



elrha

ANNUAL REPORT 2019

Elrha registered charity number 1177110 (England & Wales)

Private company limited by guarantee, registered in England & Wales under company no. 11142219.

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ABOUT ELRHA

OUR IDENTITY

We are a global charity that finds solutions to complex humanitarian problems through research and innovation.

OUR VISION FOR CHANGE: A world equipped to mitigate the impact of humanitarian crises.

OUR MISSION: To improve humanitarian outcomes through partnership, research and innovation.

OUR PURPOSE: To empower the humanitarian community to improve humanitarian response. We make this happen by supporting and championing the outcomes of robust research and proven innovations.

HOW WE ACHIEVE THIS: We are an established actor in the humanitarian community, working in partnership with humanitarian organisations, researchers, innovators and the private sector to tackle some of the most difficult challenges facing people all over the world. We equip humanitarian responders with knowledge of what works, so that people affected by crises get the right help when they need it most.

Our combined focus on research and innovation defines us. It is central to our belief that the humanitarian system urgently requires robust evidence-based solutions. We understand the synergies between research and innovation, and this allows us to invest in both with confidence, knowledge and expertise. We carry out our work through two funding programmes: our research focused R2HC programme and our innovation-focused HIF.

- Research for Health in Humanitarian Crises (R2HC) aims to improve health outcomes for people affected by humanitarian crises by strengthening the evidence base for public health interventions. Our globally recognised research programme focuses on maximising the potential for public health research to bring about positive change in humanitarian response. Since 2013, we have funded more than 60 research studies across a range of public health fields.

- The Humanitarian Innovation Fund aims to improve outcomes for people affected by humanitarian crises by identifying, nurturing and sharing more effective and scalable solutions. The HIF leads on the development and testing of innovation in the humanitarian system. Through HIF, we fund, support and manage innovation at every stage of the innovation process. Our portfolio of HIF-funded projects informs a more detailed understanding of what successful innovation looks like, and what it can achieve for the humanitarian community. This work is leading the global conversation on innovation in humanitarian response.

OUR GUIDING PRINCIPLES

In pursuing our mission and vision, we want to make sure that our work is undertaken in an ethical and robust way. We are led by our six guiding principles:

1. Improving outcomes for people affected by crisis is at the heart of our work.
2. People have a right to quality humanitarian response that is informed by robust evidence.
3. Research and innovation should always be undertaken within a responsible and ethical framework.
4. Evidence must be made widely available and accessible to achieve the greatest possible impact.
5. Collaboration and partnership, including with people affected by crisis, improves the quality, impact and uptake of research and innovation.
6. Creativity, exploration and informed risk-taking is crucial to learn and bring about change.



SAFEGUARDING AND ETHICAL BEHAVIOUR

Maintaining the safety and protection of those we work with and our staff is highly important across Elrha. This includes staff, governance groups, grantees and the people our grantees work with. We have a zero-tolerance approach towards all forms of unethical behaviour, including bribery, facilitation payments, tax evasion and money laundering.

Criminal record checks are completed for all staff and Trustees, and more enhanced checks are performed following a risk-based approach. As part of our due diligence process for grantees, we review their safeguarding policies to make sure they are in line with our policies.

We have a Safeguarding Policy – with a wide definition of vulnerable groups – and Codes of Conduct. These policies set out the standards of behaviour expected from all employees, the Board, our grantees and all others that we work with. R2HC research studies are subject to review by an Institutional Review Board (IRB) to ensure they achieve recognised ethical approval before research is funded.

We have an incident reporting mechanism and are committed to investigating any potential breaches of our policies, whether within Elrha or the projects and studies we fund. All complaints are investigated, following established investigation guidelines, and should internal breaches be substantiated, disciplinary action would be taken, up to and including dismissal. With our grantees, substantiated breaches may result in us withdrawing funding and any other support.

We are committed to openness, and to keeping our donors informed of any complaints and the progress of any investigations. We are also committed to inform and work with our regulators and any relevant law enforcement agency where the complaint warrants this.

While we believe that our systems are effective, we are committed to their on-going review and development. Over the course of the next year, we will continue to identify and implement measures that will enhance policy and practice in this area.

TRUSTEES' REPORT

LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES OF THE CHARITY

The following were members of the Board of Trustees (and also Directors of Elrha for company law purposes), at the date on which the financial statements were approved

- Margie Buchanan-Smith (chair)
- Andrew Shellard (treasurer)
- Wendy Fenton
- Matthew Clancy
- Andy Katz
- Karen Twining Fooks
- Andrew Toby Smith

Legal name: Elrha

Registered office: 1 St. John's Lane, London EC1M 4AR

Other offices: Phoenix House, 8 Cathedral Road, Cardiff, CF11 9LJ

Auditor: KPMG LLP, 15 Canada Square, London E14 5GL

Bankers: National Westminster Bank, PO Box 83, Tavistock House, Tavistock Square, London WC1H 9NA

Solicitors: Dechert LLP, 160 Queen Victoria Street, London EC4V 4QQ

TRUSTEES' REPORT (INCORPORATING A STRATEGIC REPORT AND DIRECTORS' REPORT)

The Trustees (who are also Directors of Elrha for company law purposes), have pleasure in submitting their Annual Report and audited financial statements of the company for the year ended 31 December 2019.

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

1.1 LEGAL STATUS

Elrha is a company limited by guarantee registered in England incorporated under the Companies Act 1985 (11142219). The company is registered as a charity with the Charity Commission for England and Wales (Charity Number 1177110). Save the Children Fund are the sole member of Elrha, therefore Elrha acts as a wholly owned subsidiary of the Save the Children Fund.

1.2 ORGANISATION AND RELATED ORGANISATIONS

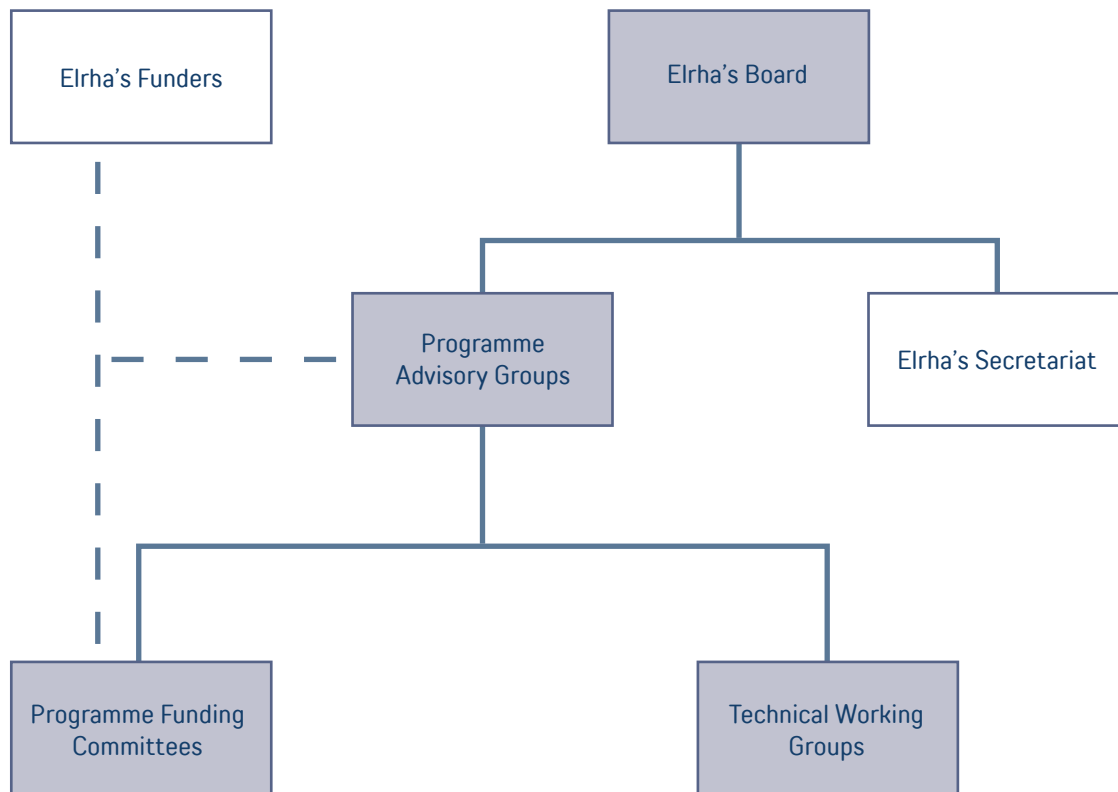
The company was incorporated on 10 January 2018. The activities of Elrha commenced in 2009 within the entity of Save the Children UK. The assets relating to Elrha were transferred to the separate legal entity on 1 May 2018 for nil consideration.

Under Elrha's Articles of Association, dated at incorporation, certain decisions are reserved for the Member. These include, but are not limited to:

- i. any changes to the Articles of Association,
- ii. any alteration to the Charity name or registered office,
- iii. any structural change to the organisation e.g. setting up of subsidiaries, mergers, sales, disposals and liquidations, and the appointment and removal of all Trustees.

1.3 BOARD OF TRUSTEES

As indicated above, Elrha is a limited company and all Trustees are also full Directors of Elrha for company law purposes.



KEY

- - - - - Reporting or liaison (NB Elrha Secretariat reports to & liaises with all bodies)
- Governance responsibility
- Governance body

Trustees, all of whom are non-executive, have been drawn from diverse backgrounds in business and professional life, and bring a broad range of experience and skills to Board deliberations. The Trustees have been appointed in accordance with the provisions of the Articles of Association for Elrha.

All Trustees have received a full induction including meeting with members of the senior leadership team so that they could familiarise themselves with their statutory responsibilities, their role as Board members, the governance framework within Elrha, Elrha's work, and the risk environment. Ongoing training is arranged as and when a need is identified.

