

Food for the Hungry UK
Statement of Financial Activities (including Income & Expenditure Account)
Year Ended 31 December 2005

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	Notes	Unrestricted Funds 2005 £	Restricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
Incoming Resources					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
Donations		52,351	154,996	207,347	128,064
<i>Activities for generating funds:</i>					
Interest		1,740	0	1,740	1,526
Other Income					
Exchange rate movement on Euro accounts		3	0	3	(1)
Total Incoming Resources		54,094	154,996	209,090	129,589
Resources Expended					
Costs of generating voluntary income	2	11,727	0	11,727	10,690
Charitable Activities	2	22,892	154,996	177,888	113,840
Governance	2	6,633	0	6,633	6,717
Total Resources Expended	2	41,252	154,996	196,248	131,247
Net movement in funds	2 & 5	12,842	0	12,842	(1,658)
Total funds brought forward		46,178	0	46,178	47,836
Total funds carried forward		£59,020	£0	£59,020	£46,178

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

Food for the Hungry UK
Balance Sheet
As at 31 December 2005

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	Notes	2005 £	2004 £
Fixed Assets	8	695	406
Current Assets			
Debtors	9	15,651	995
Cash at Bank and Building Society		102,200	83,127
		<u>117,851</u>	<u>84,122</u>
Creditors - Amounts falling due within one year	10	59,526	38,350
Net Current Assets		<u>58,325</u>	<u>45,772</u>
Net Assets	11	<u>£59,020</u>	<u>£46,178</u>
Unrestricted funds	12	59,020	46,178
Restricted funds	12	0	0
Total Funds		<u>£59,020</u>	<u>£46,178</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the board onand signed on its behalf by:

B Plumtre
 Director

S Herbert
 Secretary

1. Accounting Policies

The principle accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

(a) Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 1985, the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005 and the Financial Reporting Standard for Smaller Entities.

(b) Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Incoming Resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Grant income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

A 10% element of some restricted grants and donations is treated as unrestricted funds and represents the charity's administrative charge. This income is recognised as unrestricted grants or donations on the face of the statement of financial activities. The charity's policy of taking 10% to cover administration is fully disclosed to donors.

Gift-Aid Tax refunds claimable are disclosed in the accounting period when the relevant income is received.

(d) Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes VAT, which can not be recovered, and is reported as part of the expenditure to which it relates:

Costs of generating voluntary income comprises the costs associated with attracting voluntary income.

Charitable expenditure comprises grants made to fund the overseas work of FHI as well as the costs incurred by the charity in making the grants, recruiting and sending appropriate people to assist where needed and informing people in the UK about the causes of physical and spiritual hunger and poverty, and about appropriate Christian responses.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in note 2.

(e) Foreign Currencies

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into Sterling at rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the Statement of Financial Activities.

(f) Depreciation

Depreciation on fixed assets is provided at rates estimated to write off the cost of each asset over its expected useful life as follows:

Computer equipment:	30% reducing balance
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2. Total Resources Expended

	Generating voluntary income £	Charitable Activities			Governance £	2005 Total £	2004 Total £
		Grantmaking activities to FHI projects £	Supporting seconded international staff £	Attending FHI meetings & projects & visiting seconded international staff £			
Costs directly allocated to activities							
Grants paid (see note 3)	0	105,633	0	0	0	105,633	45,360
Supporting seconded international staff (see note 4)	0	0	52,963	0	0	52,963	48,011
Travel and Motor Expenses	0	0	0	4,232	0	4,232	5,816
Other expenses of seconded international staff including training	0	0	203	0	0	203	1,524
Fundraising and Publicity	4,274	0	0	0	0	4,274	3,600
Legal and Professional	0	0	0	0	1,479	1,479	2,115
Bank charges	0	199	0	0	0	199	137
Support costs allocated to activities							
Salary	4,519	3,390	6,779	3,390	4,519	22,597	20,447
Employer's liability insurance	71	53	106	53	71	354	0
Telephone, Postage and Stationery	2,397	0	300	0	300	2,997	3,351
Subscriptions	407	0	407	0	204	1,018	712
Depreciation	59	45	90	45	60	299	174
Total	£11,727	£109,320	£60,848	£7,720	£6,633	£196,248	£131,247

Total Support costs

£27,265	£24,684
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Basis of allocation of support costs

Salary	Staff time
Employer's liability insurance	Staff time
Telephone, Postage and Stationery	Usage
Subscriptions	Relevance to activity
Depreciation	Usage of computers & equipment

3. Analysis of grants paid

<i>Purpose:</i>	<i>Country/Area:</i>	Unrestricted £	Restricted £	2005 Total £	2004 Total £
Programme Support	Africa	0	1,255	1,255	0
Programme Support	Bangladesh	0	1,201	1,201	1,665
Programme Support	Iran	0	0	0	1,386
Kenya Borehole project	Kenya	0	23,189	23,189	0
Programme Support	Latin America	0	108	108	0
Programme Support	Nkunga, Kenya	0	17,157	17,157	0
Programme Support	Pakistan	0	127	127	0
Programme Support	Romania	0	0	0	2,005
Programme Support	Romania (Roma Cabin)	0	0	0	630
Programme Support	Sharikandi, Bangladesh	0	13,075	13,075	14,999
Programme Support	Sudan	0	572	572	432
Programme Support	Tsunami Appeal	0	21,495	21,495	135
Programme Support	Uganda	0	0	0	481
Work Teams	Various	0	12,411	12,411	10,171
Child Sponsorship	Uganda, Rwanda, Guatemala & Bangladesh	0	15,043	15,043	13,456
Total (see note 2)		£0	£105,633	£105,633	£45,360

