Participation Revolution, that while there is willingness from the aid community, we are stalling on making it work. We need to be clearer on what participation means, and what it means in different contexts.

Structural hierarchies are still alive. Failure to address this is making the situation worse. The frontline practitioner to leadership link is critical if we are to tackle at least part of the problem. To achieve this revolution, we have to engage with governments and others. In some situations, and especially in some countries in conflicts, this makes us uncomfortable. It's vital we bring about a different quality of engagement: direct, locally relevant and carefully interlaced with existing structures and systems. We need localisation. This requires stronger efforts to bring about social justice and lay clear paths for equal participation.

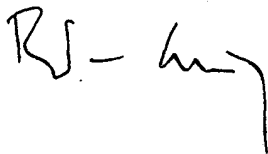
At various events in 2017, we heard about the need to address community demand for preparedness. But, we can't do this in the white heat of emergency response. We need to 'practice' our relationships with other actors. This is one of the strengths of CDAC's convening role in bringing together UN, Red Cross and Crescent Movement, donors, civil society, media and private sector to both individually and collectively enable system-level change on communication and community engagement. This is so that members and the wider sector can undertake practical action at all levels to put those affected in the driving seat.

This systems-level change was demonstrated in CDAC's contribution under UK Aid's Disasters and Emergencies Preparedness Programme (DEPP), which focused on promoting collective action. As a result, we saw the finalisation of 13 communication and community engagement projects by multi-stakeholder platform members in three countries (seven in Bangladesh, three in South Sudan and three in the Philippines).

Critically, we also partnered with Start Network to support four community-centred innovation hubs in Bangladesh, Jordan, Kenya and Philippines – each building inroads to increasing community participation in the design of humanitarian systems and services by supporting local knowledge and new ideas in disaster preparedness.

In terms of our network, we've made strides to decentralise, holding our Members' Council outside Europe for the first time, in Bangkok. We are delighted to welcome new members, Smile Again Africa Development Organization, which works across all states in South Sudan to help communities fulfil their potential and geospatial data pioneers, EarthX.

We've got ambitious plans in 2018 to bring disruptive technologies to bear on improving interactions with communities, lifting local leadership and strengthening collective action. Take a look to see where we're heading.



Sir Brendan Gormley
Director and Chair, CDAC Network

3. Transition from an initiative to a legal 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).

As a result of these developments, CDAC Network Limited initiated a transition process. Internews Europe began the wind-up of hosting arrangements in 2017 with the intention for all staff, income and expenditure to be managed directly by CDAC Network Limited at the earliest opportunity. The full transition of projects and staff is expected to conclude in April 2019 as Internews Europe is still required by a small number of CDAC's tax-funded donors to remain the accountable partner for current on-going projects.

4. Objectives and activities

4.1 Purposes and aims

The object for which the 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 2017:

- 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 2017

5.1 Aligning Partnerships for Better Results

In 2017 CDAC Network worked consistently to leverage and support collective action to improve communication with communities. In part, we were seeking to deliver on the first aim in our strategy, "to strengthen collaboration and support common services, at the local, regional and global level", playing a critical role as a neutral convenor at leadership level committed to brokering consensus. But, our commitment to collective action also reflects our conviction that collaboration is the key to effectiveness in communicating humanitarian responses to affected populations.

Planned, collective communications approaches in crises are more effective, cheaper, and result in consistent and coordinated messaging. Our 2017 policy paper, 'The Role of Collective Platforms, Services and Tools to support Communication and Community Engagement in Humanitarian Action', demonstrated widespread support for these approaches. The paper notes at national level the shape and functions of collective platforms, services and tools will vary according to context, needs and capacities. It paints a picture of a successful global collective service and national mechanism as an essential cross-sector working approach, rather than a segregated additional cluster, integrated within the humanitarian architecture in a given context.

The global service is designed to support national mechanisms in gathering and disseminating good practice, developing tools and providing guidance. We played a pivotal role in the creation and governance of the Communication and Community Engagement Initiative (CCEI).

We participated in the consultation on Minimum Standards for Age and Disability Inclusion in Disaster Response by the DEPP ADCAP (Age and Disabilities Capacity Project) and continued engagement with sector-wide best practice through the Core

Humanitarian Standard (CHS). We continue to develop our alliances with academics and the private sector, largely through events and engagement.

At the Humanitarian ICT Forum in Silicon Valley in March, our panel featured a speaker from Facebook and our keynote address during the Members' Forum in Bangkok in May was provided by Twitter. We have been active members of the H2H Network, which aligns small- and medium- sized actors in the humanitarian system, pooling funding requests and advocating for innovative and effective use of these actors in emergencies and capacity- building.