There are clear distinctions between the role of the Board and the executive management team to which day-to-day management is delegated. The principle that 'management proposes,' 'Board decides,' 'management implements,' 'Board monitors,' forms the basis of the Board and executive management team interaction. Matters such as policy, strategic planning and budgets are prepared by the executive management team for consideration and approval by the Trustees. The members of the Board cannot, under the governance regulations of the charity, receive remuneration for services to Elrha and may only be reimbursed for incidental expenses claimed.

The terms of reference for the Board are to meet four times a year.

Board attendance was as follows:

NAME	MEETINGS
Margie Buchanan-Smith (chair*)	1/2 (appointed 12 July 2019)
Wendy Fenton (interim chair*)	4/4
Andrew Shellard (treasurer)	4/4
Andy Katz	3/4
Matthew Clancy	1/4
Jamie Cooper	1/1 (resigned 13 March 2019)

*Wendy Fenton resigned as interim chair on 19 November 2019 and Margie Buchanan-Smith was appointed as chair on that date. Karen Twining Fooks and Andrew Toby Smith were appointed as Trustees on 20 January 2020.

1.4 OTHER BODIES IN GOVERNANCE FRAMEWORK

Each governing body has a clear terms of reference which sets out their roles and responsibilities. It also sets out a conflict of interest process to ensure that the bodies uphold the highest standards of transparency and accountability.

1.4.1 PROGRAMME ADVISORY GROUPS

The Advisory Groups advise the Elrha Board in terms of the strategic direction of our grant making programmes. The Advisory Groups provide the Elrha secretariat with technical advice and make recommendations regarding programmatic priorities, set the direction and framework for grant-making, and select Funding Committee members. The Chairs of the Advisory Groups report to the Elrha Board.

1.4.2 TECHNICAL WORKING GROUPS

The Technical Working Groups provide a greater depth of technical expertise in Elrha's focus areas. The Programme Advisory Groups delegate their duties to the Technical Working Groups in these specific thematic areas. The Chairs of the Technical Working Groups report to the Programme Advisory Groups. Our technical working groups for 2019 included one for Water, Sanitation and Hygiene (WASH), one for Gender-Based Violence (GBV), and one for Disability and Older Age Inclusion (DOAI).

1.4.3 PROGRAMME FUNDING COMMITTEES

Our two Funding Committees, one for the HIF and one for R2HC, provide independent assessments and recommendations of funding decisions. The Chairs of the Funding Committees report to the respective Advisory Group.

1.4.4 PROGRAMME FUNDERS

R2HC's Programme Funders retain the ability to veto a proposal before a final decision is made to grant restricted funds to a third party. However, Programme Funders cannot require that a third party receive a grant, and any final decision on whether a grant should be made remains with Elrha. Each funder has equal weight in this process, and recommendations made will reflect a simple majority view. In addition, Elrha's funders may have observer status on the Advisory Groups and/or Funding Committees. This may be an ad-hoc or a regular arrangement and is agreed on a case-by-case basis.

1.5 GRANT MAKING PROCESS

Elrha designs its grant-making calls so that funded projects contribute maximally to its strategic aims. Examples of particular projects are detailed later in this report. Any registered legal entity may apply for grant funding from one of Elrha's programmes, although particular calls may have additional eligibility requirements, depending on the nature of the challenge being set or other needs.

Proposals submitted to Elrha go through the following process.

1. Initially the Elrha secretariat screen the proposal to ensure the proposal is eligible for funding. In addition, for some calls, Expressions of Interest are short-listed by the Funding Committee, with successful applicants being asked to submit a full proposal.
2. Proposals that pass the screening/short-listing stage are reviewed technically by:
 - a. At least one technical reviewer with subject area expertise
 - b. Elrha, who will review the proposal budget

Comments from these reviews are passed to the Funding Committee for consideration alongside the proposal.

The Funding Committee has the authority to make funding decisions up to the amounts agreed in the budget. Its decision-making must follow the agreed process, which varies depending on the size of the grant, but in all cases is transparent and pre-agreed.

Once the Funding Committee has made a decision on the quality of each project, it is subjected to Elrha's Due Diligence process, which is an integral part of Elrha's risk management and part of our established Mandatory Operating Procedures. Key staff members for the project or study are vetted against sanctions and other financial risk lists. The policies of the lead organisation are checked against our safeguarding and financial control principles to ensure they are of sufficient quality. Elrha then weighs the risk of granting to the lead organisation, and only when Elrha is comfortable that risks are within its appetite, or that sufficient mitigations have been put in place to achieve this, will a grant be confirmed.

1.6 FUNDRAISING ACTIVITIES

Elrha's fundraising activities are currently limited to institutional donors and trusts, as well as a consultancy offering. Elrha does not engage in fundraising from members of the public.

1.7. PUBLIC BENEFIT STATEMENT

Charity Trustees have a duty to develop strategic plans to ensure that we provide public benefit and achieve our objectives as set out in our governing document. These objectives include tackling some of the most difficult problems facing people globally by working in partnership with humanitarian organisations, researchers, innovators and the private sector. These objectives fall under the purposes defined by the Charities Act 2011. We have referred to the Charity Commission’s general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

2. STRATEGIC REPORT

STRATEGIC OBJECTIVES FOR 2019

Elrha supports and champions robust research and innovative solutions, championing new ideas and different approaches to evidence what works in humanitarian response.

Our impact is focused on our contributions to a humanitarian sector that is fully equipped to mitigate and reduce the impact of crises around the world.

In 2019 we embarked on our new strategy for 2019 - 2023 which sets out an ambitious new strategic direction for Elrha. Our strategy is outcome-focused: it positions us as a change-maker, effectively coordinating all our capabilities and assets on research, innovation and partnerships to understand and address some of the most complex humanitarian problems.

This new strategy is guided by, and remains true to our Guiding Principles. It builds on our success and expertise and represents a responsible and exciting evolution of our work to date. This year we began work to deliver against our new strategy, and this report represents our progress so far against our four strategic objectives; collectively, they maximise the potential for research and innovation to achieve change and transform the effectiveness of humanitarian response:

Define: We identify and prioritise the most pressing problems within humanitarian response and plan the research and innovation approaches needed to tackle them.

Develop: We invest in the right people to research, explore, develop, and test the solutions to these problems.

Distil: We create and share practical tools and guidance based on the evidence of what works.

Drive: We empower the humanitarian community to adopt what works.

If our vision is to be realised, there needs to be a change in the way we all work:

Commitment: We want to see humanitarian funding decisions routinely informed by the latest evidence of 'what works'. We also want donors to commit to funding the development of long-term transformative solutions.

This means: donors and governments will only want to fund humanitarian interventions that are underpinned by robust evidence, and where this is not possible due to gaps in the evidence base, they will commit to funding research to address the most critical gaps.

Capacity: We want to see that the right people are equipped with the skills and knowledge to adopt 'what works' into policy and practice.

This means: evidence and solutions will be tested in different contexts and will be accessible to the full diversity of the humanitarian community.

Culture: We want to see that the right people and the wider humanitarian community have the right motivations and incentive structures to adopt 'what works' into policy and practice. We also want a supportive environment for research and innovation stakeholders.

This means: the humanitarian community – from the donor to the responder – will increasingly professionalise the relationship between evidence and practice. As a result, research and innovation will become normalised within the humanitarian system, rather than be a 'nice to have' extra.

Coordination: We want to see that the right people coordinate and adopt evidence and solutions of 'what works' into locally adapted guidance.

This means: system coordination mechanisms, such as the humanitarian clusters will take responsibility for supporting the access and uptake of 'what works' at all levels. This includes absorbing it into organisation-level guidance or ensuring adaption at local level, so guidance is consistent across the humanitarian system and responsive to those affected by humanitarian crises.



OUR GRANT FUNDING

This year we have supported over 100 research studies and innovation projects around the world. These projects help us to define and address evidence gaps in the humanitarian sector, increase our understanding of key problems and challenges, develop new solutions and evidence, and drive the uptake and adoption of new approaches into humanitarian policy and practice.

Our research studies and projects are supported through our Research for Health in Humanitarian Crises (R2HC) and Humanitarian Innovation Fund (HIF) programmes; each focussing on key thematic areas of humanitarian practice, including Humanitarian Public Health, Water, Sanitation and Hygiene (WASH), Gender-Based Violence (GBV) and Disability and Older Age Inclusion (DOAI). We have also been continuing to focus on scaling innovation, as well as expanding our work on supporting locally-led innovation through our unique partnership with ADRRN, and we have responded to acute crises including the Ebola outbreak in DRC and Cyclone Idai in Mozambique.

Below is a summary of the work of our programmes in 2019.

HUMANITARIAN INNOVATION FUND (the HIF)

Our HIF programme improves outcomes for people affected by humanitarian crises by identifying, nurturing and sharing more effective and scalable solutions.

In May 2019, it launched its biggest funding call to date with five separate challenge areas covered and over £1.8 million available in funding. The funding call included the following Innovation Challenges:

Inclusion of older people and people with disabilities in humanitarian response:

- [Understanding the barriers faced to inclusion in gender-based violence \(GBV\) programming](#)
- [Understanding the barriers faced to inclusion in water, sanitation & hygiene \(WASH\) programming](#)

Water, Sanitation & Hygiene (WASH):

- [Safe, dignified and inclusive menstrual hygiene management \(MHM\)](#)
- [Understanding the barriers faced by people living with incontinence](#)

Gender-based violence (GBV):

- [Driving the adoption of effective M&E approaches for GBV programming](#)

Close to 500 applications were received for these Innovation Challenges, with 13 innovative projects ultimately offered funding.

OUR WORK IN WASH

In 2013, we began our work in WASH with a bold ambition: to identify and prioritise key problems in the field and to find and nurture innovative solutions to address these at scale. To date, we've supported more than 40 innovation projects or research studies in this area.

Our projects collectively address some of the most pressing challenges faced by humanitarian WASH practitioners globally, and together, we're looking for what works. We're seeking out innovation potential and creative problem-solving, and we're supporting rigorous testing and evidence-building that drives progress in humanitarian response.