4. Analysis of support to seconded international staff

<i>Purpose:</i>	<i>Country:</i>	Unrestricted £	Restricted £	2005 Total £	2004 Total £
Support for Zeidans	Bolivia	0	13,569	13,569	14,144
Support for D Ellis	Canada	0	1,898	1,898	1,817
Support for G Wheeler	Canada	0	108	108	154
Support for Naomi Hall	Kenya	0	7,577	7,577	7,674
Support for A Thompson	Nicaragua	0	523	523	485
Support for W & J Feuerstein	Philippines	0	0	0	500
Support for Robertsons	Romania	0	3,405	3,405	8,925
Support for Zischkas	Romania	0	11,693	11,693	11,707
Support for Parslow	Guatemala	0	9,159	9,159	0
Support for Cristi	Romania	3,600	1,282	4,882	0
Support for Sagert	Guatemala	0	149	149	0
Others	Bangladesh	0	0	0	2,605
Total (see note 2)		£3,600	£49,363	£52,963	£48,011

5. Net Movement in Funds

This is stated after charging:

	2005 £	2004 £
Auditors remuneration	1,479	2,115
Depreciation of tangible fixed assets	1,911	1,612

6. Staff Costs

Staff costs were as follows:

	2005	2004
Wages and salaries for the year	£22,597	£20,447

No employee received emoluments of more than £60,000.

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2005	2004
Generating voluntary income	0.20	0.20
Grantmaking activities	0.15	0.15
Supporting seconded international staff	0.30	0.30
Attending FHI meetings and projects and visiting seconded international staff	0.15	0.15
Governance	0.20	0.20
	<u>1.00</u>	<u>1.00</u>

7. Trustee Remuneration & Related Party Transactions

No trustees received remuneration during the year.

Charitable donations have been paid to Food for the Hungry International, a not-for-profit international association. Mr B Wilson and Mr R Hoag are also directors of that company. These payments were for onward transmission to overseas projects referred to in note 4 and amounted to £105,633 (2004: £45,360). A balance of £56,394 (2004: £36,374) owing to FHI was outstanding at the year end.

Amongst the activities of the charity is the funding of work parties which travelled to Uganda to carry out relief projects. These work parties were previously organised by Mrs M Findlay, a director of this company, who also ran a further work party for the Winchester diocese of the Church of England, using the same bank account which was then analysed to distinguish between the activities. During the year Mrs M Findlay was unable to continue with this role so the work teams are now organised by Food for the Hungry UK. The bank account maintained by Mrs M Findlay was closed in February 2005.

8. Fixed Assets

	Computer & Equipment £
Cost at 1 January 2005	2,018
Additions	588
Disposals	0
	<u>2,606</u>
Cost at 31 December 2005	2,606
Depreciation at 1 January 2005	1,612
Charge for Year	299
Eliminated on Disposal	0
	<u>1,911</u>
Depreciation at 31 December 2005	1,911
Net Book Value at 31 December 2005	<u>£695</u>
Net Book Value at 1 January 2005	<u>£406</u>

9. Debtors

	2005 £	2004 £
Gift-aid reclaimable	15,051	0
Sundry debtor	600	995
	<u>£15,651</u>	<u>£995</u>

10. Creditors (amounts falling due within one year)

	2005 £	2004 £
Accruals	1,410	1,410
Amounts due to Food for the Hungry International	56,394	36,374
Other Creditors	1,722	566
	<u>£59,526</u>	<u>£38,350</u>

11. Analysis of Net Assets between Funds

	Unrestricted £	Restricted £	Total £
Fixed Tangible Assets	695	0	£695
Net Current Assets	58,325	0	58,325
	<u>£59,020</u>	<u>£0</u>	<u>£59,020</u>

12. Movement in Funds

	Balance 1 Jan 2005	Movement in Resources			Balance 31 Dec 2005
		Incoming	Outgoing	Transfers	
Restricted funds:					
Donations toward FHI projects	0	105,633	(105,633)	0	0
Donations for seconded international staff	0	49,363	(49,363)	0	0
<i>Total restricted funds</i>	<u>£0</u>	<u>£154,996</u>	<u>£(154,996)</u>	<u>£0</u>	<u>£0</u>
Unrestricted funds:					
General funds	46,178	54,094	(41,252)	0	59,020
<i>Total unrestricted funds</i>	<u>£46,178</u>	<u>£54,094</u>	<u>£(41,252)</u>	<u>£0</u>	<u>£59,020</u>
Total funds	<u>£46,178</u>	<u>£209,090</u>	<u>£(196,248)</u>	<u>£0</u>	<u>£59,020</u>