Additionally, CDAC Network facilitated collaboration through the Field Response Community of Practice, which convened six times in 2017, with further ad hoc calls for coordination on communication and community engagement issues related to field operations. These calls covered issues related to responses to the food crisis in East Africa, conflict and disease outbreak in Yemen, hurricanes in the Caribbean, flooding in South East Asia, the Rohingya refugee crisis and population movements in Democratic Republic of the Congo. The calls also informed the common services platform paper. CDAC Network supported multi-stakeholder community engagement working groups in Bangladesh, the Philippines, and South Sudan, and were involved in coordination and best practice groups and discussions in several more countries.

5.2 Championing Collective Services

In 2017, the Communication and Community Engagement Initiative (CCEI) was established jointly by UNICEF, OCHA, IFRC, and other partners and other partners, under the auspices of CDAC Network.

The initiative aims to organise collective service to address the need for a more systematic and coordinated approach to communications and community engagement with affected people.

At country level, the collective service will build on existing tools and approaches already implemented by aid and media development actors. It will fulfil several key functions:

- Identify communication needs and applicable communication channels
- Coordinate the provision of appropriate and relevant information to affected communities
- Regularly monitor rumours and perceptions from affected people about aid quality.
- Produce and circulate information to aid providers to support operationalisation, strategy and decision-making processes
- Ensure appropriate communication and community engagement is included in country-level preparedness activities

- Compile and analyse qualitative and quantitative data about aid quality and effectiveness
- Assess the impact of participation and engagement on decision-making processes and aid provision to affected communities

At global level the collective service will: Provide the necessary technical assistance to country programmes

- Supply guidance, tools, and facilitate sharing of best practice
- Maintain standby capacity with trained specialists
- Support country programmes to include communication and community engagement in their preparedness activities

CCEI is documenting case studies from each national platform and is planning a regional workshop in Nairobi in 2018, which will provide lessons and next steps for national platforms in the region.

5.3 Supporting the Dominica Hurricane Response

On 18 September 2017, Hurricane Maria devastated the island of Dominica. As part of the Humanitarian to Humanitarian (H2H) network, CDAC Network deployed a communication and community engagement specialist to provide coordination and technical support to the response. The coordinator supported both the international humanitarian community and the national government.

The Government of Dominica rolled out initiatives to ensure the affected community had some useful information related to disaster response, along with a hotline and helpdesk (in the capital, Roseau) to allow people to ask questions. Despite damage to equipment, local media managed to keep broadcasting. However, due to the damage sustained to equipment and infrastructure (transmitters, repeaters, towers), limited power supply and people losing communications objects like radios and mobile phones, large parts of the island were not reached.

By organising weekly meetings and making targeted efforts to ensure attendance from different actors, including local media, government, national NGOs and international agencies, CDAC Network was able to improve communication and collaboration across the response. To strengthen these relationships and the different activities related to communication and community engagement, we organised a workshop attended by people tasked with collecting feedback, like the government hotline, ensuring information

management across the response (OCHA), implementing activities (WFP, UNICEF) and providing information (local media).

We drafted a local media overview, including a contact list with up-to-date details and circulated it among international actors. We also provided guidance in terms of beneficiary targeting, a toolbox on communication and community engagement, feedback analysis and sharing with the humanitarian community, and an information and communication needs assessments in three locations.

5.4 Innovation: UK Aid's Disasters Emergencies Preparedness Programme

CDAC Network and Start Network support the Disasters and Emergencies Preparedness Programme (DEPP) Innovation window, which ends in March 2019 with CDAC providing technical expertise on ensuring a user-centred approach to the design of humanitarian systems and services. We are hosting one of the three core positions for the programme, Innovation Specialist/Community Engagement Adviser for global innovation labs, who is involved in all major decision-making processes and they contributed to the following activities on the ground and remotely in 2017:

GROWING LOCAL INNOVATION

DEPP innovation labs in Jordan, Kenya, Philippines and Bangladesh are designed to help local communities find practical ways to prepare for disasters. Labs will seek out and grow scalable solutions for disaster preparedness and share new practice and learning with the wider humanitarian sector.