What we have delivered this year:

This year we have been further exploring the interconnection between our three thematic areas of work in the HIF. We commissioned a new rapid review report to explore opportunities and priorities to integrate a Disability and Older Age Inclusion “lens” into our existing WASH initiatives. The study has enabled us to begin directing new resources for innovation into this important area of humanitarian inclusion.

As part of our largest ever call for innovations, we included three new WASH challenges:

- Solutions for better ***Menstrual Hygiene Management (MHM)***
- Improved understanding of ***incontinence management***
- Improved understanding of the ***inclusion of older people and people with disabilities*** in WASH and GBV programming

The call generated new innovations to help address these critical needs:

The funded Menstrual Hygiene Management innovations include: making the needs of women with impairments a priority; exploring zero waste products; and co-designing culturally competent and safe MHM spaces.

Incontinence management innovations focus on: understanding the barriers older people face when it comes to humanitarian WASH programming; the needs of women living with obstetric fistula in areas with protracted conflict; and supporting women and children with incontinence in Bangladesh and Uganda through a research and practice partnership.

Building better evidence on what works:

The WASH sector is now one of the most advanced in the development of innovative solutions, however, there remains a critical lack of evidence demonstrating the performance of new innovations in real-world humanitarian settings, this subsequently limits the uptake of promising new solutions. In response to this we launched our WASH Evidence Innovation Challenge in November. This is a new type of Innovation Challenge for us which will support applicants to rigorously test promising innovations and address evidence gaps in humanitarian WASH.

Working with the Global WASH Cluster (GWC):

Preparations to update our *Global WASH Gap Analysis* also got underway this year in partnership with the Global WASH Cluster. The full Gap Analysis will be undertaken in 2020, but in order to ensure maximum relevance and impact of the report, we have undertaken significant desk research and established a new Review Group with high level WASH decision-makers, to ensure the Gap Analysis responds to the latest evidence and identifies the most critical needs in the sector.

Our WASH response to Cyclone Idai highlighted a *general lack of mechanisms at a global level to support and motivate both international and local emergency responders to assess and engage with new innovations*. This led us to working with the GWC to explore potential mechanisms to showcase new innovations and create structures that enable and incentivise humanitarian organisations to adopt innovations and test them in an ethical way. This work will be further developed in 2020.

Wash innovation catalogue and showcase:

In January 2019 we launched our WASH Innovation Catalogue. The first of its kind, the catalogue offers a unique overview of some of the most promising new solutions in WASH and is designed to help practitioners decide which innovations could help them solve their most pressing problems.

The Catalogue was launched at our [WASH Innovation Showcase](#) in London, where the people behind over 40 WASH innovations we've funded since 2013 were able to pitch their cutting-edge solutions to tackling some of the most challenging problems in WASH.

The event brought together WASH practitioners, researchers, donors and innovation experts to connect and see how they can support these innovations to scale.

OUR WORK ON GENDER-BASED VIOLENCE (GBV)

Gender-based violence (GBV) in humanitarian settings is a life-threatening issue. It undermines dignity, causes pain, and is a threat to equality and development around the globe. GBV in emergencies has too often been overlooked during times of crises, or not considered to be a humanitarian need. Despite initiatives over the past ten years to implement GBV programmes in emergencies, the practical difficulties are complex and context specific.

In 2015, we realised that the potential for innovation to improve humanitarian GBV was relatively unexplored and there was a lack of evidence as to what works.

In response, we developed a new innovation programme to address the primary needs in humanitarian GBV where our research identified innovation could best support. Through this programme we have created new and targeted innovation approaches to tackle GBV challenges and we've included the insights of people affected where appropriate and possible.

What we have delivered this year:

A major focus for us this year has been our work to develop our Technical Working Group for humanitarian GBV. We have recruited a group of global experts with a range of experience and technical expertise, not only in GBV, but also in gender and protection. This group provides us with the crucial guidance and decision-making ability to direct our work to achieve maximum relevance and impact for those working in GBV, and ultimately those affected by GBV during humanitarian crises.

We also started work to explore the interconnection between GBV and *Disability and Older Age Inclusion*. We commissioned a rapid review, in partnership with VOICE, to explore opportunities to bring a DOAI “lens” into our existing GBV initiatives. The study has enabled us to begin directing new resources for innovation into this important area of humanitarian inclusion.

As part of our largest ever call for innovations launched in May, we included a new GBV challenge that called for solutions that ***drive the adoption of effective Gender-Based Violence (GBV) M&E approaches.***

The GBV innovations funded include one that is taking a human-centred design approach to reduce barriers that prevent humanitarian actors from measuring the Inter-agency GBV Minimum Standards, and one that aims to assess gender biases among humanitarian actors implementing GBV programmes and to pilot behavioural design innovations.

Collaborating for bigger impact:

In line with our strategy, our GBV work aims to expand its impact by developing new types of collaboration and partnership. We do this by working closely with global GBV initiatives, humanitarians, researchers and innovators. In 2019, these included the **Call to Action on Protection from GBV in Emergencies**, the IDIA's **Gender & Innovation Working Group (GIWG)**, and our work with **VOICE, a leading organisation advocating and championing women and girls in re-shaping response.** We also continued to **support the 16 days of activism against Gender-Based Violence**; an international campaign coordinated by the [Center for Women's Global Leadership](#) and used around the world as an organising strategy to call for the elimination of all forms of gender-based violence.

The core 16 Days campaign takes place every year between **25 November and 10 December – Human Rights Day** - and is run by more than 6,000 organisations in 187 countries.

OUR WORK ON INCLUSION OF PEOPLE WITH DISABILITIES AND OLDER PEOPLE

This year we launched our newest innovation stream of work focusing on the inclusion of people with disabilities and older people. This area of work explores the barriers to, and supports opportunities for, inclusion of older people and people with disabilities in humanitarian response. We believe humanitarian innovation has much to contribute to this agenda and to generating a more effective and inclusive humanitarian response.

We want to see a humanitarian system that upholds the rights of people with disabilities and older people, and recognises their capacities and views. We want to see a humanitarian system where inclusion is recognised as the responsibility of all actors, not just specialist agencies. Overall, improving our understanding of the barriers to inclusion for people with disabilities and older people in humanitarian response means we can better uphold the principles of humanity and impartiality, and we can improve outcomes for all individuals affected by crises.

What we have delivered this year:

Working under the guidance of our new Technical Working Group, this year we have focused on developing and commissioning a major Gap Analysis into innovation needs and priorities for disability and inclusion in humanitarian response. This robust exercise will engage with communities and with experts working in the humanitarian sector, to help us to identify the evidence gaps, priorities and opportunities for innovation and research to enable the inclusion of older people and people with disabilities in humanitarian response. This global Gap Analysis will be published in 2020 and will guide our future work in this area.

In our Innovation Challenge, we included two new challenges seeking innovative projects that could improve our understanding of **incontinence management** in humanitarian response, and projects that could improve understanding of the **inclusion of older people** and **people with disabilities** in WASH and GBV programming.

The funded innovations are exploring the inclusion of older people and people with disabilities in Indonesia, Sudan, Iraq and Syria. They include a project that is looking into how humanitarian actors and affected communities perceive the importance of inclusive WASH; and one undertaking qualitative and quantitative data collection methods to explore the barriers that prevent people with disabilities and older people from accessing GBV services.

As shared in our work in WASH and GBV, our exploration of the intersection between disability and inclusion, WASH and GBV, resulted in **two rapid reviews published to explore opportunities and priorities to integrate a Disability and Older Age Inclusion “lens” into our existing WASH and GBV innovation work.**

OUR WORK ON LOCALISATION

We recognise the central role of local and national actors in improving the relevance, effectiveness and immediacy of humanitarian response. We believe the involvement of these organisations in humanitarian research and innovation is essential to inform ‘what works’, and that innovations can be stronger and more effective if they are developed with the input of those most affected by the problems they aim to solve.

We know that currently our portfolio of funded research and innovation reflects the wider bias in the humanitarian sector where funding is mainly allocated to larger, international organisations, likely to be located in the ‘Global North’. To address this imbalance, and further ‘localise’ our innovation funding and support, we formed a strategic partnership with the [Asian Disaster Reduction and Response Network \(ADRRN\)](#), a network made up of 52 national and international NGOs from more than 20 countries across the Asia-Pacific region.

Through this partnership we have supported organisations based in multiple countries to access funding for locally developed innovations, with the aim of making their communities more resilient to humanitarian crises.

What we have delivered this year:

This year we have been focusing on supporting innovators in the Philippines and India. Through ADRRN we have developed two country focal point partnerships with the *Philippines Centre for Disaster Preparedness and Sustainable Environment and Ecological Development Society (SEEDS)* in India to lead the work in each country. Country focal points work with us to identify the priority problems in their context, identify and mentor innovators and support the development of innovation management training and approaches.

In the Philippines we have been focusing on Earthquake Resilience in the light of the magnitude 7.2 ‘Big One’ earthquake, anticipated to strike in the West Valley Fault. In India, the focus has been on flooding and water scarcity in urban and peri-urban areas in India. We provide funding to innovation teams in the form of initial ‘seed funding’ and longer-term follow on grants.

We awarded three 'seed funding' grants in the Philippines and co-facilitated our first training workshops with participants from SEEDS in India. This work will further develop in 2020, with further workshops, grants, and expansion to a third country focal point. In 2019 members of the Elrha team also joined ADRRN to attend the Asia-Pacific Regional NGO Partnership Week. There, we supported ADRRN's Regional Innovation Forum, with the theme 'Localisation of Innovation Management' and co-hosted a session on 'Rethinking Equitable Partnerships: Innovating in Due Diligence'.

During the week we interviewed friends and partners of our HIF programme, and asked 'What does localisation mean to you?'. We also asked what change they would like to see from international organisations, as well as what role local, national and regional organisations play when it comes to localisation.

These video interviews will form part of a 2020 communications campaign that aims to share the voices of our partners in the Asia-Pacific region and introduce our localisation work.

OUR WORK TO SUPPORT THE HUMANITARIAN INNOVATION ECOSYSTEM

What we have delivered this year:

In March we fully published our new *Humanitarian Innovation Guide*. The Guide is an evolving online resource to help individuals and organisations navigate the humanitarian innovation journey. The Guide has seen significant uptake since its launch, with almost 10,000 users, and we have continued to support its use through events and online webinars throughout the year. Further development work to add new resources to the Guide has been ongoing.

Work to develop a new HIF ethics tool has also been undertaken this year. This tool will include key ethical questions for all stages of the innovation process and navigation through the choices humanitarian innovators may need to make. This new tool will complement the other practical tools featured in our Humanitarian Innovation Guide and reinforce our strong strand on ethics and the management of risk.

In June, we co-hosted the **Humanitarian Innovation Exchange Event** in the Hague. This was a partnership between us, the Dutch Coalition for Humanitarian Innovation (DCHI) and Leiden University. Over 100 participants attended from across the humanitarian innovation community, and provided a strong platform to profile the HIF's work on the Humanitarian Innovation Guide, ethics and our ongoing work on scaling innovation.

OUR WORK ON SCALING INNOVATION

Newly-developed and piloted innovations in the humanitarian sector often fail to gain the traction necessary for sustained use and wider uptake. This means that work and resources are wasted, and great ideas don't reach their full potential.

Innovators face a range of barriers to scale, from lack of hands-on experience and knowledge, to inadequate funding and challenges to meet evidence needs. There are also systemic barriers that require a coordinated response from actors across the sector.

In 2016, we introduced our 'Journey to Scale' work to support promising innovations to become scale-ready through a bespoke package of advice, tools and guidance. With our funding and bespoke package of support, three promising innovations have been able to grow, adapt and – most importantly – scale.

<p>Healing in Harmony: Make Music Matter and Panzi Foundation</p> <p>From providing music therapy to survivors of sexual violence in one hospital, to multiple communities around the world. Learn more</p>	<p>Words of Relief: Translators without borders</p> <p>From lost in translation, to getting local language communication onto the humanitarian response agenda. Learn more</p>	<p>Making humanitarian supplies in the field: Field Ready</p> <p>From relying on lengthy supply chains, to local communities equipped to provide aid that is faster, cheaper and better. Learn more</p>
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Our work on scale goes beyond these three grantees, or even our wider portfolio of funded innovations. We have also been stepping up our work to address some of the systemic challenges that prevent innovations from achieving the most impact, and working with actors across the sector to tackle the complex barriers that need to be overcome if humanitarian innovation is going to achieve truly transformative change.

This year we focused on the role that humanitarian donors can play in enabling innovation to scale, following up on the calls to action set out in our [Too Tough to Scale?](#) report published in 2018. We hosted a series of **donor round-tables on Addressing the Barriers to Scale**; three were held during 2019 exploring the role and actions that donors could take collectively.

We are delighted that since our initial hosting, the donor group has committed to continue meeting regularly and hope to take further collective action to coordinate and support effective scale up of humanitarian innovation.

RESEARCH FOR HEALTH IN HUMANITARIAN CRISES (R2HC)

Our R2HC programme aims to improve health outcomes for people affected by humanitarian crises by strengthening the evidence base for public health interventions.

What we have delivered this year:

FUNDING NEW PUBLIC HEALTH RESEARCH

Our Sixth Annual Call for proposals (launched in 2018) resulted in us providing funding to seven exciting new research studies in 2019. This call received 175 eligible research proposals, with 31 invited to prepare Full proposals.

With so many strong proposals, deciding on the final few was very difficult but the successful studies were chosen because of their rigorous methodology and their potential to achieve impact.

Once they begin their research these new studies will join our expanding portfolio, alongside Pasteur Institute Dakar's 'lab-in-a-suitcase' which was used in the Democratic Republic of Congo to support the recent Ebola outbreak and the International Rescue Committee's study into building a cross-sectoral Menstrual Hygiene Management toolkit – now a key reference in the 2018 Sphere Guidelines.

The new funded studies tackle some of the most pressing areas for research in the field of humanitarian health. Collectively, they will make an important contribution to the evidence base, helping to improve public health outcomes in humanitarian crises. **They include studies exploring:** *evaluating a counselling intervention for pregnant women and girls affected by intimate partner violence (IPV) in a refugee camp; the effects of cash transfers on intimate partner violence; the effectiveness, cost-effectiveness, and coverage of severe acute malnutrition treatment delivered by Community Health Workers; and a study which seeks to understand the intermediate and long-term impacts of attacks on medical facilities and personnel in Syria, on health outcomes in communities.*

R2HC's ability to support responsive research in acute public health emergencies was a key feature of our work this year, with our response to the Ebola outbreak in DRC. As part of our commitment to conducting research that can contribute to a humanitarian response in real time, we provided support and funding to five unique research studies.

The studies take a variety of different angles; from anthropological research into how to build better community trust towards Ebola treatment, to clinical bacteriology tools. and each has enabled the development of critical new evidence that continues to support the ongoing response to the crisis:

Pilot clinical bacteriology in the EVD care response to detect inter-curing bloodstream infections and inform about appropriate antibiotic treatment ~ Institute of Tropical Medicine (ITM), Antwerp	To examine the potential contribution of bacterial co-infections to deaths in Ebola Treatment Centres.
Anthropological research on humane designs of Ebola treatment and care to build trust for better health ~ Martin Luther University Halle Wittenberg	To examine how humane designs of treatment and care at Ebola Treatment Centres influence the formation of trust.
Evaluation of community-based Ebola control interventions ~ London School of Hygiene and Tropical Medicine (LSHTM)	To evaluate the epidemiological and decision-making impact of two community-based interventions to control Ebola.
Population-based monitoring of social dynamics, perceptions and behaviours related to the Ebola outbreak and response ~ Brigham and Women's Hospital	To investigate public perceptions and behaviours of populations in eastern DRC in response to the Ebola outbreak and response.
Impact of Community Engagement on Infection Prevention and Control Measures for Ebola Preparedness ~ International Rescue Committee (IRC)	To investigate the integration of community engagement activities to an infection prevention and control (IPC) intervention package in health facilities.

BUILDING A UNIQUE COMMUNITY

Over the last seven years the R2HC programme has built a unique community across humanitarian public health practice and research. This community represents a wealth of expertise and experience. We work hard to maximise its potential for the humanitarian system by commissioning research and facilitating critical conversations that support the community to share knowledge and progress practice.

This year we held our second **Research** Forum on 10–12 September, bringing together 120 humanitarian health researchers, practitioners and key stakeholders at Royal Holloway University, London. The purpose of the two-day event was to foster exchange of cross-cutting evidence and knowledge generated from within the humanitarian health research community, and to identify actionable recommendations to overcome common challenges to enhance the quality and effectiveness of humanitarian health research.

Throughout the Research Forum, we captured and amplified voices from across the research community, asking them to share their experiences, insight and advice on working together for better humanitarian health research. Discussions about **Working collaboratively** explored topics from diverse backgrounds and meaningful, equitable partnerships, to engaging with communities affected by crisis and best practice for collaborating with host governments.

In the run-up to the Research Forum, we also commissioned three studies to draw together knowledge from across our community:

Research Partnerships Review, which through a literature review and interviews, explores and examines the experiences of R2HC-funded research teams to better understand the opportunities and challenges to fostering fair, equitable, effective and responsible research partnerships.

Research Methodologies in Humanitarian Crises Review examines the different research methods used and focuses on the evidence of adaptive or innovative methodological approaches.

Mitigating Operational Challenges in Humanitarian Health Research, which draws from our portfolio of funded research studies and looks at the range of challenges research teams have faced and what solutions they adopted, providing practical guidance and suggestions for anyone planning research in emergency settings.

SUPPORTING RESEARCH PARTNERSHIPS

R2HC has a particular focus on enabling robust partnerships between academia and humanitarian practitioners. We believe these partnerships enable rigorous research to be undertaken that deals with the most relevant, real-world humanitarian challenges. Such partnerships also increase the likelihood of the uptake of research findings into policy and practice. R2HC's Annual funding Calls require the demonstration of these partnerships from all applicants and we provide a range of additional support to applicants and grantees alike.

This year, as part of our Seventh Annual Call for Proposals in June, we provided seed funding to 25 shortlisted applicants to support their research partnerships and help them to develop their proposals. We provided further bespoke partnership support to 20 of these applicants through online training and resources, and ran a dedicated skills building workshop on research partnerships at our Research Forum.

FOCUSING ON RESEARCH IMPACT

We have been working on the roll out of **research uptake and impact** training with grantees using our bespoke *Research Impact Toolkit (RIT)*, developed with ODI who adapted their ROMA tool into a *RIT* specifically targeting our R2HC humanitarian health research partnerships. Alongside this, we developed a new workshop to support our grantees to use the toolkit, and conducted workshops with grantees in Jordan, at our Research Forum and online through webinars.

We want humanitarian decision-makers to be able to read, use and apply the findings of the research we fund. But translating lengthy academic research articles into something more suitable for these audiences needs a certain style and structure. We created a template that study teams could use to communicate the main points of their research in a quick, direct and accessible way. These short 'Research Snapshots' summarise key messages, findings and the implications for humanitarian policy and practice.

A NEW PARTNERSHIP WITH THE ICRC

In 2019, we announced our strategic partnership with the International Committee of the Red Cross (ICRC) to increase the evidence base on violence against healthcare in conflicts and other emergencies, as part of their [Healthcare in Danger Initiative \(HCID\)](#), which aims to address the issue of violence against patients, health workers, facilities and vehicles, and ensuring safe access to and delivery of healthcare in armed conflict and other humanitarian settings. **We know that in order to identify solutions to address violence against healthcare, we need to know what works. We need more evidence.**

To do this, we need to have a better understanding of what evidence already exists, as well as an understanding of how violence against healthcare is being measured, and what instruments and methods are being used to prevent and mitigate violence, so we commissioned a Situation Analysis and Review of the Evidence Base on Violence Against Healthcare.