Kenya: Adeso in partnership with iHub, a Nairobi-based support centre for tech entrepreneurs, and Mastercard Foundation established the consortium, Aim. Aim leads two labs in Garissa and Marsabit in the north-east of the country, supporting local innovation to improve drought resilience among rural, pastoralist communities. The labs are working closely with different sections of the community to encourage people to share and develop their ideas. The teams have carried out scoping studies and a number of community consultations to define the problem area and build understanding of what innovation means to different people facing drought-related challenges. The community is central to shaping the lab and the support for local innovators to develop scalable solutions tailored to meet community needs.

Bangladesh: Dhaka Community Hospital Trust (DCHT) heads the lab in Bangladesh in partnership with SEEDS India and academic partners, the University of New South Wales

and Centre for Research on the Epidemiology of Disasters and the civil society network the Asian Network for Disaster Reduction and Response. The consortium has wide-ranging experience and knowledge in disaster preparedness at country level. Focusing on the informal settlement area Korail in Dhaka, the lab hopes to capture and scale innovations residents are employing out of necessity. The lab has established a walk-in community cafe space to enable people to share and develop their ideas and seek training. Innovations will be tested with input from the community and ideas will be selected based on criteria such as scalability and understanding of community needs.

Jordan: The International Rescue Committee (IRC) leads the Jordan lab, which is focused on increasing access to livelihoods for refugee communities. Innovative approaches are required to ensure community resilience in the face of uncertain futures, overburdened social services and challenges to accessing livelihoods in the context of a surging refugee population. Jordan has a rich innovation community, with numerous social innovation projects, hubs and co-working spaces. Many initiatives are still camp-based, while the vast majority of Syrian refugees are living in host communities. Social cohesion and job creation are significant problem areas requiring creative solutions. The lab will run design sprints and provide open lab space to support proposals sourced from the community to be piloted and scaled with the support of small grants.

Philippines: Four labs in Northern Luzon, urban Manila and Central and Southern Luzon, the Visayas, and Mindanao are supported by Plan International with Action Against Hunger (ACF), CARE and the Citizens' Disaster Response Network (CDRN). The Philippines is one of the world's most disaster-prone countries, affected by various kinds of natural disasters (typhoons, drought, earthquakes, volcanic eruptions) as well as armed conflict, causing wide displacement and economic loss.

Start Network and CDAC Network in cooperation with the global technology consultancy Thoughtworks have designed a support programme and online collaborative platform that hosts this global community of practice. CDAC Network has produced community engagement guidance for the labs. The guidance provides support to teams around the challenging aspects of planning and setting up the labs, with input from local communities to overcome barriers to participation.

5.5 Supporting the Grand Bargain Participation Revolution Workstream

On the first anniversary of the World Humanitarian Summit, in May 2017, CDAC Network and the Steering Committee for Humanitarian Response gathered more than 110

humanitarian workers, thinkers and leaders in Bangkok to debate and move forward 'the authenticity challenge to the Participation Revolution': how to effectively engage affected communities and recognise them as decision-makers in humanitarian response.

The Bangkok Forum demonstrated an overwhelming desire among attendees to see more participation by affected people in decision-making around humanitarian assistance. However, it was clear most international agencies, at least, are struggling to make this work. The final judgement about whether organisations are 'participation ready', and whether engagement is 'authentic' can only come from the communities themselves. If there was one point that garnered unanimous agreement at the forum, it was that this is a time when such judgements should matter and result, one way or another, in a demonstrable shift in power.

CDAC will continue to work with its members and the UN, NGOs and donors agencies in 2018 in moving the WHS Grand Bargain commitment on the Participation Revolution forward and have meaningful engagement with people affected by crisis.

5.6 Strengthening Capacity on Communication and Community Engagement

In 2017, we focused on building capacity on communication and community engagement across the humanitarian sector by developing and sharing guides and tools; delivering training; gathering evidence of impact of best practice, and sharing our findings through advocacy activities, particularly focused on the outcomes of work under DEPP and relating to the Grand Bargain. The team represented the organisation at meetings and events around the world, including moderating and participating in panels on social media and connectivity in crisis response.

We released our policy brief, 'The Role of Collective Platforms, Services and Tools to support Communication and Community Engagement in Humanitarian Action' and commissioned the development of a how-to guide on Communication and Community Engagement for the sector supported by a multi-agency steering group. We are also working towards publishing our training materials for CCE with an accompanying facilitator's guide, which will be launched in mid-2018 and have updated the e-learning course 'Communication is Aid' in collaboration with the Humanitarian Leadership Academy.

June saw the launch of 'Rumour has it: a practice guide to working with rumours'. This guide for practitioners examines rumours and frames them as a form of feedback, and provides practical steps to incorporate this information into existing preparedness and response programmes to develop a way of working with rumours both on an individual and inter-agency level. Since the guide's launch, it has remained one of the most popular pages on our website.