This review aims to increase knowledge and understanding of the complexities of protection of healthcare through an academic lens, to inform and guide policy and practice, and will bring together openly sourced evidence generated from academia, humanitarian organisations, civil society and government sources which will be used to identify the priority evidence-based gaps.

An eleven-person Expert Working Group, chaired by Vice President of ICRC, Gilles Carbonnier, was established to provide direction to the specific focus and methodology for the review.

The full findings from the Review will be published in 2020, endorsed by the Expert Working Group, with further collaboration with ICRC to address this critical issue.

DONORS

Our global funders help make our work possible. We thank all our donors throughout 2019 for their continued support of the vital work we do supporting research and innovation in humanitarian response.

- Department of Foreign Affairs and Trade Australia (DFAT)
- Department for International Development (DFID)
- Ministry for Foreign Affairs of Denmark
- National Institute for Health Research (NIHR)
- Netherlands Ministry of Foreign Affairs
- Norwegian Ministry of Foreign Affairs
- Save the Children (UK)
- Swedish International Development Cooperation Agency (Sida)
- Wellcome

Our [Humanitarian Innovation Fund \(HIF\) programme](#) is specifically funded by the UK Department for International Development (DFID), the Netherlands Ministry of Foreign Affairs, the Swedish International Development Cooperation Agency (Sida), and the Norwegian Ministry of Foreign Affairs.

Our [Research for Health in Humanitarian Crises programme](#) is specifically funded by the UK Department for International Development (DFID), Wellcome, and the UK National Institute for Health Research (NIHR).

The Global Alliance for Humanitarian Innovation (GAHI), which was hosted by Elrha, was funded by the UK Department for International Development (DFID), the Netherlands Ministry of Foreign Affairs, the Ministry for Foreign Affairs of Denmark and the Department of Foreign Affairs and Trade Australia (DFAT).

3. FINANCIAL REVIEW

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and the second edition of *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*, published in October 2019.

The financial outcome for 2019 is set out in the Statement of Financial Activities on [page 44](#). The comparative figures relate to the 8-month period ended 31 December 2018 as that was the first set of statutory financial statements for the organisation.

INCOME

Total income in the year was £7.3m (2018: £5.6m). 98.5% of this was restricted income received in the form of grants from institutional donors including the UK Department for International Development (DFID), National Institute for Health Research (NIHR), the Dutch Ministry of Foreign Affairs, Wellcome Trust, the Norwegian Ministry of Foreign Affairs, Swedish International Development Agency (SIDA), the Danish Ministry of Foreign Affairs, and the Department of Foreign Affairs and Trade Australia (DFAT). As all restricted income is recognised on a performance basis, the amount recognised was driven by expenditure on the relevant charitable activities.

In 2019, Elrha also began to receive grant income directly from donors for the first time. In 2018 all of Elrha's grant funding was routed via Save the Children UK (SCUK), which had been the original signatory to these agreements prior to Elrha's separate legal establishment. However, in 2019 Elrha entered into direct funding arrangements for the Humanitarian Innovation Fund (the HIF) with DFID and the Dutch and Norwegian Ministries of Foreign Affairs. It is intended that wherever possible, all of Elrha's new funding agreements will be direct, as the organisation moves towards full operational independence.

Gifts in kind of £50k (2018: £44k) consisted primarily of professional services donated to the organisation in support of our activities.

Unrestricted income of £61k was generated through the provision of consultancy services to other humanitarian organisations, drawing upon Elrha's existing expertise and in line with the charitable objectives. This was the first year in which Elrha has provided such services.

EXPENDITURE

Total expenditure in the year was £7.4m (2018: £5.4m). As in 2018, the largest single category of expenditure in the organisation was grants provided to other organisations, which in 2019 amounted to £4.5m (2018: £3.7m). As a proportion of Elrha's total spend, this represents a decline from 69% to 60%, which is primarily attributable to the HIF. During 2019 the previous phase of the HIF's work was winding down, and a new phase beginning with the new direct funding described above. This meant that grants awarded to partners under the previous phase were being closed, and the primary focus of work under the new funding was to define the scope of work, put out funding calls, select the successful grantees, and conduct due diligence and contracting for these new grants. As a result, the relative proportion of grant payments was somewhat lower, and spend on activities conducted directly by Elrha increased.

Direct costs include all programme staff and other costs associated directly with the management of our activities. In total, spend on activities undertaken directly increased as a proportion of the total from 21% to 26%, or £2.0m (2018: £1.1m). Other than the shift in focus for the HIF, R2HC's direct spend was also higher, particularly on the successful organisation of the biennial R2HC Research Forum.

Support costs of £1.0m (2018: £0.6m) include all office running costs, externally sourced support services, and the salaries of staff not directly attributable to programmes.

DISCONTINUED OPERATIONS

The Global Alliance for Humanitarian Innovation (GAHI) ceased to be hosted by Elrha in May 2019, due to the decision of the GAHI donors not to renew funding. GAHI no longer exists, and expenditure in 2019 represents the activities that were required to wind down its activities and produce final reports. As this represents a complete discontinuation of a distinct line of Elrha's charitable activities, GAHI is presented as a discontinued operation in the Statement of Financial Activities, with a net loss of £55k.

3.1 RESERVES AND FINANCIAL POSITION

Our total unrestricted reserves at 31 December 2019 were £145k (2018: £256k). We hold unrestricted reserves to enable us to continue our activities in the event of:

- a temporary loss of income
- a permanent loss of income, to enable us to meet the cost of winding down the organisation if needed

It is Elrha's policy to retain only sufficient reserves to safeguard the continuity of its operations, or to achieve an orderly wind-down if this were not possible, thereby committing the maximum possible resources to further our charitable objectives.

Of the total decline in reserves of £111k in 2019, 50% was a one-off loss attributable to the closure of GAHI. The remainder is comprised of routine support costs which, due to the timing of Elrha's activities and corresponding income recognition in 2019, were not fully covered by indirect cost allowances and therefore required a temporary contribution from reserves.

In light of funding which has been secured in 2019 and 2020, the Trustees are confident that future incoming resources to the charity will be adequate to support the continuation of existing projects and activities, and also to meet other needs which may arise under reasonably possible downside scenarios, until at least the end of 2022. Accordingly, Elrha continues to adopt the 'going concern' basis in preparing the financial statements.

3.2 INVESTMENTS

Elrha held no investments during the period.

3.3 PLANS FOR FUTURE PERIODS

OUR STRATEGY

Our 2019–23 strategy sets out an ambitious direction for us. It's outcome focused: it positions us as a key influencer, effectively coordinating our programmes, guidance and experience on research, innovation and partnerships to understand and address some of the most complex humanitarian problems.

Our new strategy is true to our guiding principles. It builds on our success and expertise and represents a responsible and exciting evolution of our work to date.

There is a need for humanitarian research and innovation.

We believe research and innovation should be central to global efforts to improve humanitarian response. We know that sectors that consistently invest in research and development are proven to be more productive and adaptive than those that don't. However, spend on research and development in the humanitarian sector remains low.

We want to see a world equipped to mitigate the impact of humanitarian crises...

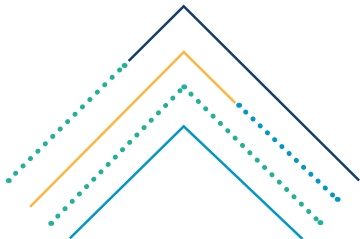
We want to contribute to a global community where **humanitarian actors** at all levels are prepared to respond effectively and efficiently when a crisis happens. They will be equipped with the latest evidence of 'what works', and they'll routinely use cutting-edge solutions. As a result, people affected by crises will get the right help when they need it most.

Our strategy is made up of four interconnected areas of work. Collectively, they maximise the potential for research and innovation to achieve change and transform the effectiveness of humanitarian response:



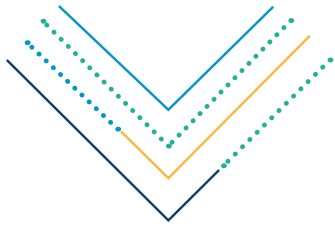
DEFINE

We identify and prioritise the most pressing problems within humanitarian response and plan the research and innovation approaches needed to tackle them. We will be solution-focused, even where problems are at their most complex. We will deepen our understanding around both the context of those problems, and the needs of those who are affected by them. In developing new evidence and solutions, we will continue to collaborate with others so that efforts are coordinated around our key focus areas.



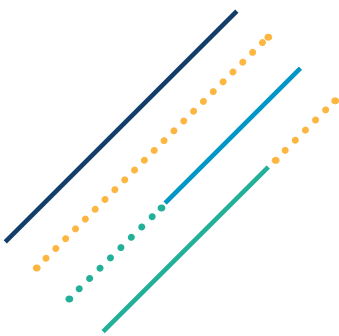
DEVELOP

We invest in the right people to research, explore, develop, and test the solutions to these problems. We will continue to fund the highest quality research and innovation programmes in the humanitarian system. We will use our experience and expertise supporting over 200 research studies and innovation projects to make sure our funded work has the highest chance of success.



DISTIL

We create and share practical tools and guidance based on evidence of ‘what works’. We will systematically collect evidence on study findings and effective innovation solutions from across the humanitarian community. We will develop tools and guidance based on what we’ve learnt from carrying out research and innovation in humanitarian contexts. These will be made available in user-friendly, accessible and appropriate formats.



DRIVE

We empower the humanitarian community to adopt ‘what works’. We will support projects from start to finish, focusing on ensuring maximum impact. We will engage early and regularly with key influencers and decision makers at global and national levels to ensure their involvement and commitment from the very beginning – a crucial component of success in this area of work.

LOOKING AHEAD

Those ‘Four Ds’ - our primary areas of work - will lead us over the next five years. We will report against them, noting what we’ve achieved in each area and how this is affecting the changes we want to see.

3.4 PRINCIPAL RISKS AND UNCERTAINTIES

The major risks to which Elrha is exposed to have been identified by the executive management team and reviewed by the Trustees as part of the annual risk review process. Appropriate systems and procedures are in place to manage these risks and provide reasonable but not absolute assurance against occurrence.

1. **Insufficient funds to continue activities:** Like all organisations, Elrha is dependent on ongoing donor funding in order to achieve our organisational objectives. We have a range of income streams and are not dependent on any single donor. We continue to diversify our donor base, and are introducing new income streams, for example by having a consultancy offering.
2. **Safeguarding or ethical issue:** There is a risk that our funded project teams do not conduct themselves or carry out their project in an appropriate way. This could result in people affected by crises being put at risk of harm or that ethics are not appropriately applied. As well as the inherent harm, Elrha's name, or the names of its donors could be brought into disrepute. We have comprehensive policies in relation to safeguarding in place, including the requirement for all staff to conduct safeguarding training. All staff and members of governance groups are required to sign up to our code of conduct which outlines the expectations we have of those we seek to work with. We perform due diligence on prospective grantees, and monitor projects and studies on an ongoing basis to highlight potential risks and report any allegations of incidents.
3. **Elrha fails to have the desired impact:** There is a risk that, after a number of years of funding many projects and studies, that the sector is not becoming more efficient or effective, and outputs of our projects are not being taken up at sufficient scale to have the impact we are striving for. Elrha has developed an impact strategy and set of measurements to enable us to assess progress against our impact target. R2HC funded projects benefit from a workshop, run by ourselves during the early stages of the project and using our Research Impact Tool, which enables them to establish their impact ambition for the project, and how they will achieve that impact, for example, through outreach and engagement work to drive uptake of the research.
4. **Income generation activities detract from other delivery:** income generation activity could detract us from being able to deliver on other key aspects of our mission. We have considered this risk when planning our resources for the coming years and have ensured that we have sufficient staff and other appropriate resources in place in order to enable us to continue to deliver our key mission effectively.
5. **Impact of Brexit on fundraising:** there is a potential risk of the UK's budget for international development being decreased over time. We continue to strengthen relationships with donors and to look at strategies for diversifying our donor base. We will explore potential strategic partnerships that have access to European funding.

3.5 STAFF

Elrha recognises the commitment and quality of its staff's work and that of others we worked with in 2019. The major achievements during this period, and since Elrha was created, are due to the dedication and belief of all these people.

Elrha is an equal opportunities employer. The aim of our equal opportunities policy is to support the principles of equal opportunities and diversity in employment and is fully compliant with the provisions of the Equality Act 2010.

3.6 POLITICAL DONATIONS

No political donations were made during the period.

3.7 POST BALANCE SHEET EVENTS

In March 2020, Elrha secured an amendment to an existing funding agreement, by which DFID committed additional funding of up to £16.7m towards activities to be conducted by Elrha until 31 March 2023.

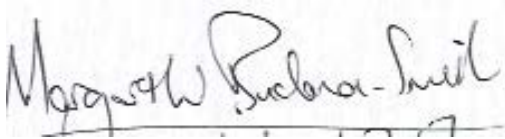
The emergence of the COVID-19 pandemic in March 2020 will have an impact on Elrha's operations in 2020 and beyond, which the Trustees and management are continuing to assess. Overall, the organisation was already well-placed to implement remote working, and day to day activities have continued without interruption. Specific events or activities requiring in-person meetings or international travel are being amended to take place remotely wherever possible. The effects on the work of our grantees is varied and depends on the location and nature of their activities. This is likely to result in 38 delays and/or underspends in the previously planned grant expenditure for 2020. However, Elrha is also working closely with our donors to respond to the crisis by awarding new, responsive grants via both R2HC and the HIF which will specifically address the particular challenges arising in this new environment. As such, we do not believe that Elrha's going concern status is threatened by the current situation.

No significant events have taken place since the period end that would result in adjustment of the financial statements or inclusion of a note thereto.

3.8 AUDITOR

KPMG LLP have expressed their willingness to continue to act as auditors. A resolution to reappoint them, under section 485 of the Companies Act 2006, will be proposed at a future Board of Trustees meeting.

By order of the Board



Margie Buchanan-Smith
Trustee



Andrew Shellard
Trustee

5 May 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES: IN RESPECT OF THE STRATEGIC REPORT, THE TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the Trustees to prepare financial statements for each financial year in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

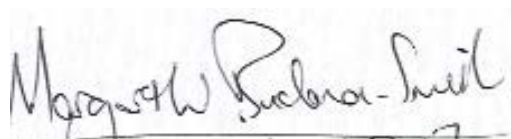
Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of expenditure over income for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charitable company's transactions and 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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

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

On behalf of the Board

Handwritten signature of Margie Buchanan-Smith in black ink.

Margie Buchanan-Smith
Trustee

Handwritten signature of Andrew Shellard in black ink.

Andrew Shellard
Trustee

5 May 2020

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF ELRHA

OPINION

We have audited the financial statements of Elrha (“the charitable company”) for the year ended 31 December 2019 which comprise the Statement of Financial Activities, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

GOING CONCERN

The Trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company’s financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (“the going concern period”).

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements.



In our evaluation of the Trustees' conclusions, we considered the inherent risks to the charitable company's business model, including the impact of Brexit, and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charitable company will continue in operation.

OTHER INFORMATION

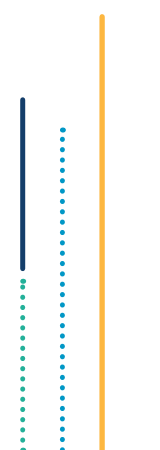
The Trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate and proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- 

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

TRUSTEES' RESPONSIBILITIES

As explained more fully in their statement set out on [page 38](#), the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

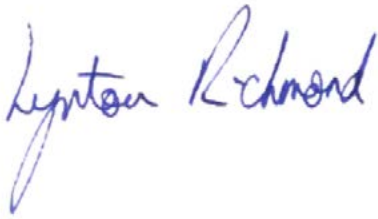
AUDITOR'S RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



Lynton Richmond (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

*KPMG is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.
15 Canada Square, London E14 5GL*

Date: 12 May 2020

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2019

	Notes	Continuing operations		Discontinued operations		Total funds for the year to 31/12/2019	Total funds for the period to 31/12/2018
		Unrestricted funds	Restricted funds	Unrestricted funds	Restricted funds		
Donations	3	£ 50,291	£ -	£ -	£ -	£ 50,291	£ 347,095
Charitable activities	4	60,873	6,940,895	-	244,873	7,246,641	5,283,598
Total income		111,164	6,940,895	-	244,873	7,296,932	5,630,693
Charitable activities	5	(166,987)	(6,940,895)	(55,390)	(244,873)	(7,408,145)	(5,374,952)
Total expenditure		(166,987)	(6,940,895)	(55,390)	(244,873)	(7,408,145)	(5,374,952)
Net income and net movement in funds		(55,823)	-	(55,390)	-	(111,213)	255,741
Reconciliation of funds:							
Funds brought forward		255,741	-	-	-	255,741	-
Funds carried forward		199,918	-	(55,390)	(55,390)	144,528	255,741

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



DISCONTINUED OPERATIONS

The Global Alliance for Humanitarian Innovation (GAHI) ceased to be hosted by Elrha in May 2019, when the relationship ended due to the decision of the GAHI donors not to renew funding. GAHI no longer exists, and expenditure in 2019 represents the activities that were required to wind down its activities and produce final reports. As this represents a complete discontinuation of a distinct line of Elrha's charitable activities, GAHI is presented as a discontinued operation in the Statement of Financial Activities.

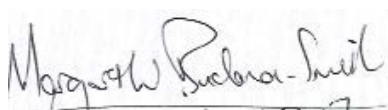
BALANCE SHEET

As at 31 December 2019

	Notes	31/12/2019	31/12/2018
		£	£
Current assets			
Debtors: amounts falling due within one year	11	590,902	829,662
Cash at bank and in hand	16	703,112	300,000
		1,294,014	1,129,662
Liabilities:			
Creditors: amounts falling due within one year	12	(1,149,486)	(873,921)
		(1,149,486)	(873,921)
<hr/>			
Net assets		144,528	255,741
<hr/>			
The funds of the charity:			
Restricted income funds	15,16	-	-
Unrestricted funds	16	144,528	255,741
<hr/>			
Total Funds		144,528	255,741
<hr/>			

The notes on pages [48](#) to [65](#) form part of the financial statements.

Approved by the Board on 5 May 2020 and signed on its behalf by:



Margie Buchanan-Smith
Trustee



Andrew Shellard
Trustee

CASH FLOW STATEMENT

For the year ended 31 December 2019

	Notes	Year to 31/12/2019	Period to 31/12/2018
		£	£
Cash flows from operating activities			
<i>Net cash provided by operating activities</i>	a)	403,112	300,000
Change in cash and cash equivalents in the reporting period		403,112	300,000
Cash and cash equivalents at the beginning of the reporting period		300,000	-
Cash and cash equivalents at the end of the reporting period	b)	703,112	300,000

NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of net income to net cash flow from operating activities

	Year to 31/12/2019	Period to 31/12/2018
	£	£
Net income	(111,213)	255,741
<i>Adjustments for:</i>		
Decrease/(increase) in debtors	238,760	(829,662)
Increase in creditors	275,565	873,921
Net cash provided by operating activities	403,112	300,000

(b) Analysis of cash and cash equivalents

	Year to 31/12/2019	Period to 31/12/2018
	£	£
Cash at bank and in hand	703,112	300,000
Total cash and cash equivalents	703,112	300,000

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

GENERAL INFORMATION AND BASIS OF ACCOUNTING

Elrha is a charitable company incorporated in England and Wales and domiciled in the United Kingdom under the Companies Act 2006. The address of the registered office is:

1 St. John's Lane
London
EC1M 4AR

Elrha is a public benefit entity. The nature of Elrha's operations and its principal activities are set out in the Trustees' report (including the strategic report) on pages [6](#) - [37](#).