During CDAC–NORCAP deployments to Cox's Bazar in November 2017, CDAC Network commissioned a consultancy to provide a snapshot of how equipped the sector is in communication and community engagement surge capacity; our role in supporting that capacity (building on a discussion paper presented at the Members' Council in May); and, identification of any surge gaps that need to be addressed.

We believe effective surge capacity in communication and community engagement is a pre-requisite for effective emergency preparedness and response. The CDAC–NORCAP managed roster was designed for the wider sector in response to an emerging gap for greater expertise in both areas. It offers a range of appropriately qualified, experienced and trained humanitarian communication personnel to deploy to meet this capacity gap. Roster experts are deployed through the existing humanitarian architecture and reinforce it by providing additional coordination and technical capacity to ongoing cluster or agency-specific initiatives. Deployments are mainly at the request of a Humanitarian Country Team, a humanitarian organisation or national disaster management authority. This is to ensure overall community engagement response is as coordinated and complete as possible. Deployment to individual agencies is also possible. The number of requests for technical support for communication and communicating with communities is rising, but some concerns have been raised that current roster or standby profiles do not fully match what is needed at country level. While media and communication skills are essential, finding people who also have strong coordination and participatory engagement skills and wider knowledge of accountability to affected populations and related feedback mechanisms is difficult. Overall, there is a perception that current surge capacity is not sufficient to meet growing demand from different countries. The results of the review will be published in early 2018 on our website.

6. Plans for 2018

We are looking to position the Network at the forefront of “change” development in the sector, operating for the first time as an independent legal entity. We will continue to support the achievement of the Participation Revolution and other Grand Bargain commitments and will look to the potential for community voices and digital inclusion to bridge the humanitarian–development divide. We will be looking to giving opportunities to communities to take their ideas on how to do better preparedness and response without burdening them with complex international systems and frameworks.

In the coming year, we will produce a learning review of our contribution under UK Aid's four-year Disasters and Emergencies Preparedness Programme, titled: Strengthening Information Sharing and Two-Way Communication Preparedness Capacity for Better Dialogue, Better Information and Better Action. This learning will influence the ongoing work of the Communication and Community Engagement

Initiative (CCEI), enabling pre-positioned, national platforms on communication and community engagement in disaster-prone countries. We will launch our 'How-to Guide' on Communication and Community Engagement and 'Facilitator's Guide and Training Pack' for technical training on communication and community engagement in humanitarian response.

We will go beyond providing training for aid workers on communication and community engagement (CCE) and will begin to roll out a training programme on CCE for standby partners to ensure greater capacity in the sector, including at the leadership level.

Additionally, we will be reviewing our 2016–2021 Strategy and will re-structure organisational ways of working. We will also look to building new partnerships with those at the cutting-edge of technology, telecommunications, and data sharing and visualisation to increase affected communities' access to and role in tools and systems development that will enable local-level leadership and more targeted deployment of aid.

7. Reserves policy and going concern

The directors 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 the end of June 2019, there will be sufficient unrestricted reserves to meet the requirements of the Reserves Policy.

8. Principal risks and uncertainties

2017 was a year of transition for CDAC Network as it began its move towards operating as an independent legal entity. Independent Accountants Sayer Vincent were engaged in 2018 to provide accounts preparation services for the accounting period ended 31 December 2017.

As 2018 will be a higher-cost year for the Secretariat as we put our new finance, human resource and ICT systems in place, we will require the continued support, encouragement and patience as we make the transition for our staff, assets and systems in the months ahead.

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

AFFILIATE MEMBERS

- 28. Development Media International
- 29. Freeplay Energy
- 30. EarthX
- 31. Lifeline Energy
- 32. FdL Development
- 33. Film Aid
- 34. High Frequency Co-ordination Conference (HFCC)

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 2017
The following staff were employed by Internews Europe on behalf of CDAC Network in 2017:

Angela Rouse, Senior Programme Manager

Martin Dawes, External Communications and Advocacy Advisor (to August 2017)

Meg Sattler/Hannah Murphy, Innovations Specialist

Sarah Mace, Capacity Development Advisor

Brian Mweene, Communications Assistant, Volunteer

Marian Casey-Maslen, Executive Director

12. Financial Review – Annual Accounts

CDAC Network Limited only 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 for the accounting period ended 31 December 2017,

CDAC Network Ltd total income for 2017 was £53,287 with a total expenditure of £42,668. Income from Charitable funding from DFID/Norwegian Refugees Council for H2H Dominica Hurricane response was £39,993.