Save the Children UK (company number 00178159; charity numbers 213890 (England and Wales) and SC039570 (Scotland)) is the sole member of Elrha. Save the Children UK's principal purpose is to save children's lives and tackle global child poverty. Elrha's results will be consolidated with those of Save the Children UK and the consolidated accounts can be obtained by the public at the registered office address given above.

BASIS OF PREPARATION

The accounts 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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The functional currency of Elrha is pounds sterling because that is the currency of the primary economic environment in which Elrha operates.

The accounts have been prepared under the historical cost convention, the applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", and the Companies Act 2006.

GOING CONCERN

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of Elrha to continue as a going concern. The Trustees make this assessment

in respect of a period of at least one year from the date of approval of the financial statements, including consideration of reasonably possible downside scenarios.

In 2019, Elrha recorded a total loss of £111,213 to reserves. Of this, £55,390 is an exceptional loss related to a discontinued operation. The remaining £55,823 relates to the costs of continuing operations which exceeded income received during the year. Forecasting based on the activities planned and funding committed by donors shows that income can be expected to more than cover recurring operational costs at least until 31 December 2022. As detailed in note 19, a substantial additional funding commitment was made by DFID subsequent to the year-end, which provides additional security for Elrha's future.

Accordingly, the Trustees have prepared these financial statements on a going concern basis.

FUND ACCOUNTING

Unrestricted funds are those which are available for the general purposes of Elrha at the discretion of the Trustees. The Trustees may elect to dedicate some funds for specific purposes. No funds have been dedicated in this way during the period.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the charity for particular purposes. Costs are charged against the specific fund in line with donor wishes. An analysis of each restricted fund is set out in the notes to the financial statements.

INCOME

Income is recognised in the statement of financial activities when Elrha is legally entitled to the income, receipt is probable, and it can be effectively measured.

GRANT INCOME

Most of Elrha's income is donor funding sub-granted from Save the Children UK. In general, grants and sub-grants represent restricted income from governments, agencies and foundations, corporates and trusts, and have been included as 'Incoming resources from charitable activities' where these grants specifically outline the goods and services to be provided to beneficiaries. For these performance related grants, in the absence of specific milestones to determine entitlement, income is recognised to the extent that resources have been committed to the agreed outcomes and outputs as this is deemed to be a reliable estimate of the right to receive payment for the work performed. In this case cash received in excess of expenditure is included as a creditor (as deferred income) and expenditure in excess of cash included as a debtor (as accrued income). Unless otherwise specified by donors, restricted funds are not held in separate bank accounts.

CONSULTING INCOME

Consulting income is income arising from services provided by Elrha to other humanitarian organisations. Such services are closely aligned with Elrha's charitable objectives and expertise, and include activities such as training and research to support other organisations with which Elrha shares common goals. Income from these contracts is unrestricted and any profits generated are used to fund Elrha's other charitable activities. As with grant income, consulting income is recognised either upon the achievement of specific milestones, or in the absence of such milestones, income is recognised to the extent that resources have been committed to the agreed outcomes and outputs, until contract completion allows for a final and accurate accounting of profit or loss.

GIFTS IN KIND INCOME (GIK)

GIK include goods for project distributions or resale, pro-bono services and supplies. GIK must be included in the accounts as income and expenditure and valued at market value by the Chief Operating Officer and/or the donor. No monetary value is attributed to volunteer work.

EXPENDITURE

All expenses are recognised on an accruals basis.

Expenditure on charitable activities is any that relates directly to fulfilling the charitable objects of Elrha.

Grant funding expenditure comprises the direct value of sub-grants made by Elrha to partner organisations during the year, as detailed in note 7. Grants funding costs are reported against the programme to which they relate.

Expenditure on 'activities undertaken directly' includes all costs of activities directly attributable to specific programmes or projects.

Support costs represent core activities and services, such as general management, governance, human resources, communications, financial management and premises costs, and are allocated across the categories of charitable activities in proportion to the services provided.

Staff costs are analysed and apportioned on the basis of management's estimation of the time spent on each activity, and are allocated to activities undertaken directly or support costs according to the role of the staff concerned.

PROVISIONS

Provisions for liabilities are recognised when there is a legal or constructive obligation for which a measurable future outflow of funds is probable. Elrha held no provisions at the balance sheet date. (2018: nil)

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when Elrha becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Elrha only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

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

DEFINED PENSION CONTRIBUTION SCHEME

Save the Children UK operates a defined contribution retirement benefit scheme for all qualifying employees of group companies, including Elrha. For all schemes the amount charged to the statement of financial activities is in respect of the pension contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of Elrha's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure, with the exception of income recognition. In light of the guidance set out in the Charities SORP (FRS 102) all awards have been reviewed to determine their performance related conditions, see Accounting Policies (Grant income).

3. INCOME FROM DONATIONS

	Unrestricted	Restricted	Year to 31/12/2019	Period to 31/12/2018
	£	£	£	£
Donation from Save the Children UK	-	-	-	300,000
Gift in kind income	50,285	-	50,285	44,095
Other	6	-	6	3,000
Total	50,291	-	50,291	347,095

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Year to 31/12/2019	Period to 31/12/2018
	£	£	£	£
Humanitarian Innovation Fund (HIF)	-	2,941,310	2,941,310	2,067,672
Research for Health in Humanitarian Crises (R2HC)	-	3,999,585	3,999,585	2,714,751
Global Alliance for Humanitarian Innovation (GAHI)	-	244,873	244,873	501,175
Consulting	60,873	-	60,873	-
Other Charitable Activities	-	-	-	-
Total	60,873	7,185,768	7,246,641	5,283,598

5. EXPENDITURE

	Grant funding	Activities undertaken directly	Support costs	Year to 31/12/2019	Period to 31/12/2018
	£	£	£	£	£
Charitable activities					
Humanitarian Innovation Fund (HIF)	1,344,565	1,162,296	434,449	2,941,310	2,067,672
Research for Health in Humanitarian Crises (R2HC)	3,118,303	497,001	384,281	3,999,585	2,714,752
Global Alliance for Humanitarian Innovation (GAHI)	-	190,732	54,141	244,873	501,174
Consulting	-	47,591	8,953	56,544	-
Other Charitable Activities	-	61,065	104,768	165,833	91,354
Total expenditure	4,462,868	1,958,685	986,592	7,408,145	5,374,952

Total resources expended include the following:

Fees payable to the auditor

	Year to 31/12/2019	Period to 31/12/2018
	£	£
Audit of financial statements	15,800	15,000
Total audit	15,800	15,000

6. ANALYSIS OF SUPPORT COSTS

	Year to 31/12/2019	Period to 31/12/2018
	£	£
Governance	97,719	90,826
General Management	337,017	146,934
Financial Management	189,636	128,935
Communications Support	166,883	92,266
Human Resources	82,706	59,239
Information Technology	69,504	25,677
Premises and Facilities	43,127	27,926
	986,592	571,803

To enhance transparency about the nature of support costs, a new category has been added for Communications Support. Consistent with this change, the prior period comparatives have also been reclassified on the same basis.

7. ANALYSIS OF GRANT EXPENDITURE

	2019	2019	2019	2018
	HIF	R2HC	Total	Total
	£	£	£	£
Action Against Hunger (Various members)	-	183,940	183,940	18,528
The Alliance for International Medical Action (ALIMA)	-	219,353	219,353	-
American University of Beirut	-	3,749	3,749	-
Amref Health Africa	-	163,296	163,296	-
Anglia Ruskin University	-	5,682	5,682	166,908
Arbeiter-Samariter-Bund Deutschland	35,000	-	35,000	-
ARQ International (formerly War Trauma Foundation)	-	20,517	20,517	34,340
Austrian Red Cross	4,912	-	4,912	-
Basic Water Needs B.V.	832	-	832	-
BRCK Ltd	-	-	-	9,193
Bremen Overseas Research and Development Association (BORDA)	6,771	-	6,771	18,125
Brigham and Women's Hospital	-	149,085	149,085	-
Buklod Tao Inc	9,322	-	9,322	-
Cascade Designs Inc	-	-	-	10,000
CBCP Caritas Filipinas Foundation	-	-	-	5,000
Centre for Affordable Water and Sanitation Technology	-	-	-	5,000
Center for Disaster Preparedness (Philippines)	10,000	-	10,000	-
Childline Zimbabwe	48,580	-	48,580	-
Church World Service Japan	81,500	-	81,500	50,000
Columbia University	-	142,076	142,076	-
Coventry University	-	-	-	42,158
Dalberg Design LLC	24,600	-	24,600	24,600
Deutsche Welthungerhilfe e. V.	17,693	-	17,693	-

	2019	2019	2019	2018
	HIF	R2HC	Total	Total
	£	£	£	£
Durham University	-	35,076	35,076	61,171
Ecole d'économie de Paris	39,998	10,000	49,998	-
Fachhochschule Nordwestschweiz	55,752	-	55,752	80,000
Faircap CIC	18,475	-	18,475	-
Field Ready	52,000	-	52,000	60,000
Flinders University	478	-	478	19,928
The George Washington University	-	-	-	4,848
Handicap International	-	-	-	122,635
The HALO Trust	4,738	-	4,738	-
Heartland Alliance International	33,893	-	33,893	-
Host International	-	-	-	1,000
Ifakara Health Institute	-	5,000	5,000	-
Institute of Tropical Medicine Antwerp	-	96,904	96,904	-
International Centre for Diarrhoeal Disease Research, Bangladesh	-	2,621	2,621	-
International Federation of Red Cross and Red Crescent Societies	4,996	-	4,996	12,352
International Rescue Committee	53,557	263,183	316,740	265,187
Ipas	-	-	-	182,478
Islamic Relief Worldwide	-	5,097	5,097	-
Jesuit Refugee Service	14,986	-	14,986	59,945
Johns Hopkins University	-	456,051	456,051	395,081
Kube Energy	75,000	-	75,000	15,000
Leiden University	10,052	-	10,052	-
Liverpool School of Tropical Medicine	43,862	-	43,862	-
London School of Hygiene and Tropical Medicine	-	140,415	140,415	114,277

	2019	2019	2019	2018
	HIF	R2HC	Total	Total
	£	£	£	£
Make Music Matter	49,300	-	49,300	34,000
Manchester Metropolitan University	4,082	-	4,082	-
Martin Luther University Halle-Wittenberg	-	97,762	97,762	-
Massachusetts General Hospital	-	90,100	90,100	-
McGill University	-	6,312	6,312	-
McMaster University	-	-	-	25,476
No Strings International	33,824	-	33,824	35,040
Nonviolent Peaceforce	-	-	-	49,777
The Ohio State University	-	9,989	9,989	-
Örebro University	-	16,061	16,061	16,061
Ove Arup and Partners Ltd	19,998	-	19,998	39,966
Oxfam (Various members)	164,901	-	164,901	119,878
Panzi Foundation USA	34,682	-	34,682	100,000
Philippine Geographical Society	7,764	-	7,764	-
Première Urgence Internationale	-	9,743	9,743	-
Queen Margaret University, Edinburgh	-	20,330	20,330	33,520
Queen Mary University of London	-	-	-	153,421
Queen's University at Kingston	-	-	-	22,796
Radboud University Medical Center	-	1,701	1,701	-
Real Relief Health ApS	70,109	-	70,109	82,733
RedR	-	-	-	9,986
Research and Grant Institute of Ghana (REGIG)	14,407	-	14,407	-
Rural Development Initiatives in the Islands of Leyte Inc	50,000	-	50,000	-
Save the Children UK	49,441	2,105	51,546	79,938

	2019	2019	2019	2018
	HIF	R2HC	Total	Total
	£	£	£	£
SEMA (İnsani ve Tıbbi Yardım Derneği)	45,890	-	45,890	-
Social Solutions Research Association	60,000	-	60,000	15,000
Solidarités International	51,900	-	51,900	27,600
Stanford University	-	165,457	165,457	-
Swansea University	-	7,343	7,343	-
Terre Des Hommes Foundation	9,744	-	9,744	134,492
Translators without Borders	110,000	-	110,000	-
Tufts University	-	-	-	91,200
Université Catholique de Louvain	-	4,468	4,468	-
Université Laval	-	-	-	8,676
University College London	-	78,899	78,899	-
University of California	-	132,542	132,542	-
University of Edinburgh	-	2,444	2,444	5,000
University of Leicester	4,601	-	4,601	-
University of New South Wales	-	-	-	160,070
University of Oxford	-	1,500	1,500	-
University of Rwanda	-	136,000	136,000	158,333
University of Victoria	5,000	-	5,000	45,000
University of York	-	-	-	45,000
Women and Health Alliance International	-	-	-	9,438
WoMena Uganda	-	-	-	74,083
Women's Refugee Commission	-	3,880	3,880	50,881
World Health Organization	-	199,718	199,718	48,514
World Vision International	-	246,746	246,746	241,717

	2019	2019	2019	2018
	HIF	R2HC	Total	Total
	£	£	£	£
YAKKUM Emergency Unit	-	-	-	991
Refunds of grants previously contracted:	(88,076)	(16,841)	(104,917)	(4,971)
Total	1,344,564	3,118,304	4,462,868	3,691,370

8. TRUSTEES

The Trustees received no remuneration during the year. During the year £166 (2018: £88) was expended on travel and accommodation expenses to attend and participate in meetings of the Board of Trustees for 1 (2018: 1). No donations were received from Trustees during the year (2018: nil).

9. EMPLOYEES

Payroll costs were as follows:

	Elrha	GAHI	Year to 31/12/2019	Period to 31/12/2018
	£	£	£	£
Wages and salaries	995,515	36,294	1,031,809	667,244
Social security costs	102,957	4,418	107,375	62,436
Pension costs	60,674	2,054	62,728	35,810
Other staff costs	3,995	7,343	11,338	14,963
	1,163,141	50,109	1,213,250	780,453

Payroll costs are included under Expenditure as 'Activities undertaken directly' in Note 5 to these financial statements.

The average monthly number of employees during the year was:

	Average headcount ¹		Average FTE headcount ²	
	2019	2018	2019	2018
Elrha	27	19	26	18
GAHI	1	4	1	4
	28	23	27	22

¹ Headcount is defined as the number of roles filled by employees.

² Headcount equivalent is defined as headcount adjusted to take into account hours worked, where employees do not work on a full-time basis.

During the year the following number of employees received employee benefits (excluding employer pensions costs) within the bands shown below.

	Year to 31/12/2019	Period to 31/12/2018
£60,001-£70,000	2	1
	2	1

The total amount of employee benefits received by key management personnel during the year was £257,994 (2018: £233,240).

10. TAXATION

Elrha is a registered charity and as such is not liable to United Kingdom income or corporation tax on charitable activities or primary purpose trading activities.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	56,125	-
Amounts due from parent company	188,563	826,642
Grant debtors	317,119	-
Other debtors	29,095	3,020
	590,902	829,662

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	236,509	427,188
Taxes and social security costs	29,151	27,927
Accruals	30,165	409,376
Deferred income	853,189	-
Other creditors	472	9,430
	1,149,486	873,921

13. FINANCIAL COMMITMENTS

The table below shows the charity's commitment to donors in delivering projects on their behalf, which will be completed over a number of years as detailed below.

	2019	2018
	£	£
Within one year	9,877,447	10,407,229
In years two to five	17,991,655	6,123,381
After five years	-	-
	27,869,102	16,530,610

SUB GRANT COMMITMENTS

Grant-making to partner organisations is a key component of Elrha's work. Sub-grant agreements entered into as at the end of the year committed Elrha to supporting the work of its partners as detailed in the following table.

	HIF	R2HC	31/12/2019	31/12/2018
Within one year	560,357	4,372,286	4,932,643	4,093,537
In years two to five	702,552	1,515,191	2,217,743	1,269,397
After five years	-	-	-	-
	1,262,909	5,887,477	7,150,386	5,362,934

14. ANALYSIS OF CHARITABLE FUNDS

Year ended 31 December 2019

	Opening balance	Income	Expenditure	Closing balance
	£	£	£	£
Unrestricted funds	255,741	111,164	(222,377)	144,528
Restricted funds	-	7,185,768	(7,185,768)	-
	255,741	7,296,932	(7,408,145)	144,528

Year ended 31 December 2018

	Opening balance	Income	Expenditure	Closing balance
	£	£	£	£
Unrestricted funds	-	347,095	(91,354)	255,741
Restricted funds	-	5,283,598	(5,283,598)	-
	-	5,630,693	(5,374,952)	255,741

15. RESTRICTED FUNDS

	Opening balance	Income	Expenditure	Closing balance
	£	£	£	£
DFID - Department for International Development	-	2,224,828	(2,224,828)	-
ECHO - European Civil Protection and Humanitarian Aid Operations (European Commission)	-	(94,472)	94,472	-
MFA Netherlands	-	521,558	(521,558)	-
Government of Norway	-	79,226	(79,226)	-
SIDA - Swedish International Development Cooperation Agency	-	210,170	(210,170)	-
	-	2,941,310	(2,941,310)	-
R2HC				
Wellcome Trust	-	921,334	(921,334)	-
National Institute for Health Research (NIHR)	-	2,263,301	(2,263,301)	-
DFID - Department for International Development	-	814,950	(814,950)	-
	-	3,999,585	(3,999,585)	-
GAHI				
DFID - Department for International Development	-	(122,873)	122,873	-
MFA Netherlands	-	121,533	(121,533)	-
MFA Denmark	-	115,440	(115,440)	-
Save the Children UK	-	37,752	(37,752)	-
DFAT - Department of Foreign Affairs and Trade Australia	-	93,021	(93,021)	-
	-	244,873	(244,873)	-
Total restricted funds	-	7,185,768	(7,185,768)	-

All of Elrha's funding in 2018 took the form of SCUK subgrants to Elrha from the original donor. However, during 2019, Elrha entered into its first funding agreements directly with external donors.

Of the funding received by the HIF in 2019, funds from DFID and MFA Netherlands included both subgrants from SCUK and new grants directly from these donors. Funding from the Government of Norway was received entirely through a direct grant agreement to which SCUK is not a party.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total at 31/12/2019
	£	£	£
Debtors: amounts falling due within one year	110,160	480,742	590,902
Cash at bank and in hand	161,574	541,538	703,112
Creditors: amounts falling due within one year	(127,206)	(1,022,280)	(1,149,486)
	144,528	-	144,528

17. EMPLOYEE BENEFITS

Save the Children UK operates a defined contribution retirement benefit scheme for all qualifying employees of group companies, including Elrha. The total expense charged to the statement of financial activities in the year ended 31 December 2019 was £62,728 (2018: £35,810). Pension contributions are included under Expenditure as 'Activities undertaken directly' in Note 5 to these financial statements.

18. RELATED PARTY TRANSACTIONS

Transactions, including grants, with Save the Children UK are not disclosed on the basis of the exemption available under FRS 102.

19. POST BALANCE SHEET EVENTS

On 20 March 2020 the Department for International Development (DFID) and Elrha signed an amendment to an existing funding agreement in which DFID committed additional funding of up to £16,711,551 towards activities to be conducted by Elrha until 31 March 2023.



elrha

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