CDAC Network Limited ended 2017 with total reserves of £10,619. There was an £18,128 restricted surplus (H2H Dominica) and a £7,509 Membership deficit. This deficit represents costs incurred in the first year of the business in anticipation of a donation from Internews Europe, CDAC Network Limited's previous hosting organisation. The donation was received at the start of 2018 and corresponds to a surplus on membership income held by IEU at the end of 2017.

13. Acknowledgements

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

A special word of thanks to DFID for their generous financial support via the H2H Dominica project; our members for their annual fee contributions and Internews Europe for hosting CDAC staff and projects.

14. Statement of responsibilities of the directors

The directors 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 company and of the incoming resources and application of resources, including the income and expenditure, of the company for that period.

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

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards 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 charity 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 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.

CDAC Network Limited

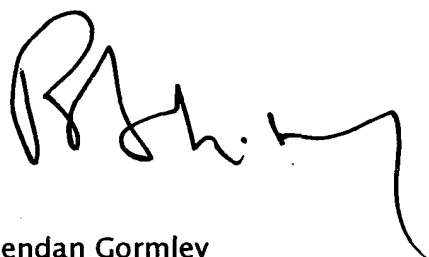
Directors' annual report

For the year ended 31 December 2017

Members of the charity 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 2017 was 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.

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

9 July 2018

A handwritten signature in black ink, appearing to read 'B. Gormley', with a long horizontal stroke extending to the right.

Sir Brendan Gormley
Director and Chair of CDAC Network Limited

CDAC Network Limited

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

For the year ended 31 December 2017

	Note	Unrestricted £	Restricted £	2017 Total £	Unrestricted £	Restricted £	2016 Total £
Income from:							
Donations and grants		-	-	-	-	-	-
Charitable activities	2	-	-	-	-	-	-
Membership		-	-	-	-	-	-
H2H Dominica		-	39,993	39,993	-	-	-
Other – rent charged to IEU		13,294	-	13,294	-	-	-
Total income		13,294	39,993	53,287	-	-	-
Expenditure on:							
Charitable activities	3	-	-	-	-	-	-
Membership		20,803	-	20,803	-	-	-
H2H Dominica		-	21,865	21,865	-	-	-
Total expenditure		20,803	21,865	42,668	-	-	-
Net income for the year	4	(7,509)	18,128	10,619	-	-	-
Transfers between funds		-	-	-	-	-	-
Net movement in funds	12	(7,509)	18,128	10,619	-	-	-
Reconciliation of funds:							
Total funds brought forward		-	-	-	-	-	-
Total funds carried forward		(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 12 to the financial statements.

CDAC Network Limited

Balance sheet

Company no. 10571501

As at 31 December 2017

	Note	£	2017 £	£	2016 £
Current assets:					
Debtors	8	125,560		-	
Cash at bank and in hand		97,950		-	
		<u>223,510</u>		-	
Liabilities:					
Creditors: amounts falling due within one year	9	(212,891)		-	
Net current assets			<u>10,619</u>		-
Total assets less current liabilities			<u>10,619</u>		-
Total net assets			<u>10,619</u>		-
The funds of the charity:	12				
Restricted income funds			18,128		-
Unrestricted income funds:					
General funds		(7,509)		-	
Total unrestricted funds			<u>(7,509)</u>		-
Total charity funds			<u>10,619</u>		-

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
and signed on behalf of the Board of Directors:

9 July 2018

Sir Paul Brendan Gormley
Chair

Jonathan Mitchell
Treasurer

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

Although the company was not registered as a charity at the balance sheet date, registration was anticipated and has now been obtained. Therefore 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.

Key judgements that the company has made which have a significant effect on the accounts include consideration of an unrestricted donation to be received from IEU. Although the accounts for the period to 31 December 2017 show net liabilities on unrestricted funds, this will be covered by funds due to be received in the next financial year.

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.

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.

Notes to the financial statements

For the year ended 31 December 2017

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

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 on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

In 2017 all activity is attributable to the H2H programme, except for lease and and the accountant's fees which are allocated to membership.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by 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.

CDAC Network Limited

Notes to the financial statements

For the year ended 31 December 2017

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 company does not employ any staff directly, and so makes no direct pension payments. Individuals who work on the activities of CDAC Network Limited are covered by the pension provisions of IEU.

2 Income from charitable activities

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Norwegian Refugee Council (NRC)/DfID	-	39,993	39,993	-
Total for H2H Dominica	-	39,993	39,993	-
Total income from charitable activities	-	39,993	39,993	-

CDAC Network Limited receives income under a project implementation agreement with NRC. The grant funding for the project is provided to NRC by DfID.

3 Analysis of expenditure

	<u>Charitable activities</u>					
	Membership £	H2H Dominica £	Governance costs £	Support costs £	2017 Total £	2016 Total £
Staff costs (Note 5)	-	2,591	-	8,189	10,780	-
Staff travel	-	-	-	-	-	-
Premises costs	-	-	-	17,160	17,160	-
Communications and marketing	-	55	-	-	55	-
Office costs	-	-	-	-	-	-
Project travel	-	11,005	-	-	11,005	-
Project other	-	25	-	-	25	-
Finance and administration	-	-	1,800	1,843	3,643	-
	-	13,676	1,800	27,192	42,668	-
Support costs	19,003	8,189	-	(27,192)	-	-
Governance costs	1,800	-	(1,800)	-	-	-
Total expenditure 2017	20,803	21,865	-	-	42,668	-
Total expenditure 2016	-	-	-	-	-	-

CDAC Network Limited

Notes to the financial statements

For the year ended 31 December 2017

4 Net income for the year

This is stated after charging / (crediting):

	2017 £	2016 £
Interest payable	-	-
Operating lease rentals:		
Property (excluding VAT)	14,300	-
Reporting accountant's remuneration (excluding VAT):		
Accountant's review	1,500	-
Accounts preparation	1,500	-

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

Staff costs were as follows:

All staff are employed by Internews Europe. Costs are recharged to CDAC Network.

No employee earned more than £60,000 during the year for CDAC Network Limited work (2016: nil).

The directors were neither paid nor received any other benefits directly from employment with CDAC Network Limited in the year (2016: £nil).

Daniel Bruce is the Chief Executive of Internews Europe (IEU). During 2017 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 (2016: £nil).

No expenses were incurred by or paid to directors for activities related to CDAC Network Limited activities during 2017 (2016: Nil). Expenses were paid to one director for travel related to wider CDAC Network activities, but these have been accounted for by IEU.

6 Related party transactions

Transactions with directors are included in note 5.

IEU has 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 will be paid as a donation to CDAC Network Limited in 2018, and this amount will then be 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.

7 Taxation

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

CDAC Network Limited

Notes to the financial statements

For the year ended 31 December 2017

8 Debtors

	2017 £	2016 £
Other debtors	124,000	-
Rent deposit	1,560	-
	<u>125,560</u>	<u>-</u>

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

9 Creditors: amounts falling due within one year

	2017 £	2016 £
Accruals	30,891	-
Advance income from IEU	35,000	-
Deferred income	147,000	-
	<u>212,891</u>	<u>-</u>

10 Deferred income

Deferred income comprises membership fees for 2018 invoiced in 2017.

	2017 £	2016 £
Balance at the beginning of the year	-	-
Amount released to income in the year	-	-
Amount deferred in the year	147,000	-
Balance at the end of the year	<u>147,000</u>	<u>-</u>

11 Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Net current assets	(7,509)	-	18,128	10,619
Net assets at 31 December 2017	<u>(7,509)</u>	<u>-</u>	<u>18,128</u>	<u>10,619</u>

CDAC Network Limited

Notes to the financial statements

For the year ended 31 December 2017

12 Movements in funds (current 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 is due to end 31 May 2018.

13 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	
	2017 £	2016 £	2017 £	2016 £
Less than one year	3,900	-	-	-
	3,900	-	-	-

14 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. The company has applied to the Charity Commission to register as a charity and expects this to be approved during 2018.

Accountant's report to the Directors of CDAC Network Limited

We report to the company directors on our review of the accounts of CDAC Network Limited for the period ended 31 December 2017.

This report is made solely to the directors as a body, in accordance with our engagement letter dated 29 March 2018. Our review has been undertaken so that we might state to the directors those matters we are required to state to them in a reporting accountant's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the directors as a body, for our review, for this report, or for the opinions we have formed.

Responsibilities and basis of report

As the directors of the company 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, we report in respect of our review of your company's accounts as carried out under our engagement letter. In carrying out our review we have followed the programme set out in our engagement letter.

Reporting accountant's statement

We have completed our review. We confirm that no matters have come to our attention in connection with the review giving us 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 our review; 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)).

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

19 July 2018

Sayer Vincent LLP

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